PROSPECTUS
Dated May 24, 2013

PURAVANKARA

PURAVANKARA PROJECTS LIMITED

(Incorporated on June 3, 1986 in the Republic of India with limited liability with Company Identification Number (L45200KA1986PLC051571) under the Companies Act, 1956)

Issue of 23,725,351 equity shares# of face value ₹ 5 each (the "**Equity Shares**") of Puravankara Projects Limited (the "**Company**"), including the issue of 2,156,850 Equity Shares pursuant to the exercise of the Over Allotment Option in full, at an Issue Price (as defined hereinafter) of ₹ 81 per Equity Share, aggregating to ₹ 1,921.75 million (the "**Issue**").

THIS ISSUE AND THE DISTRIBUTION OF THIS PROSPECTUS (THE "PROSPECTUS")IS BEING MADE IN RELIANCE ON CHAPTER VIII-A OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI REGULATIONS"). THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO ANY PERSON OR CLASS OF INVESTORS OTHER THAN ELIGIBLE QUALIFIED INSTITUTIONAL BUYERS ("ELIGIBLE QIBS") (AS DEFINED HEREINAFTER) WITHIN OR OUTSIDE INDIA.

 # Subject to finalization of Basis of Allocation. The exact number of Equity Shares to be issued pursuant to the Issue may be required to be adjusted depending on, inter alia, the actual number of Equity Shares Allotted upon finalization of the Basis of Allocation.

ISSUE ONLY TO ELIGIBLE QUALIFIED INSTITUTIONAL BUYERS

The Issue is being made through the Institutional Placement Programme, wherein at least 25% of the aggregate number of Equity Shares to be Allotted in the Issue shall be Allocated and Allotted to Mutual Funds (as defined hereinafter) and Insurance Companies (as defined hereinafter), subject to valid ASBA Applications (as defined hereinafter) being received at or above the Issue Price, provided that if this portion or any part thereof to be Allotted to Mutual Funds and Insurance Companies remains unsubscribed, such minimum portion or part thereof may be Allotted to other Eligible QIBs. Eligible QIBs may participate in this Issue only through an application supported by blocked amount **("ASBA")** providing details about the ASBA Account (as defined hereinafter) which will be blocked by the Self Certified Syndicate Bank.For details, see ***"Issue Procedure"***.

This Prospectus has not been reviewed or approved by the Securities and Exchange Board of India (the **"SEBI"**), the Reserve Bank of India **("RBI")**, The National Stock Exchange of India Limited (the **"NSE"**), the BSE Limited (the **"BSE"**, together with the NSE the **"Stock Exchanges"**) and is intended only for use by Eligible QIBs. A copy of the Red Herring Prospectus has been delivered to the Stock Exchanges and SEBI and registered with the Registrar of Companies, Bengaluru, Karnataka (the **"RoC"**). Copies of this Prospectus have been delivered to the RoC for registration and have been filed with the Stock Exchanges, and SEBI. This Prospectus will only be circulated or distributed to Eligible QIBs, and will not constitute an offer to any other class of investors in India or any other jurisdiction. The Equity Shares offered in the Issue have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of this Prospectus.

The Equity Shares of the Company are listed and traded on the BSE and the NSE. The Equity Shares offered in the Issue are securities of the Company of the same class and in all respects uniform as the Equity Shares listed and traded on the Stock Exchanges. In-principle approvals under Clause 24(a) of the Equity Listing Agreement for listing of the Equity Shares offered in the Issue have been received from the Stock Exchanges. Applications will be made to the Stock Exchanges for obtaining listing and trading approvals for the Equity Shares offered through the Red Herring Prospectus and this Prospectus. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares offered in the Issue to trading on the Stock Exchanges should not be taken as an indication of the merits of the business of the Company or such Equity Shares.

INVESTMENTS IN EQUITY SHARES INVOLVE A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THIS ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "RISK FACTORS" BEFORE MAKING AN INVESTMENT DECISION IN THIS ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THE RED HERRING PROSPECTUS AND THIS PROSPECTUS.

Invitations, offers and issuances of Equity Shares offered in the Issue shall only be made pursuant to the Red Herring Prospectus, this Prospectus together with the ASBA Applications and Confirmation of Allocation Notes. Please see ***"Issue Procedure"***. The distribution of this Prospectus or the disclosure of, this Prospectus its contents without the prior consent of the Company to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their subscription of the Equity Shares offered in the Issue is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Prospectus, agrees to observe the foregoing restrictions and make no copies of this Prospectus or any documents referred to in this Prospectus.

The information on the website of the Company or any website directly or indirectly linked to the website of the Company, other than the Red Herring Prospectus and this Prospectus, does not form part of this Prospectus and prospective investors should not rely on such information contained in, or available through, any such website.

The Promoter had, pursuant to a notice dated May 22, 2013, disclosed his intention to divest up to 14,135,576 Equity Shares pursuant to an offer for sale through the stock exchange mechanism, which was held on May 24, 2013 (the **"OFS"**). Subsequent to the successful completion of this Issue and the OFS, our Promoter will hold 75.00% of our issued share capital on a fully diluted basis.

The Equity Sharesoffered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account of U.S. persons (as defined in Regulation S under the U.S. Securities Act ("Regulation S") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold only (1) in the United States to institutions that are "qualified institutional buyers" as defined in Rule 144A ("Rule 144A") under the U.S. Securities Act, and (2) outside the United States to non-U.S. persons in compliance with Regulation S and the applicable laws of the jurisdictions where those offers and sales occur. Prospective purchasers that are "qualified institutional buyers" as defined in Rule 144A are hereby notified that the sellers of Equity Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. The Equity Shares are not transferable except in accordance with the restrictions described under "Purchaser Representations and Transfer Restrictions" of this Prospectus. In particular, purchasers of Equity Shares who are U.S. persons or inside the United States may only reoffer, resell, pledge or otherwise transfer the Equity Shares to non-U.S. persons in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S. Purchasers in the U.S. Issue are required to make various representations set forth under the heading "Purchaser Representations and Transfer Restrictions – U.S. Issue Purchaser Representations and Transfer Restrictions".

BOOK RUNNING LEAD MANAGERS (in alphabetical order)			REGISTRAR TO THE ISSUE
AXIS CAPITAL	J.P.Morgan	kotak® Investment Banking	LINK INTIME INDIA PVT LTD (Formerly INTIME SPECTRUM REGISTRY LTD.)
Axis Capital Limited Axis House, 1st Floor, C-2 Wadia International Center P. B. Marg, Worli Mumbai 400 025 Tel: (91 22) 4325 3101 Fax: (91 22) 4325 3000 Email: Puravankara@axiscap.in Website: www.axiscapital.co.in Contact Person: Simran Gadh	**J.P. Morgan India Private Limited** J.P. Morgan Tower, Off. C.S.T. Road Kalina, Santacruz - East Mumbai 400 098 Tel: (91 22) 6157 3000 Fax: (91 22) 6157 3911 Email: Puravankara_ipp@jpmorgan.com Website: www.jpmipl.com Contact Person: Ranjan Sharma	**Kotak Mahindra Capital Company Limited** 1st Floor, Bakhtawar 229 Nariman Point Mumbai 400 021 Tel: (91 22) 6634 1100 Fax: (91 22) 2283 7517 Email: ppl.ipp@kotak.com Website: www.investmentbank.kotak.com Contact Person: Ganesh Rane	**Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai 400 078 Maharashtra, India Tel: (91 22) 2596 7878 Fax: (91 22) 2596 0329 Email: ppl.ipp@linkintime.co.in Website: www.linkintime.co.in Contact Person: Sanjog Sud

ISSUE PROGRAMME*

** Details of the Issue programme were disclosed in the Floor Price / Price Band Announcement issued one day prior to the Issue Opening Date.*

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NOTICE TO INVESTORS

The Company has furnished and accepts full responsibility for all of the information contained in this Prospectus and, having made all reasonable enquiries confirms that, this Prospectus contains all information with respect to the Company and the Equity Shares offered in the Issue that is material in the context of the Issue. The statements contained in this Prospectus relating to the Company and the Equity Shares are, in every material respect, true and accurate and not misleading. The opinions and intentions expressed in this Prospectus with regard to the Company and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on information presently available to the Company and are based on reasonable assumptions. There are no other facts in relation to the Company and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Prospectus misleading in any material respect. Further, all reasonable enquiries have been made by the Company to ascertain such facts and to verify the accuracy of all such information and statements.

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Company or Axis Capital Limited, J.P. Morgan India Private Limited and Kotak Mahindra Capital Company Limited (the "**Book Running Lead Managers**"). The delivery of this Prospectus at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state securities commission in the United States or the securities commission of any non-U.S. jurisdiction or any other U.S. or non-U.S. regulatory authority. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold (i) outside the United States in offshore transactions in reliance on Regulation S and (ii) within the United States to "qualified institutional buyers" as defined in Rule 144A of the U.S. Securities Act. Prospective purchasers are hereby notified that the Company is relying on the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A. The Equity Shares offered in the Issue are transferable only in accordance with the restrictions described in "***Purchaser Representations and Transfer Restrictions***". All purchasers will be required to make the applicable representations set forth in "***Purchaser Representations and Transfer Restrictions***".

The distribution of this Prospectus and the Issue may be restricted by law in certain countries or jurisdictions. As such, this Prospectus does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by the Company or the Book Running Lead Managers which would permit an offering of the Equity Shares offered in the Issue or distribution of this Prospectus in any country or jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares to be issued pursuant to the Issue may not be offered or sold, directly or indirectly, and neither this Prospectus nor any Issue materials in connection with the Equity Shares offered in the Issue may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

This Prospectus has been filed with SEBI and the Stock Exchanges and delivered to the RoC for registration, and has been displayed on the websites of the Stock Exchanges and the Company stating that it is in connection with the Institutional Placement Programme and that the offer is being made only to Eligible QIBs.

In making an investment decision, investors must rely on their own examination of the Company and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Prospectus as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, none of the Company or the Book

Running Lead Managers are making any representation to any offeree or subscriber of the Equity Shares offered in the Issue regarding the legality of an investment in such Equity Shares by such subscriber or purchaser under applicable laws or regulations.

Each Eligible QIB subscribing to the Equity Shares offered in the Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in the Company under Indian law, including Chapter VIII-A of the SEBI Regulations, and is not prohibited by SEBI or any other statutory authority from buying, subscribing to, selling or dealing in securities.

The information on the Company's website, except the Red Herring Prospectus and this Prospectus, or the website of the Book Running Lead Managers does not constitute nor form part of this Prospectus. Prospective investors should not rely on the information contained in, or available through such websites, except the Red Herring Prospectus and this Prospectus. This Prospectus contains summaries of terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

NOTICE TO INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or under the securities laws of any state or other jurisdiction of the United States. The Equity Shares are being offered and sold only to (i) non-U.S. persons in offshore transactions in reliance on Regulation S, and (ii) to institutions in the United States that are "qualified institutional buyers" as defined in Rule 144A. Prospective purchasers in the United States are hereby notified that the sellers of Equity Shares offered hereby may be relying on the exemption from the registration requirements under Section 5 of the Securities Act provided by Rule 144A. The Equity Shares are transferable only in accordance with the restrictions described under "***Purchaser Representations and Transfer Restrictions***" of this Prospectus. In particular, purchasers of Equity Shares who are U.S. persons or inside the United States may only reoffer, resell, pledge or otherwise transfer the Equity Shares to non-U.S. persons in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S. Purchasers in the U.S. Issue will be required to make the various representations set forth in the ASBA Application, which are also included in this Prospectus under the heading "***Purchaser Representations and Transfer Restrictions – U.S. Issue Purchaser Representations and Transfer Restrictions***" of this Prospectus.

Each purchaser of Equity Shares inside the United States or who is a U.S. person will be deemed to have represented and warranted, among other things, that such purchaser (i) is a U.S. QIB; and (ii) will only reoffer, resell, pledge or otherwise transfer the Equity Shares in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S.

This Prospectus is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. The information contained in this Prospectus has been provided by the Company and other sources identified herein.

Distribution of this Prospectus to any person other than the offeree specified by the Book Running Lead Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized, and any disclosure of its contents, without prior written consent of the Company, is prohibited.

Any reproduction or distribution of this Prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

REPRESENTATIONS BY INVESTORS

By subscribing to any Equity Shares offered in the Issue, you are deemed to have represented, warranted, acknowledged and agreed to the Company and the Book Running Lead Managers, as follows:

- You are an "Eligible QIB" (hereinafter defined), having a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares offered in the Issue that are Allotted to you in accordance with Chapter VIII-A of the SEBI Regulations;

- You are not a FVCI or a multilateral or bilateral financial institution;

- You are eligible to invest in India under applicable law, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities;

- If you are not a resident of India, but are an Eligible QIB, you are a FII (hereinafter defined) (including a sub-account other than a sub-account which is a foreign corporate or a foreign individual), having a valid and existing registration with SEBI under the applicable laws in India and are eligible to invest in India under applicable law, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities. You are investing in the Issue under the Portfolio Investment Scheme and will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws;

- If you are Allotted the Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell such Equity Shares so acquired except on the Stock Exchanges;

- You are aware that this Prospectus has not been reviewed, verified or affirmed by SEBI, RBI, the Stock Exchanges or any other regulatory or listing authority, other than the RoC, and is intended only for use by the Eligible QIBs;

- You are entitled to subscribe for the Equity Shares offered in the Issue under the laws of all relevant jurisdictions that apply to you and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied with all necessary formalities, to enable you to commit to participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in the Red Herring Prospectus and this Prospectus), and will honour such obligations;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by the Company or its agents (the "**Company Presentations**") with regard to the Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have knowledge of the statements that the Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Managers have advised you not to rely in any way on any information that was provided to you at any such Company Presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material or price sensitive information relating to the Company and the Issue that was not made publicly available by the Company;

- Neither the Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares offered in the Issue, be a client of the Book Running Lead Managers. Neither the Book Running Lead Managers nor any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have any duties or responsibilities to you for providing the protection afforded to its or their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

- All statements other than statements of historical facts included in the Red Herring Prospectus and this Prospectus, including those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Company's business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and environment in which the Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Prospectus;

- You are aware of and understand that the Equity Shares to be issued pursuant to the Issue are being offered only to Eligible QIBs and are not being offered to the general public and the Allocation and Allotment shall be in accordance with the Basis of Allocation, Allotment Criteria and the CAN. See "***Issue Procedure***";

- You have made, or been deemed to have made, as applicable, the representations and warranties set forth in "***Purchaser Representations and Transfer Restrictions***" and "***Selling Restrictions***";

- You have read the Red Herring Prospectus and this Prospectus in its entirety, including in particular, "***Risk Factors***";

- In making your investment decision, you have (i) relied on your own examination of the Company and the terms of the Issue, including the merits and risks involved, (ii) made your own assessment of the Company on a consolidated basis, the Equity Shares offered in the Issue and the terms of the Issue based solely on the information contained in the Red Herring Prospectus and this Prospectus and publicly available information about the Company and no other disclosure or representation by us or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, the effects of local laws, (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of the Company and the Equity Shares offered in the Issue, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither the Book Running Lead Managers nor any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares offered in the Issue (including the Issue and the use of proceeds from such Equity Shares). You will obtain your own independent tax advice and will not rely on the Book Running Lead Managers or any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares offered in the Issue (including, in relation to the Issue and the use of proceeds from the Equity Shares offered in the Issue). You waive, and agree not to assert any claim against, any of the Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares offered in the Issue or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor who is seeking to subscribe to the Equity Shares offered in the Issue for your own investment and not with intent to distribute such Equity Shares and have such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares offered in the Issue. You and any accounts for which you are subscribing to the Equity Shares offered in the Issue (i) are each able to bear the economic risk of the investment in the Equity Shares to be issued pursuant to the Issue, (ii) are able to sustain a complete loss on the investment in the Equity Shares to be issued pursuant to the Issue, (iii) have no need for liquidity with respect to the investment in the Equity Shares offered in the Issue, (iv) have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of subscribing to the Equity Shares offered in the Issue, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares offered in the Issue. You acknowledge that an investment in the Equity Shares offered in the Issue involves a high degree of risk and that such Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares offered in this Issue for your own investment and not with a view to resale or distribution;

- If you are acquiring the Equity Shares offered in the Issue, for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and make the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

- You are neither a Promoter (hereinafter defined) nor a person related to the Promoter, either directly or indirectly, and your ASBA Application does not directly or indirectly represent the Promoter or the Promoter Group (hereinafter defined) or persons related to the Promoter. For the purposes of this representation you will be deemed to be related to the Promoter if you have any rights under any shareholders' agreement or voting agreement entered into with the Promoter or persons related to the Promoter, any veto rights or any right to appoint any nominee director on the Board, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares;

- You have no right to withdraw your ASBA Application or revise the price per Equity Share or the number of Equity Shares mentioned in your ASBA Application downwards;

- You are eligible to apply for and hold the Equity Shares offered in the Issue, which are Allotted to you together with any Equity Shares held by you prior to the Issue. You confirm that your aggregate holding after the Allotment of the Equity Shares offered in the Issue shall not exceed the level permissible as per any applicable regulations;

- The ASBA Application submitted by you would not result in triggering a tender offer under the Takeover Regulations (hereinafter defined);

- You, together with other Eligible QIBs that belong to the same group as you or are under common control with you, shall not be Allotted Equity Shares in excess of 25% of the offer size in terms of Regulation 91H of the SEBI Regulations. For the purposes of this representation:

  a. The expression 'belong to the same group' shall have the same meaning as 'companies under the same group' as provided in sub-section (11) of Section 372 of the Companies Act (hereinafter defined); and

  b. The expression 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations;

  For meaning of the terms 'companies under the same group' under sub-section (11) of Section 372 of the Companies Act and 'control' under Regulation 2(1)(e) of the Takeover Regulations, see "***Issue Procedure***".

- You shall not undertake any trade in the Equity Shares issued pursuant to the Issue and credited to your Depository Participant account until such time that the final listing and trading approvals for such Equity

Shares are issued by the Stock Exchanges;

- You are aware that (i) applications for in-principle approval, in terms of Clause 24(a) of the Equity Listing Agreement, for listing and admission of the Equity Shares offered in the Issue and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges and (ii) the application for the final listing and trading approval will be made after Allotment of the Equity Shares in the Issue. There can be no assurance that the final approvals for listing of the Equity Shares issued pursuant to the Issue will be obtained in time, or at all. The Company shall not be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;

- By participating in the Issue, you confirm that you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or the Company or any of their respective affiliates or any other person acting on their behalf and neither the Book Running Lead Managers nor the Company nor any of their respective affiliates or other person acting on their behalf will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

- You confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares offered in the Issue is contained in the Red Herring Prospectus and this Prospectus, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares offered in the Issue and neither the Book Running Lead Managers nor the Company will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

- The Book Running Lead Managers do not have any obligation to purchase or acquire all or any part of the Equity Shares subscribed for by you or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by the Company of any of its obligations or any breach of any representations and warranties by the Company, whether to you or otherwise;

- You understand that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly, may not be offered or sold within the United States, except in reliance on an exemption from the registration requirements of the U.S. Securities Act;

- If you are a resident of the United States, you are a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act and are acquiring the Equity Shares offered in the Issue for your own account and not with a view for distribution;

- If you are not within the United States, you are a non-U.S. person (as defined in Regulations S) and you are acquiring the Equity Shares offered in the Issue in an offshore transaction meeting the requirements of Rule 905 or Rule 904 of Regulation S;

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Bengaluru, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Issue, the Red Herring Prospectus and this Prospectus;

- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares issued pursuant to the Issue on the Stock Exchanges;

- You agree to indemnify and hold the Company, the Book Running Lead Managers and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach or alleged breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Prospectus. You agree that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares issued pursuant to the Issue by, or on behalf of, the managed accounts;

- You agree to abide by the Basis of Allocation provided in the Red Herring Prospectus and this Prospectus, and the Allocation done in accordance with the Basis of Allocation as overseen by the Stock Exchanges;

- You agree to provide additional documents as may be required by the Company and the Syndicate for finalisation of the Basis of Allocation along with the Stock Exchanges. The Company, the Book Running Lead Managers and their affiliates may rely on the accuracy of such documents provided by you; and

- The Company, the Book Running Lead Managers, their respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on their own behalf and on behalf of the Company, and are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 15A(1) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 (the "**FII Regulations**"), a FII may issue or otherwise deal in offshore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments issued overseas against underlying securities, listed or proposed to be listed on any recognized stock exchange in India, such as the Equity Shares offered in the Issue (all such offshore derivative instruments are referred to herein as "**P-Notes**"), for which they may receive compensation from the purchasers of such instruments. P-Notes may be issued only in favour of those entities which are regulated by any appropriate foreign regulatory authority subject to compliance with applicable 'know your client' requirements. A FII shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by an appropriate foreign regulatory authority. No sub-account of a FII is permitted to directly or indirectly issue P-Notes. P-Notes have not been and are not being offered, issued or sold pursuant to the Red Herring Prospectus and this Prospectus. The Red Herring Prospectus and this Prospectus do not contain any information concerning P-Notes or the issuer(s) of any P-notes, including any information regarding any risk factors relating thereto.

Any P-Notes that may be issued are not securities of the Company and do not constitute any obligation of, claims on or interests in the Company or the Book Running Lead Managers. The Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to the P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to the Company or the Book Running Lead Managers. The Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with the P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and do not constitute any obligations of or claims on the Book Running Lead Managers. Affiliates of the Book Running Lead Managers that are registered as FIIs may purchase, to the extent permissible under law, the Equity Shares offered in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE

As required, a copy of this Prospectus has been delivered to each of the Stock Exchanges and SEBI and for registration to the RoC. The Stock Exchanges, SEBI and the RoC do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of the contents of this Prospectus;
(2) warrant that the Equity Shares issued pursuant to the Issue will be listed or the Equity Shares will continue to be listed on the Stock Exchanges; or
(3) take any responsibility for the financial or other soundness of the Company, its Promoter, its management or any scheme or project of the Company.

It should not for any reason be deemed or construed to mean that this Prospectus has been reviewed or approved by the Stock Exchanges or SEBI. Every person who desires to apply for or otherwise acquire any Equity Shares offered in the Issue may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges, SEBI and the RoC 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.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Prospectus, unless the context otherwise indicates or implies, references to ‘you’, ‘your’, ‘offeree’, ‘purchaser’, ‘subscriber’, ‘recipient’, ‘investors’, ‘prospective investors’ and ‘potential investor’ are to the prospective investors in the Issue, references to ‘the Company’ are to Puravankara Projects Limited, and references to ‘we’, ‘us’, ‘our’ or ‘our Company’ are to Puravankara Projects Limited, its Subsidiaries and Associates on a consolidated basis unless otherwise specified.

In this Prospectus, all references to “Indian Rupees” “₹” and “Rs.” are to Indian Rupees and all references to “U.S. dollars”, “USD” and “U.S.$” are to United States dollars. All references herein to the “U.S.” or the “United States” are to the United States of America and its territories and possessions and all references to “India” are to the Republic of India and its territories and possessions.

The financial year of the Company commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year, so, unless otherwise specified or if the context requires otherwise all references to a particular financial year or fiscal year are to the twelve month period ended on March 31 of that year.

The Company publishes its consolidated financial statements in Indian Rupees. The Company’s audited consolidated summary financial statements included herein have been prepared in accordance with Indian GAAP and the Companies Act. Indian GAAP differs in certain significant respects from International Financial Reporting Standards (“**IFRS**”) and U.S. GAAP and accordingly, the degree to which the financial statements prepared in accordance with Indian GAAP included in this Prospectus will provide meaningful information is entirely dependent on the reader’s familiarity with the respective accounting policies. The Company does not provide a reconciliation of its financial statements to IFRS or U.S. GAAP financial statements. See “***Risk Factors – Risks Relating to India –Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS could have a material adverse effect on the price of our Equity Shares***”.

The financial statements of the Company, including the (i) audited consolidated summary financial statements of the Company as of and for the fiscal years ended March 31, 2013, 2012 and 2011 have been prepared in accordance with Indian GAAP and the provisions of the Companies Act, are included in this Prospectus and are referred to herein as the “***Financial Statements***”.

In this Prospectus, certain monetary thresholds disclosed as (₹ in million) have been subjected to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates and other industry data pertaining to the business of the Company contained in this Prospectus consists of estimates based on data reports compiled by government bodies, professional organisations and analysts, data from other external sources and knowledge of the markets in which the Company competes. Unless stated otherwise, the statistical information included in this Prospectus relating to the industry in which the Company operates has been reproduced from various trade, industry and government publications and websites.

This data is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither the Company nor the Book Running Lead Managers have independently verified this data and do not make any representation regarding the accuracy of such data. The Company takes responsibility for accurately reproducing such information but accepts no further responsibility in respect of such information and data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, so the Company has relied on internally developed estimates. Similarly, while the Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither the Company nor the Book Running Lead Managers can assure potential investors as to their accuracy.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Prospectus that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of the Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding the Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Company's business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Prospectus that are not historical facts. These forward-looking statements contained in this Prospectus (whether made by the Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from the Company's expectations include, among others:

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

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in "***Risk Factors***", "***Industry Overview***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***". The forward-looking statements contained in this Prospectus are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management of the Company. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Prospectus or the respective dates indicated in this Prospectus, and the Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of the Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public company incorporated with limited liability under the laws of India. All of the Company's Directors are residents of India. All of the key managerial personnel named here are residents of India and all the assets of the Company are located in India except for the land situated in Sri Lanka and the sales office situated in Dubai. As a result, it may be difficult for investors outside India to effect service of process upon the Company or such persons in India, or to enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (the "**Civil Procedure Code**"), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon by the same parties or between parties under whom they or any of them claim to be litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any country or territory outside India which the Government of India (the "**GoI**" or the "**Government**") has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a appropriate court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong has been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit has to be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from RBI to repatriate outside India any amount recovered pursuant to such award, and any such amount may be subject to income tax in accordance with applicable laws.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information concerning exchange rates between the Rupee and the U.S. dollar for the periods indicated. Exchange rates are based on the reference rates released by RBI, which are available on the website of RBI. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all. On May 22, 2013, the exchange rate (RBI reference rate) was ₹ 55.52 to U.S.$1.00 (*Source: www.rbi.org.in*).

	Period End	**Average(1)**	**High**	**Low**
Financial Year:	(₹ Per U.S.$1.00)			
2013	54.39	54.45	57.22	50.56
2012	51.16	47.95	54.24	43.95
2011	44.65	45.58	47.57	44.03
Quarter Ended:				
March 31, 2013	54.39	54.17	55.33	52.97
December 31, 2012	54.78	54.14	55.70	51.62
September 30, 2012	52.70	55.24	56.38	52.70

(1) Average of the official rate for each working day of the relevant period.

(Source : *www.rbi.org.in*)

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses the definitions and abbreviations set forth below which, unless otherwise specified, you should consider when reading the information contained herein. References to any legislation, act, regulation or statutory provision in this Prospectus shall be construed as reference to such term as amended, modified or re-enacted from time to time.

Company and Industry Related Terms

Term	Description
the Company or our Company	Puravankara Projects Limited, a public limited company incorporated under the Companies Act and having its registered office at No. 130/1, Ulsoor Road, Bengaluru 560 042, Karnataka, India
Acre	43,560 sq. ft.
Associates	Keppel Puravankara Development Private Limited; Propmart Technologies Limited; Keppel Magus Development Private Limited; and Sobha Puravankara Aviation Private Limited.
Articles of Association or Articles	The Articles of Association of the Company, as amended from time to time
Auditor	The statutory auditor of the Company,Walker, Chandiok & Co, Chartered Accountants
Bengaluru Metropolitan Region	As defined under the Bengaluru Metropolitan Region Development Authority Act, 1985
BMA	Bengaluru Metropolitan Area
BMP	Bengaluru Mahanagara Palike
Board or Board of Directors	The board of directors of the Company or a committee thereof
BWSSB	Bengaluru Water Supply and Sewerage Board
CDP	Comprehensive Development Plan
Completed Projects	Projects which have been completed by the Company and/or the Subsidiaries and/or Associates as of the date hereof
CRISIL	Credit Rating and Information Services of India Limited
CMCs	City Municipal Councils
Developable Area/Developed Area	Means total area which we develop in each project, and includes carpet area, common area, service and storage area, as well as other open areas
Directors	Directors on the Board, as may be appointed from time to time
ERP	Enterprise Resource Planning
EGM	Extra ordinary general meeting
Equity Shares	Equity shares of face value of ₹ 5 each of the Company
KIADB	Karnataka Industrial Areas Development Board
Land Bank	Lands in which we hold interest, but on which there is no planned development as of the date hereof
Leasable Area	That part of the Developable Area which relates to our economic interest in such project where all or part of such project is leased
SPVs	Special Purpose Vehicles
Memorandum of Association or Memorandum	The Memorandum of Association of the Company, as amended from time to time
Ongoing Projects	Means such projects of the Company for which (i) right and/or interest in the land is held by the Company, the Subsidiaries or the Associates; and (ii) final sanction plan or equivalent planning permissions have been obtained; and (iii) the bookings for sale or construction activities have commenced
Promoter	Ravi Puravankara
Promoter Group	The promoter group of the Company as determined in terms of Regulation 2(1)(zb) of the SEBI Regulations
Provident	Provident Housing Limited
Registered Office	No. 130/1, Ulsoor Road, Bengaluru 560 042, Karnataka, India
Saleable Area	Means that part of the Developable Area relating to our economic interests
sq. ft.	square feet
Subsidiaries	1. Centurions Housing and Constructions Private Limited;

Term	Description
	2. Prudential Housing and Infrastructure Development Limited; 3. Melmont Construction Private Limited; 4. Purva Marine Properties Private Limited; 5. Purva Realities Private Limited; 6. Nile Developers Private Limited; 7. Vaigai Developers Private Limited; 8. Provident Housing Limited; 9. Starworth Infrastructure and Construction Limited; 10. Purva Good Earth Properties Private Limited; 11. Purva Star Properties Private Limited; 12. Purva Sapphire Land Private Limited; 13. Purva Ruby Properties Private Limited; 14. Grand Hills Developments Private Limited; 15. Puravankara Hotels Limited; 16. Purva Land Limited; 17. Purva Corporation; 18. Welworth Lanka Holding Private Limited; 19. Welworth Lanka Private Limited; and 20. Purva (UK) Limited.
Upcoming Projects	Means such projects for which (i) right and/or interest in the land is held by the Company, the Subsidiaries or the Associates; and (ii) approvals for the conversion of the land (where necessary) have been obtained as of the relevant date; and (iii) all the approvals to obtain the final sanction plan or equivalent planning permissions have not been obtained
"we" or "us" or "our"	Puravankara Projects Limited, the Subsidiaries and the Associates

Issue Related Terms

Term	Description
Allocation or Allocated	Allocation of the Equity Shares offered in the Issue following the determination of the Issue Price to Applicants on the basis of the ASBA Applications submitted by them and in accordance with the Allotment Criteria
Allotment or Allotted or Allot	Unless the context otherwise requires, the issue and allotment of the Equity Shares pursuant to the Issue including pursuant to the exercise of the Over Allotment Option in full
Allottees	Eligible QIBs to whom the Equity Shares are Allotted pursuant to the Issue
Allotment Criteria	The method as finalised by the Company based on which the Equity Shares offered in the Issue will be Allocated and Allotted to successful Applicants, in this case being the proportionate method
Applicant	An Eligible QIB that submits an ASBA Application in accordance with the provisions of the Red Herring Prospectus
Application Amount	The highest value indicated by the Applicant in the ASBA Application to subscribe for the Equity Shares applied for in the ASBA Application
ASBA	Application supported by blocked amount
ASBA Account	An account maintained with the SCSB by the Applicant and specified in the ASBA Application for blocking the Application Amount
ASBA Application	An application by an Applicant, whether physical or electronic, offering to subscribe for the Equity Shares in the Issue at any price at or above the Floor Price or within the Price Band, as the case may be, including any revisions thereof, pursuant to the terms of the Red Herring Prospectus and which shall also be an authorisation to an SCSB to block the Application Amount in the ASBA Account maintained with such SCSB. The ASBA Application will also be considered as the application for Allotment for the purposes of the Red Herring Prospectus and this Prospectus. The price per Equity Share and the number of Equity Shares applied for under an ASBA Application may only be revised upwards and any downward revision in price per Equity Share and/or the number of Equity Shares applied for under an ASBA Application or withdrawal of the ASBA Application is not permitted
Axis	Axis Capital Limited
Basis of Allocation	The basis on which Equity Shares offered in the Issue will be Allocated to successful Applicants in the Issue and the CAN will be dispatched, as described in "***Issue Procedure***"
Book Running Lead Managers or BRLMs	Axis Capital Limited, J.P. Morgan India Private Limited and Kotak Mahindra Capital Company Limited

Term	Description
CAN or Confirmation of Allocation Note	Note, advice or intimation sent to the Applicants who have been Allocated Equity Shares offered in the Issue, confirming the Allocation of Equity Shares to such Applicants after the determination of the Issue Price in terms of the Basis of Allocation approved by the Stock Exchanges, and shall constitute a valid, binding and irrevocable agreement on part of the Applicant to subscribe to the Equity Shares Allocated to such Applicant at the Issue Price
Cap Price	The higher end of the Price Band, announced by the Company, above which the Issue Price will not be finalised and above which no ASBA Applications have been accepted. The Cap Price was ₹ 85 per Equity Share
Designated Branches	All branches designated as "Designated Branches" for ASBA Applications by the SCSBs which shall collect the ASBA Applications
Designated Date	The date on which funds blocked by the SCSB are transferred from the ASBA Accounts of the successful Applicants to the Public Issue Account or unblocked, as the case may be, after the Prospectus is filed with the RoC
Eligible QIB or Eligible Qualified Institutional Buyer	A qualified institutional buyer, as defined under Regulation 2(1)(zd) of the SEBI Regulations, provided that, with respect to this Issue, this term shall not include foreign venture capital investors and multilateral and bilateral development financial institutions
Floor Price	The price below which the Issue Price will not be finalised and the Equity Shares offered in the Issue shall not be Allotted. The Floor Price which was decided by the Company in consultation with the Book Running Lead Managers and was announced at least one day prior to the Issue Opening Date, was ₹ 80 per Equity Share
Floor Price / Price Band Announcement	The announcement of either the Floor Price or the Price Band, made by the Company one day prior to the Issue Opening Date
Institutional Placement Programme or IPP	Institutional placement programme in which offer, allocation and allotment of equity shares is made under Chapter VIII-A of the SEBI Regulations
Issue	The offer and issue of 23,725,351[#] Equity Shares, including the issue of 2,156,850 Equity Shares pursuant to the exercise of the Over Allotment Option in full, to Eligible QIBs, pursuant to Chapter VIII-A of the SEBI Regulations. [#] *Subject to finalization of Basis of Allocation. The exact number of Equity Shares to be issued pursuant to the Issue may be required to be adjusted depending on, inter alia, the actual number of Equity Shares Allotted upon finalization of the Basis of Allocation*.
Issue and Placement Agreement	The issue and placement agreement dated May 15, 2013, as amended by the amendment agreement dated May 20, 2013, among the Company and the Book Running Lead Managers in relation to the Issue
Issue Closing Date	The last date up to which the ASBA Applications shall be accepted, which date shall be announced along with the Floor Price / Price Band Announcement. The Issue Closing Date was May 23, 2013
Issue Opening Date	The date on which the Designated Branches and the members of the Syndicate started accepting the ASBA Applications, which date was announced along with the Floor Price / Price Band Announcement. The Issue Opening Date was May 23, 2013
Issue Period	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates during which Eligible QIBs can submit their ASBA Applications to the SCSBs and the members of the Syndicate (in the Specified Cities)
Issue Price	The price at which the Equity Shares offered in the Issue will be Allotted to the successful Applicants, and indicated in the CAN, which shall be within the Price Band. The Issue Price is ₹ 81 per Equity Share
Issue Size	The aggregate size of the Issue, comprising of 23,725,351[#] Equity Shares (including the issue of 2,156,850 Equity Shares pursuant to the Over Allotment Option in full), each Allotted at the Issue Price [#]*Subject to finalization of Basis of Allocation. The exact number of Equity Shares to be issued pursuant to this Issue may be required to be adjusted depending on, inter alia, the actual number of Equity Shares Allotted upon finalization of the Basis of Allocation.*
JPM	J.P. Morgan India Private Limited
Kotak	Kotak Mahindra Capital Company Limited
Over Allotment Option	The right, exerciseable by the Book Running Lead Managers, in consultation with the Company in case of over subscription in the Issue, to Allot an additional up to 2,156,850 Equity Shares as per the SEBI Regulations, on or prior to dispatch of CANs. The Over Allotment option was exercised in full

Term	Description
Price Band	Price band, announced by the Company for the Issue, of a minimum price (Floor Price) and a maximum price (Cap Price), decided by the Company in consultation with the Book Running Lead Managers and was announced one day prior to the Issue Opening Date. The Price Band for the Issue was a minimum price (Floor Price) of ₹ 80 per Equity Share and a maximum price (Cap Price) of ₹ 85 per Equity Share
Pricing Date	The date on which the Company in consultation with the Book Running Lead Managers finalises the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with the provisions of the Companies Act, containing, among others, the Issue Size, the Issue Price and certain other information
Public Issue Account	The account opened with the Public Issue Account Bank in terms of Section 73 of the Companies Act to receive monies from the ASBA Accounts on the Designated Date
Public Issue Account Agreement	Public issue account agreement dated May 22, 2013 entered into among the Company, the BRLMs and the Public Issue Account Bank
Public Issue Account Bank	The bank which is clearing member and registered with SEBI as a banker to the issue with whom the Public Issue Account has been opened and in this case being Standard Chartered Bank
QIB or Qualified Institutional Buyer	A qualified institutional buyer, as defined under Regulation 2(1)(zd) of the SEBI Regulations
Red Herring Prospectus	The red herring prospectus issued in accordance with the provisions of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered in the Issue and the size of the Issue. The Red Herring Prospectus was filed with the RoC at least three days before the Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Registrar to the Issue	Link Intime India Private Limited having its office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, Maharashtra, India
Revision Form	The form used by the Applicants, to modify the number of Equity Shares applied for or the price per Equity Share in any of their ASBA Applications or any previous Revision Form(s). Applicants are not allowed to revise the price per Equity Share or the number of Equity Shares applied for downwards
Self Certified Syndicate Bank(s) or SCSB(s)	A banker to the issue registered with SEBI, which offers the facility of ASBA and a list of which is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Specified Cities	Cities as specified in the SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Baroda and Surat
Stock Exchanges	The BSE and the NSE
Syndicate Agreement	The agreement dated May 22, 2013 entered into among the members of the Syndicate and the Company in relation to the Issue
Syndicate ASBA Bidding Centres	Centres in the Specified Cities where the Applicants can register their ASBA Applications with a member of the Syndicate
Syndicate Member	Kotak Securities Limited
Syndicate or members of the Syndicate	The BRLMs and the Syndicate Member
TRS or Transaction Registration Slip	The slip or document issued by a member of the Syndicate or the SCSB (only on demand), as the case may be, to the Applicant as proof of registration of the ASBA Application
Working Day	Any day, other than Saturdays and Sundays, on which commercial banks in Mumbai and Bengaluru are open for business, provided however, for the purpose of the time period between the Issue Closing Date and listing of the Equity Shares offered pursuant to the Issue on the Stock Exchanges, “Working Days”, shall mean all days excluding Sundays and bank holidays in Mumbai in accordance with the SEBI Circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010
U.S. Issue	The offer and sale of the Equity Shares in the United States to institutions that are “qualified institutional buyers” as defined in Rule 144A under the U.S. Securities Act.

Conventional and General Terms

Term	Description
AS	Accounting Standards prescribed under the Companies Act
Alternative Investment Fund/AIF	Alternative Investment Fund as defined in and registered under SEBI AIF Regulations

Term	Description
BSE	BSE Limited
CAGR	Compounded annual growth rate
CDSL	Central Depository Services (India) Limited
Civil Procedure Code	Code of Civil Procedure, 1908
Client ID	Beneficiary account identity
Companies Act	Companies Act, 1956
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Circular 1 of 2013, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, effective from April 5, 2013
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DP ID	Depository participant identity
EBITDA	Earnings Before Interest Tax Depreciation and Amortisation
EPS	Earnings per share, i.e., profit after tax for a financial year divided by the weighted average number of equity shares during the financial year
Equity Listing Agreement	The equity listing agreements entered by the Company with each of the Stock Exchanges
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FIIs	Foreign institutional investors (as defined under the FII Regulations) registered with SEBI
Financial year or fiscal year or fiscal or FY	Period of 12 months ended March 31 of that particular year
FVCI or foreign venture capital investors	Foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI or Government	Government of India
Gratuity Act	Payment of Gratuity Act, 1972
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
I.T. Act	Income Tax Act, 1961
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
Insurance Company	An insurance company registered with the Insurance Regulatory and Development Authority in India
Land Acquisition Act	Land Acquisition Act, 1894
MCA	Ministry of Corporate Affairs
MoU	Memorandum of Understanding
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NCR	National Capital Region
Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OFS	The sale of equity shares pursuant to an offer of sale through the stock exchange mechanism by the Promoter
PAN	Permanent Account Number allotted under the I.T. Act
PFIC	Passive Foreign Investment Company
Portfolio Investment Scheme	The portfolio investment scheme of RBI specified in Schedule 2 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rule 144A	Rule 144A under the U.S. Securities Act
RoC	The Registrar of Companies, Karnataka
Rs./ ₹/Rupee	Indian Rupees
SCRA	Securities Contracts (Regulation) Act, 1956

Term	Description
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
Supreme Court	Supreme Court of India
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. QIB	A qualified institutional buyer, as defined under Rule 144A under the U.S. Securities Act and which is also an Eligible QIB
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Securities Act	The U.S. Securities Act of 1933
VCF(s) or Venture capital funds	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

SUMMARY OF THE ISSUE

This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including in "***Risk Factors***", "***Use of Proceeds***", "***Placement***" and "***Issue Procedure***".

The following is a general summary of the terms of the Issue:

Issuer	Puravankara Projects Limited
Issue Size	The aggregate Issue, comprising of 23,725,351 Equity Shares#, including the issue of 2,156,850 Equity Shares pursuant to the exercise of the Over Allotment Option in full. # *Subject to finalization of Basis of Allocation. The exact number of Equity Shares to be issued pursuant to the Issue may be required to be adjusted depending on, inter alia, the actual number of Equity Shares Allotted upon finalization of the Basis of Allocation.*
Over Allotment Option	In the case of over subscription in the Issue, the Book Running Lead Managers in consultation with the Company, can exercise the right to Allot an additional up to 2,156,850 Equity Shares, on or prior to dispatch of CANs. The Over Allotment Option has been exercised in full.
Issue Price	The price at which the Equity Shares offered in the Issue will be Allotted to the successful Applicants in terms of the Basis of Allocation, Allotment Criteria and the CAN. The Issue Price is ₹ 81 per Equity Share.
Eligible Investors	Eligible QIBs. Please note that foreign venture capital investors and multilateral and bilateral development financial institutions are not eligible to participate in this Issue. Please see "***Issue Procedure – Qualified Institutional Buyers***".
Class of Equity Shares	The Equity Shares offered in the Issue are securities of the Company of the same class and in all respects uniform with the Equity Shares listed and traded on the Stock Exchanges. For details, see "***Description of the Equity Shares***".
Equity Shares issued and outstanding immediately prior to the Issue	213,424,335 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	237,149,686 Equity Shares
Price Band	The Price Band as decided by the Company in consultation with the Book Running Lead Managers, and was announced at least one day prior to the Issue Opening Date. The Price Band for the Issue was a minimum price (Floor Price) of ₹ 80 per Equity Share and a maximum price (Cap Price) of ₹ 85 per Equity Share.
Floor Price	The Floor Price, as decided by the Company in consultation with the Book Running Lead Managers was ₹ 80 per Equity Share.
Cap Price	The higher end of the Price Band announced by the Company, above which the Issue Price will not be finalised and above which no ASBA Applications have been accepted was ₹ 85 per Equity Share.
Listing	(i) Applications for in-principle approval, in terms of clause 24(a) of the Equity Listing Agreement, for listing and admission of the Equity Shares offered in the Issue and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges; and (ii) the application for the final listing and trading

	approval will be made after Allotment of the Equity Shares pursuant to the Issue.
Lock-up	The Company has agreed that it will not, without the prior written consent of the Book Running Lead Managers, from the date of the Issue and Placement Agreement and for a period of up to 90 days from the date of Allotment pursuant to the Issue, directly or indirectly: (a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares; (c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in depository receipt facilities or enter into any such transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depository receipt facility; or (d) announce any intention to enter into any transaction whether any such transaction described in (a) or (b) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise. Provided however that the restrictions in the foregoing paragraph shall not apply to any offering, issuance or allotment of Equity Shares pursuant to the Issue or for any offering, issuance or allotment of Equity Shares only if so required by applicable Indian Law, including companies with minimum public shareholding requirements as applicable to the Company. The Promoter has agreed that, without the prior written consent of the Book Running Lead Managers, he will not, during the period commencing on the date of the Issue and Placement Agreement and ending 90 days after the date of Allotment (the "**Lock-up Period**"), directly or indirectly: (a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares; (c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in depository receipt facilities or enter into any such transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depository receipt facility; or (d) announce any intention to enter into any transaction whether any such transaction described in (a) or (b) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise. The restrictions in the foregoing paragraph shall not apply to (a) any inter-se transfer of Equity Shares between the Promoters and the Promoter Group, provided that the restrictions set forth in the previous paragraph shall continue to apply for the remaining period to the transferee and that such transferee shall be bound by the restrictions in the preceding paragraph until the Lock-up Period set forth herein has expired; and (b) any sale, transfer or disposal of such Equity Shares to the extent such sale, transfer or disposal is mandatorily required for compliance with applicable Indian law, including compliance with minimum public shareholding requirements applicable to the Company.
Transferability	The Equity Shares Allotted pursuant to the Issue shall not be sold for a period of one

Restrictions	year from the date of Allotment, except on the Stock Exchanges. Please see "***Purchaser Representations and Transfer Restrictions***".
Closing	The Allotment of the Equity Shares offered pursuant to this Issue is expected to be made on or about May 28, 2013.
Use of Proceeds	Net proceeds of the Issue (after deduction of fees, commissions and expenses) are expected to total approximately ₹ 1,751.75 million. Please see "***Use of Proceeds***".
Risk Factors	Please see "***Risk Factors***" for a discussion of factors you should consider before deciding whether to subscribe for the Equity Shares offered in the Issue.
Ranking	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum and the Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of voting and dividends. The shareholders will be entitled to participate in dividends and other corporate benefits, if any, declared by the Company after the Allotment of the Equity Shares issued pursuant to the Issue, in compliance with the Companies Act, the Equity Listing Agreement and other applicable laws and regulations.
Security Codes for the Equity Shares	**ISIN:** INE323I01011 **BSE Code:** 532891 **NSE Code:** PURVA

SELECTED FINANCIAL INFORMATION

*The following selected financial information is extracted from and should be read in conjunction with, the (i) audited consolidated summary financial statements of the Company as of and for the fiscal years ended March 31, 2013, 2012 and 2011 included elsewhere in this Prospectus. You should refer to the section titled "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", included elsewhere in this Prospectus, for further discussion and analysis of the financial statements of the Company. The financial statements of the Company are prepared in accordance with Indian GAAP and have been audited by Walker, Chandiok & Co, Chartered Accountants.*

The financial information included in this Prospectus *does not reflect the Company's results of operations, financial position and cash flows for the future and its past operating results are no guarantee of its future operating performance.*

Consolidated Summary Balance Sheets as at

(All amounts in Rs. millions, unless otherwise stated)	31 Mar 2013	31 Mar 2012	31 Mar 2011
Equity and Liabilities			
Shareholders' Funds			
Share capital	1,067.12	1,067.12	1,067.12
Reserves and surplus	17,927.95	15,805.96	14,696.70
	18,995.07	**16,873.08**	**15,763.82**
Non-Current Liabilities			
Long-term borrowings	8,977.93	3,039.46	2,949.58
Deferred tax liability (net)	-	-	3.22
Other long-term liabilities	10.23	2.70	2.30
Long-term provisions	60.59	59.08	44.93
	9,048.75	**3,101.24**	**3,000.03**
Current Liabilities			
Short-term borrowings	7,256.76	9,359.80	8,170.53
Trade payables	1,651.44	1,381.92	924.73
Other current liabilities	3,412.13	2,903.42	3,253.11
Short-term provisions	335.53	289.44	250.23
	12,655.86	**13,934.58**	**12,598.60**
Total	**40,699.68**	**33,908.90**	**31,362.45**
Assets			
Non-Current Assets			
Fixed assets, net			
Tangible assets	837.74	690.43	417.99
Intangible assets	25.65	15.80	9.26
Capital work-in-progress	5.51	20.15	34.12
	868.90	**726.38**	**461.37**
Non-current investments	1,384.76	1,232.56	1,189.41
Properties held for development	7,977.06	8,281.44	11,453.76
Deferred tax assets (net)	1.64	1.24	-
Long-term loans and advances	2,052.68	2,570.20	2,586.20
Other non-current assets	215.17	72.17	24.62
	12,500.21	**12,883.99**	**15,715.36**
Current Assets			
Current investments	57.17	-	-
Inventories			
Raw materials	389.23	315.93	283.84
Properties under development	18,765.80	16,460.07	10,867.57
Properties held for sale	2,021.26	543.24	706.25
	21,176.29	**17,319.24**	**11,857.66**
Trade receivables	3,073.05	1,919.79	1,271.63
Cash and bank balances	2,333.58	730.78	974.33
Short-term loans and advances	747.86	649.67	858.39
Other current assets	811.52	405.43	685.08
	28,142.30	**21,024.91**	**15,647.09**
Total	**40,699.68**	**33,908.90**	**31,362.45**

Puravankara Projects Limited

Consolidated Summary Statements of Profit and Loss for the year ended

(All amounts in Rs. millions, unless otherwise stated)	31 Mar 2013	31 Mar 2012	31 Mar 2011
Income			
Revenue from operations			
Revenue from projects	12,319.55	8,096.54	5,934.45
Other operating revenues	139.35	44.91	66.34
Other income	25.90	14.23	0.89
Total	**12,484.80**	**8,155.68**	**6,001.68**
Expenses			
Material and contract cost	5,918.04	4,537.47	3,346.79
Land cost	2,478.39	3,901.95	2,702.29
Decrease / (increase) in inventory of properties under development and properties held for sale	(3,859.83)	(5,600.59)	(3,919.55)
Employee benefit expense	737.63	526.70	403.23
Finance expense, net	2,317.91	1,930.76	1,317.48
Depreciation and amortization	70.28	54.33	37.59
Other expenses	1,416.22	886.66	646.38
Total	**9,078.64**	**6,237.28**	**4,534.21**
Profit before tax and share of profit / (loss) in associates, net	**3,406.16**	**1,918.40**	**1,467.47**
Share of profit / (loss) in associates, net	152.20	43.15	(11.61)
Profit before tax	**3,558.36**	**1,961.55**	**1,455.86**
Tax expense			
Current tax	1,124.41	629.95	282.24
Deferred tax	(0.40)	(4.46)	(5.44)
Profit after tax and before prior period items	**2,434.35**	**1,336.06**	**1,179.06**
Prior period income (net of tax expense)	-	21.24	-
Net profit for the year	**2,434.35**	**1,357.30**	**1,179.06**
Earnings per share (Nominal value Rs. 5 per share)			
Basic (Rs.)	11.41	6.36	5.52
Diluted (Rs.)	11.41	6.36	5.52

Puravankara Projects Limited

Consolidated Summary Statements of Cash Flow

	Year ended 31 Mar 2013	Year ended 31 Mar 2012	Year ended 31 Mar 2011
A. Cash flow from operating activities			
Profit before tax and prior period items	**3,558.36**	**1,961.55**	**1,455.86**
Adjustments for:			
Depreciation and amortization	70.28	54.33	37.59
(Profit) / loss on sale of fixed assets	1.39	0.26	(0.01)
Finance expenses, net	2,317.91	1,930.76	1,317.48
Share of (profit) / loss in associates	(152.20)	(43.15)	11.61
Operating profit before working capital changes	**5,795.74**	**3,903.75**	**2,822.53**
Movements in working capital :			
(Increase) / Decrease in trade receivables	(1,153.26)	(648.16)	(137.16)
(Increase) / Decrease in inventories of raw materials	(73.30)	(32.09)	(57.03)
(Increase) / Decrease in loans and advances & other current assets	(395.24)	362.07	(918.28)
(Increase) / Decrease in properties under development	(1,319.35)	(1,820.17)	(1,364.21)
(Increase) / Decrease in properties held for sale	(1,478.02)	(8.09)	146.20
Increase / (Decrease) in current liabilities and provisions	(79.42)	(303.84)	202.78
Cash (used in) / received from operations	**1,297.15**	**1,453.47**	**694.83**
Direct taxes paid	(898.06)	(533.62)	(277.52)
Net cash from / (used in) operating activities before prior period items	**399.09**	**919.85**	**417.31**
B. Cash flows from investing activities			
Purchase of fixed assets	(216.40)	(148.99)	(137.15)
Proceeds from sale of fixed assets	2.22	0.50	0.55
Loans to associates	(21.73)	(34.60)	(159.45)
Loans repaid by associates	5.73	11.11	101.63
Investment in Associates	-	-	(9.95)
Purchase of units of liquid mutual funds	(534.28)	-	-
Proceeds from sale of units of liquid mutual funds	477.11	-	-
Properties held for development	(66.20)	(600.01)	(624.36)
Deposits and advances	(55.12)	100.66	(149.23)
Net investment in bank deposits and margin monies	(161.28)	50.75	4.77
Interest received	51.59	62.36	79.55
Net cash from / (used in) investing activities	**(518.36)**	**(558.22)**	**(893.64)**
C. Cash flows from financing activities			
Proceeds from term loans	10,727.37	4,851.71	4,341.73
Repayment of term loans	(4,211.64)	(5,503.30)	(1,880.70)
Proceeds from debentures	-	1,440.00	1,500.00
Repayment of debentures	(1960.40)	-	(550.00)
Premium on Redemption of debentures	-	-	(18.70)
Proceeds from / (repayments of) unsecured loan	209.70	257.48	284.50
Proceeds from / (repayments of) cash credit and working capital loan	(396.46)	628.76	(928.12)
Loans from related parties	-	-	196.58
Loans repaid to related parties	-	(26.23)	(389.27)
Dividends paid including taxes	(248.04)	(248.87)	(249.69)
Interest paid	(2,423.70)	(1,908.77)	(1,610.23)
Net cash generated from/(used in) financing activities	**1,696.83**	**(509.22)**	**696.10**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**1,577.56**	**(147.59)**	**219.77**
Cash and cash equivalents at the beginning of the year	**697.81**	**845.40**	**625.63**
Cash and cash equivalents at the end of the year	**2,275.37**	**697.81**	**845.40**
Components of cash and cash equivalents			
Cash and bank balances (as per Note 20 to the Consolidated Summary Financial Statements)	2,333.58	730.78	974.33
Less: Bank deposits and margin monies considered separately	58.21	32.97	128.93
	2,275.37	**697.81**	**845.40**

RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. You should read this section in conjunction with the sections titled "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" of this Prospectus as well as the other financial and statistical information contained in this Prospectus.*

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and all or part of your investment may be lost. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus.

Risks Relating to our Business

1. ***Our Company, our Promoter and certain of our Directors, and our Subsidiaries and Associates are involved in legal proceedings, which if determined against such parties may have an adverse effect on our reputation, business and results of operations.***

We have certain legal proceedings and claims in India. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. For example, our Company is involved in disputes relating to title and interest in land, and stamp duty payable with respect to land on which we are developing or are planning to develop our projects, among other disputes. We also have certain tax proceedings. In addition, there are customer complaints pending against us which allege delay in delivery of apartments and deficiency in services provided by us, and pursuant to which, such customers have claimed refund of any advances or taxes paid. We have also challenged the imposition of certain charges by local government authorities before the High Courts of Karnataka and Tamil Nadu.

Ravi Puravankara, who is the Promoter, as well as the Chairman and Managing Director of our Company, Nani R. Choksey, who is one of the Directors of our Company and H.G Nagananda, D.S. Nagaraj, Geeta, Vhatkar, Uma Maheshwara Rao with whom we have entered into agreements to purchase land are parties involved in certain civil legal proceedings, which may result in the attachment of certain of the properties of the Company. Pradeep Guha, who is one of our independent directors, is involved in two criminal cases filed against companies in which he is one of the directors. The litigation papers for Pradeep Guha were unavailable and the summary of litigation in the "*Legal Proceedings*" section is based on information provided by Pradeep Guha.

Our wholly owned Subsidiary, Prudential Housing and Infrastructure Development Limited is a party in a criminal proceeding initiated against the land owner of joint development project developed by us. For details see "*Legal Proceedings*".

Further, our Company and certain individuals (with whom our Company has entered into agreements for purchase of land), have instituted certain legal proceedings against various individuals and entities. These include, suits for specific performance of agreements in relation to land and suits claiming compensation for land acquired by the government. In one such proceeding instituted by our Company, it has claimed a refund of Rs. 4,030.00 million along with interest from the State of Andhra Pradesh. For details see "*Legal Proceedings*".

We cannot assure you that these legal proceedings will be decided in favour of us, our Promoter, Directors, our Subsidiaries or Associates. For details see "*Legal Proceedings*". In addition, should any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and our liabilities. Any adverse decision may have an adverse effect on our reputation, business and results of operations.

2. ***Our Company has, in the past, been in violation of certain laws in relation to certain overseas direct investments made in our foreign Subsidiaries.***

Our Company has submitted a compounding application dated March 18, 2013 to the RBI for compounding of an alleged contravention of Regulations 6 and 10 as contained in Notification No. FEMA 120/RB-2004 dated July 7, 2004, as amended, regarding failure to receive a Unique Identification Number ("**UIN**") in relation to overseas direct investments made in Purva Corporation, a wholly-owned Subsidiary of our Company incorporated in British Virgin Islands. Due to the delay by the Authorised Dealer in reporting the remittance made by our Company to Purva Corporation, the UIN had not been allotted in time. The remittance was made in favour of Purva Corporation without a valid UIN and requisite filings in relation to the same were also not made within prescribed time. Our Company is awaiting the compounding order from the RBI in relation to the same. Total remittance made by us was U.S.$ 25,000 and a maximum penalty of U.S.$ 75,000 can be levied for any offence and we are awaiting for the compounding order from the RBI in this regard. In the past, the Company had paid a penalty of Rs. 400,000 to the RBI pursuant to the compounding of our contravention of Regulations 6 and 10 of the RBI notification dated July 7, 2004 in connection with remittance of funds to our Subsidiary, Welworth Lanka Holdings Private Limited. We cannot assure you that similar instances will not occur in the future and any adverse outcome in such instances may affect our business, financial condition and results of operations.

3. ***Our wholly owned Subsidiary, Provident's balance sheet and certain other documents are subject to technical scrutiny by the RoC and any adverse finding in relation to this may lead to imprisonment of the officers of Provident which may affect our Company's reputation, business and financial results.***

Provident has received a letter dated December 12, 2012 from the RoC in connection with technical scrutiny of the balance sheet of Provident for the financial year ended March 31, 2011 and certain other documents. The RoC has noted, among others, certain non-compliance in relation to incomplete disclosure on the qualifications contained in the audit report, failure by Provident to file the auditors main report with the RoC, and payment of excess remuneration to Provident's managing director during the period from June 1, 2009 to February 15, 2010, without obtaining approval of the Central Government. Provident has replied to the RoC by its letter dated January 2, 2013 and is awaiting response from the RoC. If the RoC is not satisfied with Provident's explanation, the RoC may impose penalties on Provident and its officers, which may include imprisonment for a maximum term of two years and fine, which may materially and adversely affect our reputation, business and financial results.

4. ***We have applied different parameters of revenue recognition for our projects for different periods, as a result of which, the revenue recognition for our projects may not be uniform and our results of operations in different periods may not be comparable.***

For our projects that were launched on or prior to March 31, 2011 and where revenue recognition had commenced on or prior to that date, we followed the percentage of completion method for recognizing revenue from both land and construction. Under the percentage of completion method, construction revenues are recognized based on the percentage of the actual construction costs incurred until the reporting date to the total estimated construction costs to completion. Land costs are not included for purpose of computing the percentage of completion.

Our revenue recognition policy was changed with effect from April 1, 2011. For projects that were launched on or after April 1, 2011, revenue from the sale of an undivided share of land ("**UDS**") in projects where the risks and rewards on the sale of the UDS are separable from those on the construction contracts was recognized upon transfer of all significant risks and rewards of ownership of land, which takes place upon the entering into the sale agreement with the customer (the "**UDS revenue recognition method**"). The entire revenue from the sale of UDS is recognized once 15 per cent of the amount due on UDS portion from the customer is received. Any unpaid amount in respect of the UDS is classified as trade receivables. Revenue from the sale of UDS in projects other than projects where the risks and reward on the sale of the

UDS are not separable from those on the construction contracts and therefore did not qualify for the foregoing accounting treatment, was recognized in accordance with the percentage of completion method. The percentage of completion method was also applied to recognize construction revenues. For Fiscal 2013, we recognized 24.22 per cent. of our revenue under the UDS revenue recognition method.

We intend to recognize revenue under the UDS revenue method for all our projects in the future, however, as we plan to expand our business into new geographical markets outside of South India, we cannot assure you that the local regulations in such markets will allow us to follow the UDS revenue recognition method. Consequently, UDS revenue recognition method may not be followed by us uniformly across different geographical markets.

Our revenue recognition policy was aligned in accordance with the Guidance Note on Accounting for Real Estate Transactions with effect from April 1, 2012 (the "**Guidance Note**"). Pursuant to the requirements of the Guidance Note, we have applied the new basis for determination of the reasonable level of development for all projects where revenues are recognized for the first time on or after April 1, 2012. Please see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies*". From April 1, 2012, while we have continued to follow the same method of revenue recognition for UDS, for construction revenues, revenue have been recognized as per the percentage of completion method as revised by Guidance Note. As of the date of this Prospectus, we have applied the percentage of completion method as revised by the Guidance Note to two of our real estate projects, Purva White Hall and Provident Sunworth. However, as of the date of this Prospectus, the expenditure incurred on construction and development costs of these projects is less than 25 per cent. of the total construction and development costs and consequently, we have not recognized any construction revenue for these projects. While we do not anticipate that the application of the percentage of completion method as revised by the Guidance Note will have an adverse effect on our financial condition, it may affect the timing of revenue recognition from our projects.

As a result of the above, our revenue recognition for our projects is not uniform and our results of operations in different periods may not be comparable.

5. ***Our business and profitability is significantly dependent on the performance of the real estate market generally in India, and in south India and Bengaluru in particular. Fluctuations in market conditions may affect our ability to sell our projects at expected prices, which could materially and adversely affect our revenues and earnings*.**

Our business is significantly dependent on the performance of the real estate market generally in India, and particularly in south India and Bengaluru, where most of our projects are located, and could be adversely affected if market conditions deteriorate. The real estate business is significantly affected by changes in government policies, economic and other conditions, such as economic slowdown, demographic trends, employment levels, availability of financing, rising interest rates and declining demand for real estate, or the public perception that any of these events may occur. These factors can adversely affect the demand for, and pricing of, our Completed Projects (which have not been either fully sold or leased), Ongoing Projects and Upcoming Projects, as well as adversely affect the value of our Land Bank, and, as a result, may materially and adversely affect our business, financial condition, results of operations, cash flows, our ability to service our debts and the trading price of our Equity Shares.

We believe that the success of our projects depends on the general economic growth and demographic conditions in India. In addition, the condition of the real estate sector in India, particularly market prices for developable land and finished units and projects, has a significant impact on our revenues and results of operations. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Factors Affecting Results of Operations – General Economic Conditions in India and the Condition and Performance of the Real Estate Market in South India*".

Further, the projects developed by Provident are targeted at first time home buyers, whose ability to invest may be particularly impacted by adverse economic and market conditions. Any market conditions adversely impacting the premium affordable real estate segment could materially impact our revenues and results of operations. Provident contributed 30.55 per cent. 31.18 per cent. and 32.74 per cent. to our income in Fiscal 2011, 2012 and 2013, respectively.

As of May 2, 2013, 51.37 per cent. of the total Developable Area of our Ongoing Projects and Upcoming Projects and 70.11 per cent. of the total Developable Area of our Land Bank were located in Bengaluru. For details regarding the break-up of our Ongoing Projects, Upcoming Projects and Land Bank in Bengaluru and in south India generally, see "*Our Business – Our Operations*". The real estate market in south India, and in Bengaluru in particular, may perform differently from, and may be subject to market conditions and regulatory developments that are different from real estate markets in other parts of India. We cannot assure you that the demand for our properties in south India or in Bengaluru will grow, or will not decrease, in the future.

6. ***Difficult conditions in the Indian economy and the global financial markets generally have affected and may continue to materially and adversely affect our business and results of operations.***

Since the second half of 2007, the global credit markets have experienced, and may continue to experience, significant disruptions which have arisen from, among other things, the liquidity disruptions in the United States and the European Union credit and sub-prime residential mortgage markets, and subsequently, the sovereign debt crisis in Greece and the European Union generally. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. These and other related events, such as the collapse of a number of financial institutions, have had and continue to have a significant adverse impact on the availability of credit and the confidence of the financial markets, globally as well as in India.

The global economy and financial markets have also experienced extreme levels of instability, and there is substantial volatility in markets, including, without limitation, stock markets, foreign exchange markets, commodity markets, fixed income markets and credit markets, which in turn has adversely affected the economy in India. The GDP growth rate of India decelerated to 6.5 per cent. in Fiscal 2012 compared with 8.4 per cent. growth in Fiscal 2011 (*Source: Centre for Monitoring Indian Economy, November 2012*). According to RBI's Monetary Policy Statement for 2013-2014, India's GDP growth for the period from April to December 2012 declined to 5.0 per cent. from 6.6 per cent a year ago. RBI estimates that the baseline GDP for Fiscal 2014 will grow at 5.7 per cent. (*Source: Monetary Policy Statement 2013-14, published by the Reserve Bank of India)*.The central statistics office of Ministry of Statistics and Programme Implementation of India has, pursuant to a press release dated February 28, 2013, estimated that the growth rate in GDP in the third quarter of Fiscal 2013 was 4.5 per cent. over the corresponding quarter of the Fiscal 2012 (*Source: Press Release dated February 28, 2013 on "Estimates of Gross Domestic product for the Third Quarter (October – December) 2012-2013" released by the Ministry of Statistics and Programme Implementation, Government of India*).

We cannot assure you that global or Indian economic conditions will not deteriorate further and, accordingly, that our financial condition and results of operations will not be further adversely affected. As a result of the prevailing conditions of the global and Indian credit markets, buyers of property (in particular first time home buyers, who are the target customers for our premium affordable housing segment) may remain cautious, rentals of commercial properties may continue to face downward pressure and consumer sentiment and market spending may turn more cautious in the near-term.

7. ***We are required to ensure that the public shareholding in our Company is at least 25 per cent. Our Company or our Promoter or members of the Promoter Group may issue or sell our Equity Shares immediately after this Issue. This may cause a decline in the value of our trading price, adversely impact the value of your investment in us and dilute your shareholding.***

Prior to the completion of the Issue, the Promoter's shareholding in our Company was 89.96 per cent. of our issued share capital. Under the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), listed companies are required to maintain public shareholding of at least 25 per cent. of their issued share capital. Under Regulation 19A(1) of the SCRR, listed companies not complying with the minimum public shareholding requirements, including our Company, have been given time until June 3, 2013 to ensure compliance with the regulations. In order to ensure that the public shareholding in our Company is at least

25 per cent., the Promoter has, pursuant to the OFS, transferred 14,135,576 Equity Shares. Consequently, subsequent to the successful completion of this Issue and the OFS, our Promoter will hold 75.00% of our issued share capital on a fully diluted basis. Any future issuances of Equity Shares by us or sales of our Equity Shares by our Promoter or members of the Promoter Group may adversely affect the trading price of our Equity Shares, adversely impact the value of your investment in our Equity Shares and dilute your shareholding. In addition, any perception by potential investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

8. ***Our success depends in large part upon our senior management, directors and key personnel and our ability to retain them and attract skilled labor force when necessary.***

Our senior management and key personnel collectively have many years of experience with us and would be difficult to replace. In particular, our land acquisition team is headed by our Chairman who reviews and approves our land purchases. We cannot assure you that we will be able to retain any or all of the key members of our management. The loss of the services of such key members of our management team could have an adverse effect on our business and the results of our operations. We maintain insurance policies only for our directors and we do not maintain "key man" insurance for our senior managers or other key personnel.

Further, our ability to maintain our position in the real estate development sector depends on our ability to attract, train, motivate, and retain highly skilled personnel, in particular in the areas of technical, construction, sales and marketing and finance. Our inability to attract and retain skilled employees on account of increased opportunities in the market, higher salaries offered by competitors, dissatisfaction with our policies or processes or any other factors, could have an adverse effect on our business prospects, financial condition and results of operations.

9. ***Our business is significantly dependent on the availability of real estate financing in India. Changes in interest rates have a significant impact on real estate financing and demand for residential real estate projects.***

We may require additional financing to expand our operations. We may not be successful in obtaining additional funds in a timely manner, on favourable terms or at all on account of factors such as a downgrade of our debt rating as a general financial slowdown. In addition, the availability of borrowed funds for our business may be greatly reduced, and the lenders may require us to invest increased amounts of equity in a project in connection with both new loans and the extension of facilities under existing loans. If we do not have access to additional capital, we may be required to delay, scale back or abandon some or all of our acquisition plans or growth strategies or reduce capital expenditures and the size of our operations.

The inflation rate in India was 9.6 per cent. in Fiscal 2011, and 8.9 per cent. in Fiscal 2012 and 7.3 per cent. in Fiscal 2013. (*Source: Reserve Bank of India*) The RBI raised interest rates numerous times between March 2010 and October 2011 to address inflation concerns, with the series of rate hikes increasing repo rates by 375 basis points from 4.75 per cent. to 8.50 per cent during that period (*Source: Bloomberg*). However, the RBI has recently started taking measures to address liquidity and credit flow concerns in the economy. The interest rates were reduced by 50 basis points in April 2012 and were further reduced by 25 basis points with effect from March 19, 2013, and the cash reserve ratio was reduced twice by 25 basis points each in September 2012 and November 2012 and was further reduced by another 25 basis points with effect from February 9, 2013. (*Source: Reserve Bank of India*). Changes in interest rates have also had a significant impact on the real estate financing and the demand for residential real estate projects. Rising interest rates affect a prospective customer's ability to obtain affordable financing for purchase of our properties, particularly the purchase of premium affordable housing projects developed by Provident, which are aimed at first time home buyers. Availability of credit to such customers, affects the affordability of, and hence the market demand for, our real estate developments.

These factors may adversely affect our business and lead to decreases in the sales of, or market rates for, the development of projects; delays in the release of finances for certain of the projects in order to take advantage of future periods of more robust real estate demand; decreases in rental or occupancy rates for the commercial or retail properties; insolvency of key contractors resulting in construction delays; insolvency of key tenants in the commercial and retail properties; inability of customers to obtain credit to finance purchase of our properties. In any of these circumstances, our results of operations and business prospects may be materially and adversely affected.

10. ***Our strategy to focus on the expansion of the premium affordable housing segment may not be successful.***

As part of our operations in the residential real estate sector, we are developing residential projects in the premium affordable housing segment (which we define as residential dwellings which are between 850 sq. ft. to 1,360 sq. ft. in size per unit). During the period from April 2007 to April 2013, we had completed two premium affordable housing projects. Further, as at May 2, 2013, we had five Ongoing Projects and two Upcoming Projects in the premium affordable housing segment.

Premium affordable housing is a relatively new business segment in the Indian real estate industry, and has been typically developed by the government. We commenced our operations in the premium affordable housing segment in Fiscal 2009. We are subject to the risks associated with premium affordable housing projects such as:

- limited or no flexibility for cost overruns regardless of increases in costs of construction due to increase in raw materials costs, increase in debt service costs or other unanticipated factors;
- difficulty for home buyers to obtain financing on attractive terms;
- our ability to procure raw materials from vendors and suppliers at commercially acceptable prices;
- our ability to source and engage the requisite labour for the timely completion of projects;
- the identification of suitable locations; and
- our ability to accurately identify and cater for customer needs and preferences in this segment.

In addition, we face challenges inherent in achieving an acceptable standard of construction quality without exceeding the budget for these projects. As we have been involved in the premium affordable housing segment for less than five years, our experience in implementing large scale premium affordable housing projects is limited. Moreover, to the extent our potential customers find these projects less attractive due to factors such as distances from city centres or the comparably poor quality of infrastructure in the areas surrounding these projects (which may be beyond our control), we may find it difficult to sell our projects.

We cannot assure you that we will be successful in this venture or that we will be able to generate positive returns on our investments in such projects. Our inability to succeed in this segment could materially and adversely affect our business, prospects, financial condition and results of operations.

11. ***We are subject to risks associated with our wholly owned subsidiary, Provident***

We incorporated our wholly-owned subsidiary, Provident, in Fiscal 2009 to carry out our premium affordable housing projects. Provident contributed 30.55 per cent., 31.18 per cent. and 32.74 per cent. to our consolidated revenues for Fiscal 2011, 2012 and 2013, respectively. As Provident contributes a significant portion of our business, any adverse effect to Provident's business will have an adverse impact on our business, financial condition and results of operations.

Further, in the future, Provident may need significant funding in order to grow its business. This funding may be procured by various means including by way of equity investment by us, equity investments by third party investors, bank financing or accessing the capital markets. Any such external equity investment in Provident (except equity investment by us) will dilute the control that we have over its operations and also the contribution that it makes to our consolidated revenues. Any equity investment made by us in

Provident may not generate or return any profits and may result in a loss on our investment. This may have a material adverse effect on our business, financial condition and results of operations.

12. ***We conduct due diligence and assessment exercises prior to acquisition of land for undertaking development, but we may not be able to assess or identify certain risks and liabilities.***

While we conduct due diligence and assessment exercises prior to acquiring land and undertaking a project and employ the services of experts for these purposes, we may not be able to assess or identify all risks and liabilities associated with the land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights. We have also entered into agreements for sale with third parties whose interest in the property also arises from an agreement for sale entered into with the actual owner of the land. In some cases, the persons with whom we have entered into a joint development agreement or agreed to enter into a joint development agreement is not the owner of the land and only has interest through an agreement for sale with a third party. In some cases, we have acquired land or have entered into joint development agreements where the title to the land is subject to pending litigation. For example, a parcel of land aggregating to 34 acres 24 guntas situated at Yelahanka Village and Yelahanka Ammanikere Village, Yelahanka Hobli, Bengaluru North Taluk is subject to litigation proceedings where in the interest of our Company in the property is dependent upon the execution of an agreement for sale between the owner of the land and the third party with whom our Company has entered into a joint development agreement. Our Company has filed a suit for specific performance of the agreements entered into between the owner of the land and the third party, and the third party and our Company pursuant to which our Company shall have the right to develop the land. If the proceedings are not decided in our favour, our Company will not have any right to develop on the said parcel of land. For details, see "*Legal Proceedings*" and "*Our Business – Our Land Bank*". In some cases, we may not be able to develop the land which forms a part of our Land Bank and for which we are negotiating with third parties for development. For example, our Company had entered into a term sheet with a third party developer to jointly develop 198 acres 31.5 guntas of land, situated at Chinnakhurchi and Badamanavarthe Kaval Villages, Kengeri Hobli, Bengaluru South Taluk (the "**Chinnakurchi Land**"). While the third party developer has executed a joint development agreement with the owners of the Chinnakurchi Land (the "**Third Party Agreement**"), to which the Company is not a party, the Company's interest in the joint development is only reflected under the term sheet with the third party, and such term sheet has since expired and has not been renewed as of the date of this Prospectus. Since the term sheet has not been renewed as of the date of this Prospectus, our Company's interest in the Chinnakhurchi Land has not been crystallized and may not be crystallized in time or at all. For further details, see "*Our Business – Our Land Bank*".

In addition, we enter into joint development agreements and agreements to enter into joint development agreements with owners of land for its construction and development. While we conduct due diligence and assessment exercises prior to entering into a joint development agreement, there can be no assurance that these lands are validly held under law by the persons with whom we enter into joint development agreements with. There can be no assurance that irregularities in title and our interests in developing land may not arise in the future. Further, for some of our projects, our interest or title on such projects is contingent upon third parties registering their interest or title in their names and some of our 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 that we may not be aware of or which may arise in the future.

Any decision based on inaccurate, incomplete or dated information may result in risks and liabilities associated with acquiring and owning such parcels of land, being passed onto us, which may have a material adverse affect on our business, financial condition and results of operations. See "*Our Business – Our Land Bank*".

13. ***We enter into joint development agreements in relation to the development of some of our projects, which entail certain risks, including loss of the payments made by us and payment of penalties.***

We enter into joint development agreements with third party land owners in relation to the development of some of our projects. As of May 2, 2013, we had entered into joint development agreements aggregating approximately 28.06 million sq. ft. of Developable Area with respect to our Ongoing Projects, Upcoming

Projects and Land Bank. Under most of these agreements, we are required to provide the owners of the land with a refundable deposit, which is refundable upon the completion of the project and the joint development partners being given possession of their share of the units in the project pursuant to the agreement, as well as a non-refundable deposit. Under these joint development agreements, in the event of any delay in the completion of the project within the time-frame specified, we are required to indemnify such parties with whom we have entered into joint development agreements and pay certain penalties as specified in these agreements. In the past, we have experienced delays in the completion and handover of projects. Continued delays in the completion of the construction of our projects will adversely affect our reputation. Such penalties payable by us will have an adverse effect on our financial condition and results of operations. Further, if we are required to pay penalties pursuant to such agreements and we decline to do so, we may not be able to recover the deposits made by us to the owners of the land, which could have an adverse effect on our business, financial condition and results of operations.

Further, under the terms of the joint development agreements, the underlying interest in land is not transferred to the Company until the completion of the project. In the event of a joint development project not being completed, any investment made by the Company in relation to the project could be lost. As a result of this, our business, financial condition and results of operations could be materially and adversely affected.

14. *The acquisition of land and development rights is subject to extensive government regulations.*

Acquisition of land and development rights in relation to immovable properties are governed by a multitude of statutory and governmental regulations including laws and regulations related to among others, planning, environmental issues, zoning, permitted land uses, land ceiling regulations, permissible floor area ratio or floor space index, building designs, fire safety standards, height of the buildings, access to water and other utilities, which vary across different states and districts of India. In addition, we are also subject to various district or local rules and regulations, which deal with the various aspects of the real estate development process and stipulate the requirements and procedures, including the requirement of transaction documents, payment of stamp duty, registration of property documents, purchase of property, limitation on land acquisition by an individual entity and rehabilitation of displaced persons. Although we believe that our projects are in material compliance with such laws and regulations we cannot assure you that we will not be subjected to any such regulatory action in the future. Even though we have been able to obtain the necessary approvals that we require under these government regulations in the past, we cannot assure you that we will be able to obtain the requisite further approvals in relation to our existing projects, or our new projects, at such times or in such form as we may require, or at all.

We are also subject to the risk of the central and state governments acquiring our land to exercise rights of compulsory purchase, or eminent domain, or compulsory acquisition for a "public purpose", which, if used in respect of our land, could require us to relinquish land with compensation. For instance, we have in the past, been subjected to the compulsory acquisition of land by the Karnataka Industrial Areas Development Board and alternate land is yet to be granted to us. Further, certain portions of land situated at Yelahanka Village and Yelahanka Ammanikere Village, Yelahanka Hobli, Bengaluru North Taluk, forming part of our Land Bank, is subject to acquisition proceedings by Karnataka Industrial Areas Development Board through a preliminary notification and National Highways Authority of India through a final notification. Our Company has not received any notification indicating that the acquisition proceedings have been withdrawn. 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 materially and adversely affect our business.

15. *We may not be able to acquire or register the lands for which we enter into certain agreements or memorandum of understanding or where we may have already made partial payments towards the acquisition.*

We enter into agreements to sell or memoranda of understanding with third parties prior to acquiring any property. We enter into these agreements to sell, or memoranda of understanding, to ensure that the sellers of the land satisfy certain conditions within the stipulated time frame specified under these agreements.

Land held by us pursuant to memoranda of understanding or agreements to sell are included when calculating our Land Bank. Under the agreements, the owners of the land may be required to provide all of the original deeds and documents in relation to the land and to complete the conversion of the land from agricultural to non-agricultural or for residential or commercial purposes. Further, under these agreements, we may be required to pay these landowners certain advances towards the land. These agreements also provide that the lands must be conveyed to us within a prescribed period of time. In the event that we are not able to acquire lands which we have covered by these memoranda of understanding or agreements to sell, then we may not be able to recover all or part of the advance monies, which we may have paid, in relation to that land. We cannot assure you that we will be successful in acquiring or registering these lands pursuant to these agreements to sell or memoranda of understanding. Further, certain of the lands that we propose to acquire may not be in the Company's name. We cannot assure you that lands as identified will be acquired at competitive prices. In the event that the prices are increased by the landowners, we may not be able to acquire these lands in a timely manner or at all.

16. ***Our operations are subject to government regulations that may affect the results of our operations.***

Our operations are subject to governmental regulations concerning the way we manage our business. For instance, we and our sub-contractors are subject to laws and regulations relating to, among other things, minimum wages, working hours, health and safety of laborers and requirements of registration for contract labor. In some of our markets, we are required to give commitments to provide certain infrastructure such as roads and sewage systems, which may require us to comply with certain additional regulations. Some approvals are required to be obtained after commencement of construction in relation to the project. The laws and regulations under which we and our subcontractors operate, and our and their obligations to comply with them, may result in delays in construction and development, cause us to incur substantial compliance and other increased costs, and prohibit or severely restrict our real estate and construction businesses. We are also required to be registered under certain government regulations for projects where we employ labour on a contract basis. While we have procured the required registrations for our Ongoing Projects and Completed Projects, we cannot assure you we will be able to procure these registrations for all our projects in the future.

Further, although we do not engage contract laborers directly, we may be held responsible for any wage payments to be made to such laborers in compliance with applicable regulations in the event of default by our independent sub-contractors. Any requirement to fund such wage may have an adverse impact on our business results of operations and financial condition.

17. ***We may be unable to develop our future projects in a manner that we have currently planned for these projects. Further, any delays in the completion of our Ongoing Projects and Upcoming Projects or in complying with our construction contract schedules could result in cost over-runs and penalties under our joint development agreements with the owner of the land or our sale agreement with our customers.***

As of May 2, 2013, our Land Bank aggregated approximately 58.61 million sq. ft. of Developable Area and approximately 49.63 million sq. ft. of Saleable Area. We expect to develop residential and commercial projects across specified locations in south India, in Kolkata, India and in Colombo, Sri Lanka. We are still at an initial stage in planning for some of these projects and we have not yet applied for or received the requisite approvals for certain of these projects including for instance our project in Colombo. The manner in which we develop these projects will depend on a variety of factors, including the securing of all required approvals and permissions, changes in customer preferences, litigation or force majeure and other extraneous factors. There can be no assurance that our future projects will be developed in a manner that we have currently envisaged for these projects.

Property developments typically require substantial capital outlay during the construction period which may take an extended period of time to complete, and before a potential return can be generated. The time and costs required to complete a property development may be subject to substantial increases due to many factors, including shortages of, or price increases with respect to, construction materials (which may prove defective), equipment, technical skills and labor, acquisition of land, construction delays, unanticipated cost increases, changes in the regulatory environment, adverse weather conditions, third party performance risks, environmental risks, changes in market conditions, delays in obtaining the requisite approvals and permits from the relevant authorities and other unforeseeable problems and circumstances. Any of these factors may lead to delays in, or prevent the completion of a project and result in costs substantially exceeding those originally budgeted for. The cost overruns may not be adequately compensated by contractual indemnities and which may affect our financial condition and results of operations. The Company, its Subsidiaries and Associates are not insured against cost overrun risks. In addition, any delays in completing our projects as scheduled could result in dissatisfaction among our customers, resulting in negative publicity and lack of confidence among future buyers for our projects. Additionally, we may not achieve the economic benefits expected of such projects. In the event there are any delays in the completion of such projects, our relevant approvals and leases may be terminated. We have in the past experienced delays in the completion and handover of our projects. Further, the joint development agreement entered into with the owner of the land and the sale agreements into which we enter with our residential and commercial customers contain penalty clauses pursuant to which we are liable to pay penalty for any delay in the completion and handover of the units to such owners or customers. The amount of such penalties are specified in the agreement and are linked to the period of delay. As a result, in large residential projects, the aggregate of all penalties in the event of any delay may adversely affect the overall profitability of the project and therefore adversely affect our results of operations. During Fiscal 2013, we paid Rs. 8.96 million as damages and penalties in connection with delays and non-delivery of units under pending consumer court litigation.

We may also be subject to claims resulting from defects arising from procurement and/or construction services provided by us within the warranty periods stipulated in our agreements with residential property purchasers and the contracts for the development of commercial properties. Actual or claimed defects could give rise to claims, liabilities, costs and expenses including repairing the damaged property, relating to loss of life, personal injury, damage to property and damage of equipment and facilities. Our policy of covering these risks through contractual limitations of liability or indemnity and insurance may not always prove to be effective.

18. ***We may not be successful in identifying suitable parcels of lands for our development activities, build or develop saleable projects or anticipate and respond to customer demand in a timely manner. Additionally, market conditions may affect our ability to sell our projects at expected prices, which could adversely affect our revenues and earnings.***

Our ability to identify suitable parcels of land is fundamental to our business and involves certain risks such as identifying and acquiring appropriate land parcels in appropriate locations, and meeting the demands and expectations of our customers.

Our decision to acquire land and undertake a project involves an assessment of the size and location of the land, the preferences of potential customers, the economic potential of the region, the proximity of the land to civic amenities and urban infrastructure, the willingness of landowners to sell the land to us on terms which are commercially acceptable to us, the ability to enter into an agreement to buy land from multiple owners, the availability and cost of financing such acquisitions, the existence of encumbrances, government directives on land use, and the ability to obtain permits and approvals for land acquisition and development.

Any failure to identify suitable projects, build or develop saleable properties or anticipate and respond to customer demand in a timely manner, or any failure to acquire suitable land may cause us to change, delay or abandon entire projects, which in turn could materially and adversely affect our competitive position, business, financial condition and results of operation. We also cannot assure you that we will undertake the development of projects on all properties which we have acquired or in which we have acquired an interest.

Further, there is a lag between the time we acquire land or development rights to the land and the time that we develop and sell our projects and we will be affected if the market conditions deteriorate or if we purchase land or construct inventories at higher prices and the value of the land or the constructed inventories subsequently decline. The risk of owning undeveloped land, developed land and constructed inventories can be substantial as the market value of land and inventories can change significantly as a result of changing economic and market conditions. Since our real estate investments are relatively illiquid, our ability to mitigate the risk of any market fluctuations is limited, which could adversely affect our revenues and earnings.

19. ***Some of the properties on which our Company is developing projects and / or have the right or interest in developing projects are the subject matter of litigation to which our Company / its Subsidiaries and certain individuals (with whom our Company has entered into agreements for purchase of land) or the Promoter are not a party.***

Some of the properties on which our Company is developing projects, such as, Provident Harmony, Purva Atria-Platina, Purva Skywood, Purva Terraces and Purva Seasons are the subject matter of litigation to which our Company or its Subsidiaries and certain individuals (with whom our Company has entered into agreements for purchase of land) are not a party. We are not able to predict the impact of such litigation on us or our projects. The details of our Company's interest in these projects are given below:

Name of the Project	Interest of the Company in the Project land
Provident Harmony	Provident, wholly owned subsidiary of our Company has entered into a joint development agreement dated February 10, 2011 with B Mohan Rao and C.H. Venkateshwaralu for the development of land measuring around 6 acres 18.5 guntas in Sy.Nos. 76/1, 77/2 and 78/2, in Chokkanahalli Village, Yelahanka Hobli, Bengaluru North Taluk. Provident is entitled to 67.5 per cent. of the property by virtue of the area sharing ratio in the joint development agreement.
Purva Atria-Platina	Our Company has entered into a joint development agreement dated March 15, 2004, with Regal Realtors and Atria Holdings Private Limited as the confirming party. The joint development agreement has been executed in respect of Sy. No. 56/3, BBMP No. 56/3A, Ceddalahalli Village, Kasaba Hobli, Bengaluru North Taluk, Bengaluru District, admeasuring 4 acres 33.5 guntas**.**
Purva Skywood	Our Company has a registered sale deed in its favour dated September 12, 2007, executed by N Babu Raj in respect of Sy. No. 98/2 measuring 10 guntas, situated at Kudlu Village.
Purva Seasons	Rustumji Developments, B S N Hari and others have executed a joint development agreement with our Company dated December 18, 2007 in respect of piece portion of land bearing Municipal No. 92, Kaggadasapura Main Road, BBMP Ward No. 83, CV Raman Nagar, PIL No. 83-53-92 of BBMP, Bengaluru.
Hosur Road	Our Company has entered into a joint development agreement dated July 30, 2008, with A Rama Reddy and others for development of land bearing Sy. No. 55/5, measuring 6.55 acres, along with other lands situated at Hongasandra Village, Begur Hobli, Bengaluru South Taluk. In terms of the joint development agreement, our Company is entitled to 62 per cent. of constructed area in the development.

Details of the Land Bank	Interest of the Company in the Land Bank
Sy. No. 207/1 , 23 guntas, S. Medahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru	Our Company has an Agreement of Sale dated February 27, 2006, executed in its favour by V Geetha, in respect of land bearing Sy. No. 207/1 measuring 2.55 acres along with other parcels of land situated at Medahalli Village and Adigarakallahalli, Sarjapura Hobli, Anekal Taluk, Bengaluru District.
Survey No. 209,3 acres 30 guntas, S. Medahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru	Our Company has entered into a Memorandum of Understanding dated February 15, 2008 with Uma Maheshwar Rao and an Agreement of Sale dated February 27, 2006, with V Geetha in respect of land bearing Sy. No. 209 measuring 1.25 acres and 2.5 acres respectively.
Sy. No. 24, 5 acres 29 guntas, Medahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru	Our Company has an Agreement of Sale and Power of Attorney, dated April 20, 2006, executed in favour of Nani R. Choksey, Girish Puravankara and Ashish Puravankara who are authorized under the Power of Attorney to act for our Company, by H G Nagananda in respect of Sy. No. 24 measuring 5 acres 29 guntas situated at S Medahalli Village, Sarjapur Hobli, Anekal Taluk.
Sy. No. 14/1 measuring 2 acres 28 guntas, Medahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru	Our Company is the absolute owner of land bearing Sy. No. 14/1 situates at S. Medahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru District, measuring 2.93 acres, by virtue of a sale deed dated February 24, 2006, executed in its favour by M/s Kristal Projects (India) Private Limited.
Sy. No. 39 (12 guntas), Sy. No. 38/2 (2 acres 24 guntas), Sy. No. 37/2 (3 acres 12 guntas) situated at Uganavadi Village, Kasaba Hobli, Devanahalli Taluk, Bengaluru	Our Company is the absolute owner of land bearing Sy. No. 37/2 measuring 4 acres 2 guntas, Sy. No. 38/2 measuring 2.7 acres and Sy. No. 39/1 measuring 0.3 acres, situated at Uganavadi Village, Kasaba Hobli, Devanahalli Taluk, Bengaluru, by virtue of a sale deed dated July 20, 2005, executed in its favour by K P Ramaiah and others.
Sy. No.207/2, 1 Acre 37 guntas of S. Medahalli Village, Sarjapur Hobli, Anekal Taluk, Bengaluru District (Our Company is concerned with only 17 Guntas)	Our Company has entered into an Agreement of Sale dated February 27, 2006, with V Geetha in respect of land bearing Sy. No. 207/2 situated at S. Medahalli Village, Sarjapur Hobli, Anekal Taluk, Bengaluru District, measuring 2.43 acres.
Sy.No. 50 & 51 and Municipal Khata No. 697, measuring 16 acres 6 guntas guntas of Pattandur Village, Whitefield	Our Company has entered into an Agreement of Sale dated March 24, 2005 with V Geetha, in respect of lands bearing Sy. Nos. 50 & 51 and Municipal Khata No. 697, in all measuring 16.15 acres. As per the Agreement of Sale, our Company is entitled to 4/6 of the entire extent of property.

20. ***The success of our real estate development business is dependent on our ability to anticipate and respond to consumer requirements, both in terms of the type and location of our projects.***

We believe that our key strength has been our ability to understand the preferences of our customers and accordingly develop projects that suit their tastes and preferences. We have been developing luxury, premium real estate projects, as well as premium affordable housing projects in upcoming locations and we provide state of the art contemporary facilities and amenities in our developments. Further, Provident focuses on developing projects for the premium affordable segment, where the size of apartments is smaller but contemporary amenities are provided. As customers continue to seek better housing and better amenities as part of their residential needs, we are required to continue our focus on the development of quality-centric residential accommodation with various amenities across the spectrum of our projects from luxury to premium affordable segments. Further, the growth and success of our commercial business depends on the provision of high quality office space to attract and retain clients who are willing and able to pay rent or purchase prices at suitable levels, and on our ability to anticipate the future needs and expansion plans of these clients. Therefore our ability to anticipate and understand the demands of the prospective customers is critical to the success of our real estate development business. The growth of the Indian economy has led to changes in the way businesses operate in India and the growing disposable income of India's middle and upper income classes has led to a change in lifestyle, resulting in a substantial change in the nature of their demands. Our inability to provide these customers their preference or our failure to anticipate and respond to customer needs accordingly will adversely affect our business, financial condition, results of operation and cash flows. This could also lead to loss of potential customers to our competitors who may offer better facilities, which could adversely affect our business, financial conditions and results of operations.

21. ***We may not be successful in expanding our real estate business into new geographical areas and markets in which we do not have significant experience.***

We have expanded our business to new areas such as Coimbatore, Hyderabad, Mysore, Mangalore, Kolkata and Colombo. See "*Our Business – Our Operations*". We face risks with projects in geographic areas in which we do not possess the same level of familiarity with the development, ownership and management of properties, including adjusting our construction methods to different geographies; establishing good relations with the local landowners and joint venture partners; obtaining the necessary construction and raw materials and labor in sufficient amounts and on acceptable terms; obtaining necessary governmental approvals and the building permits under unfamiliar regulatory regimes; understanding the requirements of the local laws and market practice; attracting potential customers in a market in which we do not have significant experience; hiring new employees and acquiring infrastructure at reasonable cost; and competing with established local players familiar with these geographies. In particular areas, demand for property may reduce which may impact our strategy and ability to execute projects in such areas. We may not be able to successfully manage the risks of such an expansion, which could have a material adverse effect on our revenues, earnings and financial condition.

22. ***We face intense competition in our business from real estate companies in India, based on the availability and cost of land. We may not be able to compete effectively, particularly in certain regional markets.***

We operate in highly competitive markets, and competition in these markets is based primarily on the availability and cost of land. We also face competition from other real estate companies in India in bidding for new property development projects.

Although, our operations have historically focused on projects in and around Bengaluru, we have expanded in other cities across South India. We have also evaluated the acquisition of land in locations such as the National Capital Region and Mumbai. As we intend to diversify our regional focus, particularly in South Indian cities other than Bengaluru, we face the risk that some of our competitors, who are also engaged in real estate development, may be better known in other regional markets, enjoy better relationships with landowners and joint venture partners, gain early access to information regarding attractive parcels of land, have more experience in undertaking real estate development in such other markets and may be better placed to acquire such land. Some of our competitors have greater land bank or financial resources than we do. They may also benefit from greater economies of scale and operating efficiencies. Competitors may, whether through consolidation or growth, present more attractive and/or lower cost solutions than we do, causing us to lose market share to our competitors. For example, we have not been able to acquire suitable parcels of land in Mumbai and the National Capital Region for a variety of reasons. There can be no assurance that we can continue to compete effectively with our competitors in the future, and failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

We compete with other retail real estate developers seeking suitable retail tenants. Increasing competition could result in price and supply volatility which could materially and adversely affect or results of operations and financial condition.

23. ***Our Company in general and Provident in particular have experienced growth in the last few years and we may not be able to sustain its growth, which may adversely affect our results.***

Our consolidated income has increased by Rs. 2,154.00 million, or 35.89 per cent., from Rs. 6,001.68 million in Fiscal 2011 to Rs. 8,155.68 million in Fiscal 2012; and by Rs. 4,329.12 million, or 53.08 per cent., from Rs. 8,155.68 million in Fiscal 2012 to Rs. 12,484.80 million in Fiscal 2013. Provident's income increased by Rs. 709.48 million, or by 38.69 per cent., from Rs. 1,833.75 million in Fiscal 2011 to Rs. 2,543.23 million in Fiscal 2012; and by Rs. 1,543.80 million, or by 60.70 per cent., from Rs. 2,543.23 million in Fiscal 2012 to Rs. 4,087.03 million in Fiscal 2013. Provident contributed 30.55 per cent., 31.18 per cent. and 32.74 per cent. to our consolidated income for Fiscal 2011, 2012 and 2013, respectively. Through Provident, we have completed two premium affordable housing projects during the period from April 2007 to April 2013, and as of May 2, 2013, had five Ongoing Projects and two Upcoming Projects in the premium affordable housing segment.

We may not be able to sustain our growth effectively or to maintain a similar rate of growth in the future due to a variety of reasons including a decline in the demand for premium affordable housing real estate projects, increased prices or competition, non-availability of raw materials, lack of management resources or due to a general slowdown in the economy. A failure to sustain Provident's growth may have a material adverse effect on our financial condition and results of operations.

24. ***We enter into joint ventures with third parties, which entail certain risks.***

We have entered into joint ventures with third parties as part of our business and growth strategy. Investments through joint ventures may, under certain circumstances, involve certain risks including the possibility of joint venture partners failing to meet their financial obligations on time or at all or where joint venture partners have business interests or goals that are inconsistent with our business interests or goals. Such investments may also run the potential risk of impasses on certain key decisions.

We have entered into a joint venture with Keppel Investment (Mauritius) Pte Ltd which is a subsidiary of the Singapore based Keppel Land Limited. Keppel Land Limited is a subsidiary of Keppel Corporation Limited. Temasek Holdings (Pte) Ltd, in which the Singapore Ministry of Finance is a shareholder, is the largest shareholder of Keppel Corporation Limited. Both Keppel Corporation Limited and Keppel Land Limited are listed on the Singapore Exchange Securities Trading Limited. We have also executed a shareholders' agreement with Wisley Pte Ltd, a wholly-owned subsidiary of Keppel Land Limited, and RSJ Developers Private Limited. Our partnership with Keppel Land Limited is not exclusive and Keppel Land Limited may enter into similar joint ventures with our competitors, or may enter the real estate development business on their own.

Our joint venture partners may have acquired or may acquire business interests or goals that are inconsistent with our business interests or goals. Such investments also may have the potential risk of impasses on certain key decisions. Any disputes that may arise between us and our joint venture partners may cause delay in completion, suspension or complete abandonment of the project. In addition, we may in certain circumstances be liable for the actions of our joint venture partners. Further, the success of these joint ventures depends, to a certain extent, on the satisfactory performance by the joint venture partners and the fulfilment of their obligations. As a result of this, our business, reputation and result of operations may be materially and adversely affected.

25. ***We are dependent on our suppliers for adequate and timely supply of key raw materials at competitive rates and have not entered into any long term supply contracts with our suppliers. Further, increased raw material costs may adversely affect our results of operations.***

Our principal raw materials include steel, sand and cement. In our business, timely procurement of these raw materials, the quality of the material and the price at which it is procured, plays an important role in the successful execution of any project. We typically execute purchase orders on a spot basis with our suppliers for each project and have not entered into any long-term supply contracts with our suppliers. Accordingly, we cannot assure you that we would be able to procure raw materials in a timely manner and at competitive prices or that we will not be affected in the event of any shortfall of supply since we do not have any definitive arrangements with our suppliers, which may adversely affect our business. If, for any reason, our primary suppliers of raw materials curtail or discontinue their delivery of such materials to us in the quantities we need and at prices that are competitive, our reputation and ability to meet our material requirements for our projects could be impaired, our construction schedules could be disrupted and our business could suffer.

Further, 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.

26. ***We rely on third parties for certain activities in relation to the construction and development of our projects.***

We have the in-house technical capability to construct and develop our real estate development projects and we have a team of architects, civil engineers and other technical staff who are involved in the construction and development for most of our projects. For most of the projects being executed by our wholly owned subsidiary, Provident and our projects outside of Bengaluru, we outsource these functions to third parties. In addition, we use sub-contractors to organize the construction labour required for all our projects. The timing and quality of construction of the projects we develop depends on the availability and skill of the parties to whom these functions are outsourced, as well as contingencies affecting them, including any raw material shortages and industrial action such as strikes and lockouts. We cannot assure you that we can continue to conduct all construction related activities internally or that skilled third parties or contractors will continue to be available at reasonable rates or at all. Additionally, if such subcontractors or third parties do not complete our orders timely or satisfactorily, our reputation and financial condition could be adversely affected. 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.

We also rely on manufacturers and other suppliers and do not have direct control over the quality of the products they supply, which may adversely affect the construction quality of our developments. 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.

27. ***Our brand value may suffer on account of customer dissatisfaction with the sales or after-sales processes of our properties***

We believe that we have an established brand image in the South Indian real estate market. We rely on our brand image to attract customers for our projects, including by way of "word of mouth" recommendations from our existing customers. Our brand value, and consequently our business prospects may suffer on account of customer dissatisfaction with the sales or after sales processes of our properties. Customer dissatisfaction may occur in the process of sales of our properties, on account of incorrect or inaccurate information provided by our sales personnel, customization requirements in relation to properties not being adequately provided delays in processing or finalizing sale agreements or other factors. Further, dissatisfaction may occur in the after-sales processes of our properties, due to the lack of a well-defined customer redressal system, disputes over cancellation charges, inadequate property management post sale.

Such dissatisfaction may lead to an erosion of our brand value, which may consequently lead to a loss of potential customers resulting in an adverse effect on our growth, business, financial condition and results of operations.

28. *Our insurance coverage may not be adequate.*

We have not insured the premises on which our registered office is located. Our real estate projects could suffer physical damage from fire or other causes, resulting in losses, including loss of rent, against which we may not be insured or 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, infectious disease or acts of war, which may be uninsurable or are not insurable at a reasonable premium. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. Further, we may not have obtained insurance cover for some of our projects that do not require us to maintain insurance. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance or that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our results of operations and financial performance could be adversely affected. 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.

29. *Our Promoter has given personal guarantees in relation to certain debt facilities.*

Our Promoter has provided personal guarantees in relation to the obligations undertaken by us and our Subsidiaries under certain debt facilities. The personal guarantees have been given in relation to debt facilities which have a sanctioned amount of approximately Rs. 16,500.83 million as of March 31, 2013. In the event that there is any default in any of these obligations, the personal guarantees given by our Promoter may be invoked. In the event that any of the guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may terminate such facilities. We may not be successful in procuring alternate guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

30. *Our Company's indebtedness, inability to make payments or refinance our debt and the conditions and restrictions imposed by the financing arrangements could require us to use our cash flows for the repayment of debt, enter into financing at higher costs and subject us to fluctuations in interest rates, which could adversely affect our ability to conduct our business and operations.*

As of March 31, 2013, our Company's outstanding indebtedness was Rs. 17,859.25 million, out of which Rs. 979.90 million was unsecured and Rs. 16,879.35 million was secured. Our Company may incur additional indebtedness in the future. Our Company's indebtedness could have several consequences, including but not limited to the following:

- A portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements. As of March 31, 2013, we paid interest charges aggregating Rs. 2,423.70 million, and repaid our loans aggregating Rs. 6,568.50 million;

- our ability to obtain additional financing in the future at reasonable terms may be restricted; and

- fluctuations and increase in prevailing interest rates may affect the cost of our borrowings, with respect to existing floating rate obligations and new loans.

Our loan agreements with certain banks and financial institutions for term loans and working capital loans, contain restrictive covenants, which include, but are not limited to, requirements that we obtain consent from the lenders prior to altering our capital structure, amending our constitutional documents, effecting any scheme of amalgamation or reconstitution, permitting any change in the ownership or control (whereby there will be a change in our beneficial ownership), varying the shareholding of our Promoters, declaring dividends, investing any funds by way of deposits or loans or in the share capital of any other concern, undertaking any new project or implementing any scheme of expansion/diversification, transfer any project or any part thereof, including land and interest in land, entering into borrowing arrangements with other banks or financial institutions, undertaking guarantee obligations, changing our accounting year and/or accounting methods, creating any charge or lien on the security, changing the composition of our board of directors. Additionally, some of the loan agreements contain financial covenants that require us to provide additional security if demanded by the lender. In addition, some of our loans are secured by fixed and other assets.

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe is required to operate and grow our business. For example, our ability to meet our obligations under joint venture agreements to contribute to capital or our ability to guarantee the borrowing of our subsidiary and associate entities and special purpose vehicles could be impacted by our failure to obtain requisite consent on favorable terms, or at all. Furthermore, a default, including our inability to service our debt, on some of our loans may also trigger cross-defaults under some of the other loan agreements, whereby our failure to honor the payment due under one particular facility will be deemed to be a default under several of our other facilities, and all moneys owed by us to such lenders may be accelerated or declared immediately due and payable. Many of our loan agreements allow our lenders to call upon additional security in relation to existing loans. Further, under the terms of certain of our loan agreements, the relevant lender can appoint a nominee director on our Board in the case of default in the payment of outstanding principal or interest.

Our interest in several of the projects being developed by us are encumbered in favor of our lenders. These include our Purva Midtown, Purva Skywood and Purva Windermere projects, among others. In addition, the receivables with respect to our Purva Season, Purva Venezia and Purva Highlands projects, among others, are encumbered in favour of our lenders. The operation of these provisions in the loan agreement could adversely affect our business, reputation, financial condition and cash flows.

Our Company's ability to make payments on and refinance our indebtedness will depend on our ability to generate cash from our future operations. We may not be able to generate enough cash flow from operations or obtain enough capital to service our debt. In addition, we may need to refinance some or all of our indebtedness on or before maturity and we cannot assure you that we shall be able to do so at commercially reasonable terms, or at all. This may require us to take actions such as selling assets, seeking additional equity financing or reducing or delaying capital expenditures, including development of our Ongoing Projects and Upcoming Projects. We may not be able to take these actions, if necessary, on commercially reasonable terms or at all. In addition, lenders under our credit facility could foreclose on and sell our assets if we default under our credit facilities.

As of March 31, 2013, our Company had unsecured loans amounting to Rs. 979.90 million and repayment of these loans may be called by lenders at any time. This requirement to refinance loans at short notice may have a material and adverse effect on our business operations and financial condition. Furthermore, as on March 31, 2013, the Company had Rs. 14,019.70 million of debt which bears interest at floating rates linked to the base rates / prime lending rates of our lenders, as determined from time-to-time in accordance with the relevant financing agreements. Upward fluctuations in interest rates could therefore increase the cost of both existing and new debt, which may have a material and adverse effect on our business operations and financial conditions.

We intend to utilize a portion of the proceeds of the Issue towards the prepayment and repayment of certain of our existing debt obligations. Under the terms of certain of our loan agreements, prior consent of certain lenders and payment of applicable charges is required for the prepayment of certain loans. If we are unable to obtain such consent or pay such charges, we may be unable to utilize the proceeds of the Issue in the manner set out in this Prospectus.

31. ***We will be controlled by our Promoter so long as they control a majority of our Equity Shares*.**

Prior to the completion of the Issue, our Promoter controlled, directly or indirectly, 89.96 per cent. of our outstanding Equity Shares. Subsequent to the successful completion of this Issue and the OFS, our Promoter will hold 75.00% of our issued share capital on a fully diluted basis. As a result, our Promoter will continue to have the ability to exercise significant control over us and all matters requiring shareholder approval, including election of directors, our business strategy and policies and approval of significant corporate transactions such as mergers and business combinations. The extent of his shareholding in us may also have the effect of delaying, preventing or deterring a change in control of our company, even if such a transaction may be beneficial to our other shareholders. The interests of our Promoter as our controlling shareholder could also conflict with our interest or the interests of our other shareholders. We cannot assure you that our Promoter will act to resolve any conflicts of interest in our favour.

32. ***There may be a potential conflict of interest between other ventures promoted by our Promoter that are engaged in a similar line of business as us. We may also face difficulties in protecting our domain names and our trademarks.***

There may be a potential for conflict of interest between our operations and those of our Promoter group entities. In addition, attention to the other Promoter group entities may distract or dilute management attention from our business, which could adversely affect our results of operations and financial condition.

We may also face difficulties in protecting our domain names and our trademarks. Competing websites may use domain names that are similar to ours. In the past, we have, and may in the future, resort to legal action in order to restrain the use of domain names that are similar to ours. We may be unsuccessful in such legal actions. For instance, in a legal action relating to the usage of "purva.com" the World Intellectual Property Organization passed an order against our interest.

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

We have in the course of our business entered into transactions with related parties that include our Promoter and companies forming part of our promoter group. We have also acquired some assets and liabilities from certain of our Promoter Group Entities. In the past, we have also entered into agreements to purchase and develop land with our Promoter, the Promoter's relatives or companies owned by our Promoter. For more information regarding our related party transactions, see "*Financial Statements – Related Party Information*" contained in our consolidated summary financial statements included in the Red Herring Prospectus and this Prospectus. Further, our business is expected to involve transactions with such related parties, in the future.

34. ***We have applied for and are awaiting for the new logo of our Company to be registered as a trademark.***

We have been conducting our business using our logo and our customers and suppliers associate our logo with our Company and its operations. While we have applied for registration of our logo as our trademark and while we have not received any negative observations from the registrar of trademarks or third parties, we cannot assure you that we will be able to obtain a registration of our logo as our trademark. Further, unauthorized parties may infringe upon or misappropriate our logo or other proprietary rights. The misappropriation or duplication of our intellectual property could disrupt our business, distract our management and employees, reduce our total income and increase our expenses. We may also need to litigate to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of third parties. Any such litigation could be time consuming and costly and the outcome of any such litigation cannot be guaranteed.

35. ***Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements and that of our Subsidiaries and the dividends they distribute to us. Our business is capital intensive and we may make additional capital expenditure to complete various real estate projects. Our ability to pay dividends is also restricted under certain financing arrangements. We may be unable to pay dividends in the near- or medium-term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our projects, financial condition and results of operations.

36. ***The statements contained in this Prospectus with regard to our Ongoing Projects, Upcoming Projects, Land Bank and the area expressed to be covered by our projects are based on management estimates and may be subject to change. In addition, industry statistical and financial data contained in this Prospectus may be incomplete or unreliable.***

The Developable Area, Saleable Area, Leaseable Area and general composition of our land presented herein with regard to Ongoing Projects and Upcoming Projects, are based on management estimates. Further, the classification of projects as Ongoing Projects, Upcoming Projects and Land Bank are based on internal management classifications, and may therefore not be precise. The square footage that we may develop in the future with regards to a particular property may differ from what is presented herein based on various factors such as prevailing market conditions, title defects, an inability to obtain the required regulatory approvals, and a change in the development norms (such as floor space index or zoning) or our understanding of what such development norms are. Moreover, title defects may prevent us from having valid rights enforceable against all third parties to lands over which we believe we hold interests or development rights, rendering our management's estimates of the area and make-up of our land incorrect and subject to uncertainty.

We have also not independently verified data from government and industry publications and other sources contained herein and therefore cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or our industry are subject to the statistical and other data upon which such discussions are based, and may not being verified by us and may be incomplete or unreliable.

37. ***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.

We have invested heavily in modernizing the technology and equipment that we require in our construction related activities. Our financial operations are integrated through an ERP system. We are also in the process of integrating our other operations through a separate ERP system. Any disruption in the technological systems or disruption in our communication systems may lead to a delay or disruption of our construction activities which may affect our finances and operations.

38. ***Our strategy to execute projects in the commercial real estate segment may not be successful***

As of May 2, 2013, we had four Ongoing Projects and two Upcoming Projects in the commercial real estate segment. As part of our growth strategy, we intend to leverage on our real estate development and execution capabilities to develop a portfolio of commercial projects, as and when opportunities arise. As a number of local and national real estate companies also focus on developing projects in the commercial real estate segment, the market for commercial real estate is extremely competitive. We cannot assure you that we will be successful in this venture or that we will be able to generate positive returns on our investments in such projects. Our inability to succeed in this segment could materially and adversely affect our business, prospects, financial condition and results of operations.

39. ***Our deployment of Net Proceeds of this Issue are based on management estimates and have not been independently appraised.***

Our funding requirements and the deployment of the proceeds of the Issue as described in "*Use of Proceeds*" are based on management estimates and have not been appraised by any bank or financial institution. In view of the nature of the industry in which we operate, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. This may result in the rescheduling of our project expenditure programmes and an increase or decrease in our proposed expenditure for a particular project.

40. ***India has stringent labor legislation that protects the interests of workers, and if our employees unionize, we may be subject to industrial unrest, slowdowns and increased wage costs.***

India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labor policies, and our business may be adversely affected.

Further, we operate in a labor-intensive industry and our contractors hire casual labor in relation to specific projects. If we are unable to negotiate with the workmen or the contractors, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. In addition, we may not be able to procure required casual labor for our existing or future projects. Additionally, a large number of laborers we employ come from different parts of India. There is a trend among these laborers to return to their home states after a short period of time. If we are unable to substitute these laborers when required, our business, financial conditions, results of operations and cash flow could be adversely affected.

Risks Relating to India

41. ***A slowdown in economic growth in India and other countries in which we operate could cause our business to suffer.***

Our results of operations and financial condition are dependent on, and have been adversely affected by, conditions in financial markets in the global economy, and, particularly in India and the other countries in which we operate.

The uneven global recovery reflects several underlying issues and consequent risks. First, despite indications of a gathering recovery momentum, the U.S. economy remains dependent on the extension and expansion of monetary and fiscal stimulus in the form of the continuation of near-zero interest rates, quantitative easing and tax reliefs, raising questions on the sustainability of such policy approach and the impact of the eventual unwinding and reversal of these stimuli. In the second half of 2011, the global financial markets experienced significant volatility as a result of, among other things, the downgrading by Standard and Poor's Rating Group, a division of McGraw-Hill Companies, Inc. ("**Standard & Poor's**") of the long-term sovereign credit rating of the United States to "AA+" from "AAA" on August 5, 2011. On July 13, 2011, Moody's Investors Services Limited ("**Moody's**") placed the U.S. government under review for a possible credit downgrade, and on August 2, 2011, Moody's Investors Services Limited confirmed the U.S. government's existing sovereign rating, but stated that the rating outlook is negative. On July 10, 2012, Fitch Ratings Limited ("**Fitch**") affirmed its existing sovereign rating and outlook of the U.S. government. Should a further downgrade of the sovereign credit ratings of the U.S. government occur, it is foreseeable that the ratings and perceived creditworthiness of instruments issued, insured or guaranteed by institutions, agencies or instrumentalities directly linked to the U.S. government could also be correspondingly affected by any such downgrade. Instruments of this nature are widely used as collateral by financial institutions to meet their day-to-day cash flows in the short-term debt market.

In Europe, especially the Eurozone, large budget deficits and rising public debts have triggered sovereign debt finance crisis that resulted in the bailouts of Greece, Ireland, Portugal and Spain and elevated the risk of government debt defaults, forcing governments to undertake aggressive budget cuts and austerity measures, in turn underscoring the risk of global economic and financial market volatility. Moreover, in

January 2012, Standard & Poor's downgraded the sovereign ratings of various European Union countries and entities, including France, Austria and the European Financial Stability Facility.

Japan has also experienced deflationary pressure since the early 1990s, made worse by the devastating earthquake and tsunami of March 2011 and the consequent damage to its nuclear industry. In emerging and developing economies, particularly China, India, Brazil and Russia, risks to macroeconomic and financial stability have arisen from the influx of short-term capital, excessive currency movements and pressures on general and asset price inflation. These have necessitated further policy tightening, introduction of liquidity management measures and imposition of some forms of capital controls.

The resulting economic pressure on the economies in which we operate, a general lack of confidence in the financial markets and fears of a further worsening of the economy have affected and may continue to affect the economic conditions in such countries. We cannot assure you that the markets in which we operate will undergo a full, timely and sustainable recovery. The economic turmoil may continue or take place in the future, adversely affect our business, results of operations and financial condition.

42. ***Any downgrade of credit ratings of India or Indian companies may adversely affect our ability to raise debt financing.***

India's sovereign currency long-term debt is currently rated (i) “BBB-” (negative) by Standard & Poor's, (ii) “BBB-” (negative) by Fitch and (iii) “Baa3” (stable) by Moody's. Between April and June 2012, Standard and Poor's and Fitch each downgraded India's sovereign credit outlook from “stable” to “negative,” citing the absence, or inadequacy, of domestic reforms. These ratings reflect an assessment of the Government's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due.

No assurance can be given that Standard & Poor's, Fitch, Moody's or any other statistical rating organization will not downgrade the credit ratings of India. Any such downgrade would result in India's sovereign debt rating being rated speculative grade, which could adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our project expenditure plans, business and financial performance.

43. ***The market value of an investor's investment may fluctuate due to the volatility of the Indian and global securities markets.***

Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities. The SENSEX, BSE's benchmark index, reduced by around 25 per cent., representing approximately 5,000 points, in the calendar year 2011 and subsequently increased by around 26 per cent., representing approximately 4,000 points in the calendar year 2012. The stock exchanges in India, in line with global developments, have witnessed substantial volatility in 2011 and 2012. However, as of May 3, 2013, 200 day volatility of the SENSEX as per Bloomberg data stood at a comparable figure of 12.13 relative to 10.97 for Dow Jones Industrial Average, 15.07 for the Hang Seng Index and 7.98 for Strait Times Index (Singapore).

The Indian Stock Exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements.

44. ***Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate. Further, the proposed Land Acquisition, Rehabilitation and Resettlement Bill, 2011 and the draft Real Estate (Regulation and Development) Bill, 2011 if enacted, may materially and adversely affect our business.***

The right to own property in India is subject to restrictions that may be imposed by the government. In particular, the government under the provisions of the Land Acquisition Act, 1894 has the right to compulsorily acquire any land if such acquisition is for a "public purpose", after making payment of compensation to the owner. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. 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, railways, airports and townships. Any such action in respect of any of the projects in which we are investing or may invest in the future may adversely affect our business, financial condition or results of operations. Under the terms of certain approvals obtained by us for our projects, we have entered into relinquishment deeds with the local authorities such as the Bengaluru Development Authority, under which we have relinquished the area reserved for parks and open spaces and proposed road widening in the development plan, in favor of the Bengaluru Development Authority free of cost.

Further, the Land Acquisition, Rehabilitation and Resettlement Bill, 2011 (the "**Land Acquisition Bill**") was introduced before the Indian Parliament to govern processes in relation to land acquisition in India. The Land Acquisition Bill has not been approved by the Indian Parliament yet and there is uncertainty on whether it will be enacted in its current form or amended or enacted at all. The Land Acquisition Bill incorporates additional restrictions on land acquisition (for instance, restrictions on the acquisition of certain types of agricultural land) and includes provisions relating to the compensation, rehabilitation and resettlement of affected persons. Under the Land Acquisition Bill, land can be acquired by the Government only for public purpose. The Land Acquisition Bill defines "public purpose" to include, among other things, the provision of land for planned development or the provision of land in the public interest for use by the Government or public private partnerships or private companies for the production of public goods or the provision of public services. In the event of acquisition of land in the public interest for private companies, the consent of at least 80 per cent. of the project affected people is required to be obtained. Further, a minimum compensation as calculated in accordance with the Land Acquisition Bill is required to be paid to the persons whose land is acquired. Such minimum compensation is based on the market value of the land which is to be computed as the higher of: (i) the minimum land value specified in the Indian Stamp Act, 1899 for the registration of sale deeds or agreements to sell; or (ii) 50 per cent. of the total sale deeds or agreements to sell in which the highest sale price is mentioned, in the previous three years for similar type of land situated in the vicinity. Once the market value is calculated, it is doubled for land in rural areas. Then, the value of all assets attached to the land (such as trees, buildings, etc.) is to be added to this amount. On this amount, a 100 per cent solatium is required to be given to arrive at the final compensation figure. In addition, rehabilitation and resettlement benefits as determined under the Land Acquisition Bill are also required to be provided to every family affected by such acquisition, which include, the payment of a rehabilitation and resettlement amount, allotment of land for a house as per the Indira Awas Yojana in rural areas or a constructed house of at least 50 square meters plinth area in urban areas, payment of one-time subsistence allowance or payment of inflation adjusted annuity and provision of mandatory employment to members of the affected families.

Further, the Land Acquisition Bill proposes that it will apply to all cases of land acquisition where before the date of commencement of this legislation, a notification under Section 4 of the Land Acquisition Act, 1984 was issued but the award under Section 11 of the Land Acquisition Act, 1984 has not been made. In such cases, land acquisition proceedings under the Land Acquisition Act, 1984 will be considered lapsed upon the commencement of this legislation. The Land Acquisition Bill also imposes other restrictions, for example, no change from the purpose or related purposes for which the land is originally acquired is permitted and no change of ownership of the acquiring entity is permitted without obtaining specific permission from the appropriate Government. Further, the Land Acquisition Bill allows the States in India to provide for higher compensation that calculated under the Land Acquisition Bill. If the Land Acquisition Bill is enacted in its current form, we may be required to comply with its provisions regarding compensation and rehabilitation with retrospective effect in relation to our existing land acquisition proceedings which have commenced under the Land Acquisition Act, 1984 and also in relation to the land acquisitions that we make in the future. This will increase our cost of acquisition of land for development of our projects and could restrict our ability to acquire land or development rights over land, which could materially and adversely affect our business, financial condition and results of operations.

Further a draft Real Estate (Regulation and Development) Bill, 2011 has been prepared by the Ministry of Housing and Urban Property Alleviation and is awaiting approval. The proposed legislation aims to regulate the planned development in the real estate sector in India.

45. ***We may be subject to certain State land ceiling laws which restrict our ability to purchase land for development.***

Certain States in South India have imposed certain statutory restrictions on the maximum land area that may be held by any one legal entity in the said State. In the event that we decide to expand our business operations into such states where these laws are applicable, we will have to comply with these laws. Further, if a court of competent jurisdiction adjudicates that we are in violation of applicable land ceiling laws, our property rights, including those held through our various Subsidiaries, Associates and other entities may be compulsorily acquired by the concerned state government, which may have a material adverse effect on our business, financial condition and future plans.

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

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

47. ***Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of its Equity Shares may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The Government of India has in recent years sought to implement economic reforms and the current government has implemented policies and undertaken initiatives that continue the economic liberalization policies pursued by previous governments. There can be no assurance that liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting power or real estate sector, foreign investment and other matters affecting investment in our securities could change as well. The newly elected government may announce new policies or withdraw existing benefits, which may be applicable to our sector. Any significant change in such policies could adversely affect business and economic conditions in India, generally, and our results of operations and financial condition, in particular.

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

Circular 1 of 2013 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, imposes certain conditions on investment in townships, housing, built-up infrastructure and construction development in India. It permits foreign direct investment of up to 100 per cent. without prior approval subject to the project fulfilling certain specified conditions. The circular, however, is subject to differing interpretations. For example, foreign direct investment is subject to the condition that for joint ventures with Indian partners the minimum capitalisation should be U.S.$ 5 million. However, there is some ambiguity on what is meant by "minimum capitalisation". In addition, although the circular stipulates that funds have to be brought in within six months of commencement of business of the Company, the term "commencement of business of the Company" has not been defined or explained and may also be subject to differing interpretations.

There can be no assurance as to the position the Government of India will take in interpreting the provisions of the circular. Our Company's inability to raise additional capital as a result of these and other restrictions may adversely affect the business and prospects of our Company.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Foreign direct investment in construction, township, housing and built-up infrastructure cannot be repatriated for a period of three years from the completion of minimum capitalisation. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. An Authorised Dealer Bank can allow the remittance of proceeds, net of taxes, only when the security has been held on a repatriation basis. In all other cases, approval from RBI will be required to repatriate. There may be other changes to India's foreign exchange policies which may make it difficult for us to operate or restrict our ability to raise foreign investment. We cannot assure investors that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

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

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

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

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

According to a report released by RBI, India's foreign exchange reserves totalled over US$ 287.6 billion as of July 6, 2012. Foreign exchange reserves have declined recently and may have adversely affected the valuation of the Rupee. Further declines in foreign exchange reserves could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial performance and the market price of the Equity Shares.

51. ***Natural calamities could have a negative impact on the Indian economy which may have an adverse affect on our business and results of operations.***

India has experienced floods, earthquakes, tsunamis, cyclones and droughts in recent years. Such natural catastrophes could disrupt our operations. For example in December 2004, Southeast Asia, including the eastern coast of South India, experienced a tsunami and in October 2005, the State of Jammu and Kashmir experienced an earthquake, both of which caused significant loss of life and property damage. We cannot assure the prospective investors that such events will not occur in the future or that our results of operations and financial condition will not be adversely affected.

52. ***Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect our business and its profitability.***

Certain events that are beyond our control, such as terrorist attacks and other acts of violence or war, including those involving India, the United Kingdom, the United States or other countries, may adversely affect financial markets worldwide and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighboring countries, including India, Pakistan and China. India witnessed a major terrorist attack in Mumbai on 26 November 2008, which led to an escalation of political tensions between India and Pakistan. Political tensions could create a perception that there is a risk of disruption of services provided by India-based companies, which could have an adverse effect on our business, future financial performance and price of the Equity Shares. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that are protracted or involve the threat or use of nuclear weapons, our operations might be significantly affected.

India has from time to time experienced social and civil unrest and hostilities, including riots, regional conflicts and other acts of violence. For instance, in August 2012, immigrant workers in Bengaluru and Chennai returned to their home states due to acts of violence on migrant workers. Events of this nature in the future could have a material adverse effect on our ability to develop its business. As a result, our business, results of operations and financial condition may be adversely affected.

53. ***Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS could have a material adverse effect on the price of our Equity Shares.***

Our financial statements, including the financial statements provided in this Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, see "*Presentation of Financial Industry and Market Data*". Accordingly, the degree to which the Indian GAAP financial statements included in this 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 Prospectus should accordingly be limited.

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards "IFRS". These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS) in accordance with the roadmap for the convergence which IFRS announced by the Ministry of Corporate Affairs, Government of India ("**MCA**"), through the press note dated January 22, 2010. The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Accordingly, whether the Company's financial results would vary materially due to the convergence to IND (AS) is also not possible to quantify given that the accounting principles as laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e. IND (AS)) and for future periods.

Furthermore, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operation or financial condition. Any failure to successfully adopt IND-AS would have an adverse effect on the price of the Equity Shares.

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

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

55. ***Investors may not be able to enforce a judgment of a foreign court against us.***

We are a limited liability company incorporated under the laws of India. All of the directors named herein are residents of India and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India or enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**") on a statutory basis. Section 44A of the Civil Procedure Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties.

The United Kingdom, Singapore and Hong Kong have been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii)where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

The suit must be brought in India within 3 years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian Court would enforce foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered and any such amount may be subject to income tax in accordance with applicable laws.

56. ***Property litigation is common in India and may be prolonged over several years.***

Property litigation particularly litigation with respect to land ownership is common in India (including public interest litigation) and is generally time consuming and involves considerable costs. If any property in which we have invested is subject to any litigation or is subjected to any litigation in future, it could delay a development project and/or have an adverse impact, financial or otherwise, on us.

57. ***Our business may be adversely affected by changes in competition law in India.***

The Competition Act, 2002, as amended (the "**Competition Act**"), was enacted for the purpose of preventing practices having an adverse effect on competition in India and has mandated the Competition Commission of India (the "**CCI**") to regulate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India are void and may result in substantial penalties. Any agreement among competitors which directly or indirectly determines purchase or sale prices, directly or indirectly results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the relevant market or any other similar way, is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act prohibits the abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and may be punished. For example, the CCI had imposed a fine on DLF Limited one of India's real estate companies, of Rs. 6,300 million for abuse of its dominant position in relation to the construction of a residential complex in Gurgaon, India and have directed that certain conditions, which the CCI has deemed unfair, to be modified in the agreements enforced into with the apartment allottees. If we or any of our employees are required to comply with any order of the CCI or are penalised under the Competition Act, our reputation and business may be adversely affected.

On March 4, 2011, the Government of India notified and brought into force the provisions under the Competition Act in relation to combinations (the "**Combination Regulation Provisions**") with effect from June 1, 2011. The Combination Regulation Provisions require that acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, shall be mandatorily notified to and pre-approved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011. These regulations, as amended, set out the mechanism for implementation of the Combination Regulation Provisions under the Competition Act. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, financial condition and results of operations.

58. ***We cannot predict the effect on our business of the proposed enactment of the Companies Bill, 2012 (the "Companies Bill") in India***

In December 2012, the Companies Bill was tabled before and passed by the lower house of the Indian Parliament. The Companies Bill provides, inter alia, for significant changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures and corporate social responsibility. The Companies Bill has not yet been tabled before the upper house of the Indian Parliament. The Companies Bill will require the approval of the upper house of the Indian Parliament, as well as the approval of the President of India and publication in the Official Gazette before becoming law. There is therefore no certainty that the Companies Bill will be passed in its current form, or at all. Our business and operations may be adversely affected and subject to regulatory uncertainty if the legislation is enacted. We have not determined the impact of this legislation on our business.

Risks Associated with the Equity Shares

59. ***The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the real estate industry; adverse media reports on us or the Indian real estate industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Negative economic developments, such as rising fiscal or trade deficits, or a default on sovereign debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

60. ***Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless the company has obtained Government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian would receive upon the sale of such securities, if any, and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

61. ***Fluctuation in the exchange rate between the Rupee and the United States dollar could have a material adverse effect on the value of Equity Shares, independent of our operating results.***

The Equity Shares are quoted in Rupees on the BSE and the NSE. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into US dollars for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the Net Proceeds received by shareholders.

The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

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

63. ***Future issuances or sales of the Equity Shares could significantly affect the trading price of the Equity Shares.***

The future issuances of Equity Shares by us or the disposal of Equity Shares by any of the major shareholders or the perception that such issuance or sales may occur may significantly affect the trading price of the Equity Shares. For instance, for the purpose of meeting minimum public shareholding requirements as prescribed under the SCRR, our Promoter had, pursuant to a notice dated May 22, 2013, disclosed his intention to divest upto 14,135,576 Equity Shares pursuant to the OFS. The OFS was held on May 24, 2013. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

64. ***There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the BSE and the NSE in a timely manner or at all and any trading closures at the BSE and the NSE may adversely affect the trading price of your Company's Equity Shares.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. In addition, we are required to deliver the Red Herring Prospectus and this Prospectus to the Registrar of Companies for registration under the applicable provisions of the Companies Act and the SEBI Regulations. Approval requires all other relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining the approval would restrict investors' ability to dispose of their Equity Shares.

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares.

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

Subsequent to listing, our Company will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform our Company of the percentage limit of the circuit breaker from time to time, and may change it without its knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

66. ***An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognised Indian stock exchange for a period of 12 months from the date of the Allotment of the Equity Shares.***

Pursuant to the SEBI Regulations, for a period of 12 months from the date of the Allotment of Equity Shares, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of these Equity Shares. We cannot assure you that these restrictions will not have an adverse effect on the price of the Equity Shares.

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

Sale of Equity Shares by any holder may give rise to tax liability in India, as discussed in the "*Taxation*" in this Prospectus.

MARKET PRICE INFORMATION

As of the date of this Prospectus, 213,424,335 Equity Shares have been issued and are fully paid up. The Equity Shares are listed on the BSE and the NSE. As the Equity Shares are actively traded on the BSE and the NSE, the stock market data has been given separately for each of these Stock Exchanges. The Equity Shares have been listed on the BSE and the NSE since August 30, 2007.

The table set forth below indicates the high and low prices of the Equity Shares and the volume of trading activity for the specified periods. The closing prices of the Equity Shares on the BSE and the NSE on May 2, 2013 were ₹ 99.80 and ₹ 99.80 per Equity Share, respectively.

The high, low and average market prices of the Equity Shares for the periods indicated, are as below:

BSE									
Year ending March 31,	**Date of High**	**High (₹)[(1)]**	**Volume on date of High (No. of Equity Shares)[(2)]**	**Volume on date of High (In ₹ million)**	**Date of Low**	**Low (₹)**	**Volume on Date of Low (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹)[(3)]**
2013	January 17, 2013	120.60	137,824	16.46	June 4, 2012	56.00	348	0.02	78.57
2012	April 4, 2011	111.20	8,650	0.96	January 2, 2012	55.50	435	0.02	77.14
2011	September 27, 2010	139.30	759,578	105.93	May 25, 2010	86.20	62,189	5.44	111.11

(Source: www.bseindia.com)

NSE									
Year ending March 31,	**Date of High**	**High (₹)[(1)]**	**Volume on date of High (No. of Equity Shares)[(2)]**	**Volume on date of High (In ₹ million)**	**Date of Low**	**Low (₹)**	**Volume on Date of Low (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹)[(3)]**
2013	January 17, 2013	120.55	414,443	49.47	May 31, 2012	56.30	7,332	0.41	78.63
2012	April 7, 2011	110.75	17,294	1.93	January 2, 2012	55.65	898	0.05	77.19
2011	September 27, 2010	139.25	1,655,365	231.69	May 25, 2010	86.55	133,214	11.67	111.17

(Source: www.nseindia.com)

Notes:

(1) High, low and average prices are of the daily closing prices.
(2) In case of two days with the same closing price, the date with the higher volume has been considered.
(3) Average price represents the average of the daily closing prices of each day for each year presented.

Monthly high and low prices and trading volumes on the Stock Exchanges for the six months preceding the date of filing of this Prospectus:

BSE									
Month	**Date**	**High (₹)[(1)]**	**Volume (No. of Equity Shares)[(2)]**	**Volume on date of High (In ₹ million)**	**Date**	**Low (₹)**	**Volume (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹)[(3)]**
April 2013	April 17, 2013	105.20	335,554	34.98	April 10, 2013	89.85	99,664	8.86	95.65
March 2013	March 7, 2013	100.80	190,299	19.15	March 21, 2013	81.95	162,528	13.35	93.53

BSE									
Month	**Date**	**High (₹)** [(1)]	**Volume (No. of Equity Shares)** [(2)]	**Volume on date of High (In ₹ million)**	**Date**	**Low (₹)**	**Volume (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹)** [(3)]
February 2013	February 20, 2013	109.30	495,200	52.39	February 14, 2013	87.90	231,328	21.25	99.51
January 2013	January 17, 2013	120.60	137,824	16.46	January 3, 2013	98.50	18,407	1.82	108.25
December 2012	December 10, 2012	102.60	158,841	16.42	December 4, 2012	87.85	16,011	1.43	97.22
November 2012	November 7, 2012	87.30	788,875	68.55	November 2, 2012	74.70	3,135	0.24	81.81

(Source: www.bseindia.com)

NSE									
Month	**Date**	**High (₹)** [(1)]	**Volume (No. of Equity Shares)** [(2)]	**Volume on date of High (In ` million)**	**Date**	**Low (₹)**	**Volume (No. of Equity Shares)**	**Volume on Date of Low (In ₹ million)**	**Average (₹)** [(3)]
April 2013	April 17, 2013	104.95	1,274,585	132.16	April 8, 2013	90.05	132,186	11.93	95.62
March 2013	March 6, 2013	101.20	418,534	42.48	March 21, 2013	82.60	324,965	26.75	93.70
February 2013	February 20, 2013	109.50	1,194,222	127.08	February 14, 2013	87.55	261,728	24.12	99.55
January 2013	January 17, 2013	120.55	414,443	49.47	January 3, 2013	98.50	80,120	7.95	108.26
December 2012	December 7, 2012	102.90	1,314,553	136.75	December 4, 2012	87.95	38,309	3.42	97.18
November 2012	November 7, 2012	87.20	2,097,088	181.98	November 1, 2012	75.15	15,442	1.17	81.90

(Source: www.nseindia.com)

<u>Notes:</u>

[(1)] High, low and average prices are of the daily closing prices.
[(2)] In case of two days with the same closing price, the date with the higher volume has been considered.
[(3)] Average Price represents the average of the daily closing prices of each day for each year presented.

Market price on February 15, 2013, the first working day following the Board Meeting approving the Issue was:

Date	**BSE**				**NSE**			
	Open	**High**	**Low**	**Close**	**Open**	**High**	**Low**	**Close**
February 15, 2013	88.15	90.95	87.60	89.45	89.55	90.80	87.65	89.70
Volume	202,269				287,531			

(Source: www.bseindia.com, www.nseindia.com)

Details of the volume of business transacted during the last six months on the Stock Exchanges:

Period	BSE (No. of Equity Shares)	NSE (No. of Equity Shares)
April 2013	2,288,510	4,357,324
March 2013	3,532,591	6,066,393
February 2013	4,656,528	8,787,985
January 2013	4,218,515	10,210,648
December 2012	3,517,827	10,181,667
November 2012	1,565,907	3,983,795

(Source:www.bseindia.com,www.nseindia.com)

USE OF PROCEEDS

The total proceeds of the Issue will be approximately ₹ 1,921.75 million. After deducting fees and expenses of approximately ₹ 170.00 million, the net proceeds of the Issue will be approximately ₹ 1,751.75 million.

Subject to compliance with applicable laws and regulations, the Company intends to use the net proceeds of the Issue towards prepayment and repayment of existing debt of the Company, expanding business operations and general corporate purposes.

As of March 31, 2013, the amount of the total outstanding loans (secured and unsecured) of the Company on a consolidated basis was ₹ 17,859.25 million. The Company has entered into various financing arrangements with banks and financial institutions, for secured and unsecured loans. The Company intends to utilize a portion the net proceeds of the Issue towards the prepayment and repayment of certain of the existing debt of the Company. Prepayment of loans may be subject to consent of the lenders and payment of prepayment charges. In view of the requirements of its business and the dynamic nature of the industry, the Company may have to revise its business plan from time to time and consequently the fund requirements of the Company may also change. Accordingly, the Company may reduce or increase the amount of repayments of loan.

Subject to supervision of the Audit Committee and the Board as required under the provisions of the Equity Listing Agreement, the management of the Company will have flexibility in deploying the proceeds received by the Company from the Issue. Pending utilisation of the net proceeds of the Issue as described above, the Company intends to temporarily invest the funds in interest bearing instruments including deposits with banks and investments in mutual funds**.**

CAPITALISATION STATEMENT

The following table sets forth the Company's capitalisation and total debt, on a consolidated basis, as of March 31, 2013 and as adjusted to give effect to the Issue. This table should be read in conjunction with "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and our financial information contained in "***Financial Statements***".

(In ₹ million)

	As of March 31, 2013	As adjusted for the Issue
Shareholders' funds		
Equity share capital	1,067.12	1,185.75
Reserves and surplus	17,927.95	19,731.08
Total shareholders' funds (A)	**18,995.07**	20,916.83
Loan funds		
Secured loans	16879.35	16,879.35
Unsecured loans	979.90	979.90
Total loan funds (B)	**17,859.25**	17,859.25
Total (A+B)	**36,854.32**	38,776.08

Notes:

There will be no further issue of Equity Shares whether by way of public issue, issue of bonus shares, preferential allotment, rights issue, qualified institutions placement or in any other manner during the period commencing from the date of registering the Red Herring Prospectus with the RoC until the Equity Shares offered in the Issue have been listed on the Stock Exchanges or the Application Amounts are refunded, on account of *inter alia,* refusal of the listing of such Equity Shares by the Stock Exchanges.

DIVIDENDS

The Company does not have a formal dividend policy. Dividend amounts are determined from year to year in accordance with the Board's assessment of the Company's earnings, capital requirements, overall financial position and other factors prevailing at the time.

The dividend proposed/paid by the Company in the last three fiscals is as provided below:

	Financial Year 2011	**Financial Year 2012**	**Financial Year 2013**
Face value per Equity Share (₹)	5.00	5.00	5.00
Interim Dividend (₹ Million)*	-	-	53.57
Final Dividend (₹ Million)*	213.42	213.42	213.42
Interim Dividend (₹)	-	-	2.50**
Final Dividend (₹)	1.00	1.00	1.00
Interim Dividend rate (% to paid up capital)	-	-	50.00%**
Final Dividend (% to paid up capital)	20.00%	20.00%	20.00%

** Excluding corporate dividend tax*
*** Interim Dividend declared and paid to the minority shareholders only*

The amounts paid as dividends in the past are not necessarily indicative of the Company's dividend policy or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of the Company or for an investment in the Equity Shares offered in the Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our audited consolidated summary financial statements as of and for the years ended March 31, 2013, 2012 and 2011 and the schedules and notes thereto, which appear elsewhere in this Prospectus and are prepared in accordance with the Companies Act, 1956, and Indian GAAP. Indian GAAP differs in certain material respects from U.S. GAAP and IAS/IFRS.

*References to the financial statements as of and for the years ended March 31, 2013 and March 31, 2012 are to the financial statements for those years, each presented in accordance with the format prescribed under the revised Schedule VI of the Companies Act, 1956 (the "**Revised Schedule VI**") pursuant to Notification S.O. 447(E) dated February 28, 2011 issued by the Ministry of Corporate Affairs, Government of India. Financial information relating to the year ended March 31, 2011 has been reclassified in accordance with the Revised Schedule VI.*

For the purpose of this section, unless the context requires otherwise, references to "Fiscal 2013", "Fiscal 2012" and "Fiscal 2011" are to the financial year ended March 31 of the relevant year, and references to "year" are to the financial year of the Company.

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, results of operations or financial condition.

BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

Basis of presentation in accordance with Revised Schedule VI

Pursuant to Notification S.O. 447(E) dated February 28, 2011, the old Schedule VI was replaced with the Revised Schedule VI, which significantly changed the presentation of, and disclosure made in, the financial statements of Indian companies. Accordingly, we have modified the manner in which we present our consolidated financial statements as of and for the years ended March 31, 2013 and March 31, 2012 so that the presentation of such financial statements is consistent with the Revised Schedule VI, which became applicable to us during Fiscal 2012. In connection with this exercise, we have reclassified our consolidated financial statement as of and for the years ended March 31, 2011 in order to provide comparability with our consolidated financial statements as of and for the years ended March 31, 2012 and March 31, 2013.

The adoption of the Revised Schedule VI does not impact the recognition and measurement principles followed for the preparation of our financial statements. However, it does have a significant impact on the presentation of, and disclosure made in our financial statements, particularly with respect to the presentation of the assets and liabilities. As a result, for financial periods ending Fiscal 2012 and Fiscal 2013, we have presented our consolidated financial statements, in accordance with the Revised Schedule VI.

The discussion in this section compares (i) the financial condition, results of operations and cash flows for the year ended March 31, 2013, based on our audited consolidated summary financial statements as of and for the year ended March 31, 2013, with that as of and for the year ended March 31, 2012, each presented in accordance with the format prescribed by the Revised Schedule VI and (ii) the financial condition, results of operations and cash flows as of and for the year ended March 31, 2012, based on our audited consolidated summary financial statements as of and for the year ended March 31, 2011, presented in accordance with the format prescribed by the Revised Schedule VI with that as of and for the year ended March 31, 2011, reclassified in accordance with the format prescribed by the Revised Schedule VI.

Overview

We are one of the leading real estate developers in South India with a focus on developing residential (comprising of luxury and premium affordable housing projects) and commercial projects. Our projects are primarily based in South India and we have a business presence in select locations overseas. Our operations span all aspects of real estate development, from the identification and acquisition of land, to the design, planning and execution and marketing of our projects. We believe we have established a strong brand image and a successful track record in the South Indian real estate industry due to our commitment to developing high quality projects. The residential properties that we develop consist of apartment complexes, villas, townhouses, as well as premium affordable housing projects, which we develop through our wholly-owned subsidiary Provident Housing Limited ("**Provident**"). Our commercial projects include retail and office premises.

Our operations cover Bengaluru, Chennai, Coimbatore, Hyderabad, Kochi, Mangalore, Kolkata, and Colombo. A majority of our Completed Projects, Ongoing Projects and Upcoming Projects are situated in Bengaluru. We also have Completed Projects, Ongoing Projects and Upcoming Projects in Chennai, Kochi, Coimbatore, Kolkata, Hyderabad and Mangalore. In addition, we have acquired Land Bank covering approximately 7.43 million sq. ft. of Developable Area in Colombo, Sri Lanka for a proposed luxury residential project consisting of luxury apartment complexes and independent villas and townhouses. We also have a sales and marketing office in the United Arab Emirates and Saudi Arabia.

Our Promoter commenced operations in the real estate industry in Mumbai in 1978 and has over 35 years of experience in the property development, real estate and construction sectors in India. During the period from April 2007 to April 2013, we had completed 17 residential projects covering approximately 13.76 million sq. ft. of Developable Area and approximately 11.91 million sq. ft of Saleable Area. As at May 2, 2013, we had 19 residential Ongoing Projects and four commercial Ongoing Projects, covering approximately 28.04 million sq. ft. of Developable Area, approximately 24.26 million sq. ft of Saleable Area and approximately 0.87 million sq. ft. of Leasable Area. Further, as at May 2, 2013, we had 17 residential Upcoming Projects and two commercial Upcoming Projects covering approximately 22.96 million sq. ft. of Developable Area, approximately 19.47 million sq. ft of Saleable Area and approximately 1.21 million sq. ft. of Leasable Area. For further details of our Completed Projects, our Ongoing Projects and our Upcoming Projects, see "*Our Business – Our Operations*".

We develop our premium affordable housing projects through our wholly owned subsidiary, Provident. Our premium affordable housing segment seeks to create mid-income and mass housing projects comprising affordable apartments in response to the increasing demand for mid-income housing in India. Our projects in this segment are aimed at first time home buyers. Provident develops projects that have small and medium unit sizes of 850 sq. ft. to 1,360 sq. ft. with amenities such as swimming pools, club houses and multi-purpose halls. These projects are situated at the city centre, as well as in areas that are located at relatively greater distances from the city centre but with developed infrastructure such as connectivity through public transportation. We are able to provide these projects to our customers within a specified price range, which is more affordable than the housing we provide under the Puravankara brand, by reducing the size of our residential units and by applying innovative construction techniques and efficient designs that result in cost savings. During the period from April 2007 to April 2013, we completed two premium affordable housing projects in Bengaluru and Chennai representing a Developable area of approximately 2.22 million sq. ft. and a Saleable Area of approximately 2.22 million sq. ft. These comprise of the first phase of each of our Cosmos City and Welworth City projects. As at May 2, 2013, we had five Ongoing Projects and two Upcoming Projects in the premium affordable housing segment, representing a Developable Area of approximately 12.18 million sq. ft. and a Saleable Area of approximately 11.37 million sq. ft.

Our Land Bank, which represents the land on which we have no current development and which we have reserved for our future projects consists of approximately 58.61 million sq. ft. of Developable Area and 49.63 million sq. ft. of Saleable Area. For further details, see "*Our Business – Our Land Bank*".

In 2005, we entered into a joint venture with Keppel Investment (Mauritius) Pte Ltd, a subsidiary of the Singapore-based Keppel Land Limited, to develop residential projects through our Associate Keppel Puravankara Development Private Limited ("**Keppel Puravankara**"). Keppel Land Limited is a subsidiary of Keppel Corporation Limited. Temasek Holdings (Pte) Ltd, in which the Singapore Ministry of Finance is the shareholder, is the largest shareholder of Keppel Corporation Limited. Both Keppel Corporation Limited and Keppel Land Limited are listed on the Singapore Exchange Securities Trading Limited. In addition, on May 15, 2007, we executed a shareholders' agreement with Wisley Pte Ltd, a wholly owned subsidiary of Keppel Land Limited, and RSJ Developers Private Limited to develop residential projects through our Associate Keppel Magus Development Private Limited ("**Keppel Magus**"). We own 36.26 per cent. of the shares, Wisley Pte Ltd owns 37.74 per cent. of the shares and RSJ Developers Private Limited owns 26.00 per cent. of the shares in Keppel Magus.

During the period from April 2007 to April 2013, our Associate, Keppel Puravankara had completed one residential project, covering approximately 2.55 million sq. ft. of Developable Area and approximately 1.25 million sq. ft of Saleable Area. In addition, as at May 2, 2013, Keppel Puravankara had one residential Upcoming Project, covering approximately 1.94 million sq. ft. of Developable Area and approximately 0.95 million sq. ft. of Saleable Area. As at May 2, 2013, our Associate, Keppel Magus had one residential Ongoing Project, covering approximately 2.23 million sq. ft. of Developable Area and approximately 0.81 million sq. ft of Saleable Area.

We have an extensive marketing network and we maintain sales and marketing offices in Bengaluru, Chennai, Kochi, the U.A.E. and Saudi Arabia. We have built up an in-house team of engineers, architects and others who are professionally experienced in their respective fields.

Our total income has increased by Rs. 2,154.00 million, or by 35.89 per cent., from Rs. 6,001.68 million in Fiscal 2011 to Rs. 8,155.68 million in Fiscal 2012; and by Rs. 4,329.12 million, or by 53.08 per cent., from Rs. 8,155.68 million in Fiscal 2012 to Rs. 12,484.80 million in Fiscal 2013. Our net profit increased by Rs. 178.24 million, or by 15.12 per cent., from Rs. 1,179.06 million in Fiscal 2011 to Rs. 1,357.30 million in Fiscal 2012; and by Rs. 1,077.05 million, or by 79.35 per cent., from Rs. 1,357.30 million in Fiscal 2012 to Rs. 2,434.35 million in Fiscal 2013.

FACTORS AFFECTING RESULTS OF OPERATIONS

A number of general factors affect our financial condition and performance, including:

Availability and cost of land: Our operations are dependent on the availability of suitable land for our projects and the cost at which we are able to acquire such lands. Our growth is linked to the availability of land in areas where we can develop projects that are marketable mainly to the mid income to higher income groups. Any governmental regulations that restrict the acquisition of land or increase competition for land may adversely affect our operations. In addition, excess of supply of land may also reduce cost of land and lower the market value of our projects.

We acquire lands from government and governmental authorities and private parties. The land we acquire from governmental or development authorities is generally through a tender process, where the highest bidder is selected for allotment of land. We are typically required to enter into a deed of conveyance or a lease deed transferring title in our favor. The registration charges and stamp duty among other things are also payable by us. The cost of acquisition of land, which includes the amounts paid for freehold rights, cost of registration and stamp duty, represents a substantial part of our project costs. Our land cost was Rs. 2,702.29 million, Rs. 3,901.95 million, and Rs. 2,478.39 million in Fiscal 2011, 2012 and 2013, which represented 45.03 per cent., 47.84 per cent. and 19.85 per cent. of our total income for the respective years.

Increasingly, we develop our projects by way of joint development agreements with land-owners. Under our joint development agreements, the land-owners provide us with a right to develop their land for our projects and we agree to share profits from the project with them. Further, we have also entered into a joint venture agreement with Keppel Investment (Mauritius) Pte Ltd and a shareholders' agreement with Wisley Pte Ltd and RSJ Developers Private Limited for the development of two of our residential projects. See "*Our Business – Our Associates*".

Construction Costs: The costs of construction include the costs of materials used in our construction, which primarily comprise of steel and cement.

Cost of steel: Steel is an important component in the construction of buildings. We source steel from our suppliers on a spot basis for projects constructed by us. In relation to projects where we outsource the construction to third parties, steel is sourced by such third party contractors.

Cost of cement: Cement is an important component in the construction of buildings. We source cement from our suppliers on a spot basis for projects constructed by us. In relation to projects where we outsource the construction to third parties, cement is sourced by such third party contractors. The price of cement varies across regions due to variations in the demand and supply, and is subject to factors affecting the Indian and international commodity markets.

The costs for construction of the projects also depends on the availability and skill of these contractors and consultants, as well as contingencies affecting them, including labour and industrial action such as strikes and lockouts.

Availability of financing on favourable terms: One of the major factors affecting demand for our real estate projects is the availability of financing at reasonable rates for our customers. Changes in interest rates have a significant impact on real estate financing and the demand on our real estate projects. Rising interest rates adversely affects consumers ability to obtain reasonable financing for purchase of our projects. The RBI has increased key interest rates numerous times between March 2010 and October 2011, thereby leading to a rise in the bank lending rates. (*Source: Reserve Bank of India.*) We believe that this increase in the interest rate affected sale of our properties in Fiscal 2011. The Reserve Bank of India has recently started taking measures to address liquidity and credit flow concerns in the Indian economy. The interest rates were reduced by 50 basis points in April 2012 and were further reduced by 25 basis points with effect from March 19, 2013 and the cash reserve ratio was reduced by 25 basis points each in September 2012 and November 2012 and was further reduced by another 25 basis points with effect from February 9, 2013. (*Source: Reserve Bank of India*).

The number of property developments that a developer can undertake during any particular period is limited by the amount of capital required to fund land acquisitions and to pay the cost of construction. In addition, our business requires a significant amount of working capital and long term funding. We generally finance our capital requirements from the cash flows generated from our business operations, borrowings from banks and financial institutions and in limited instance, proceeds from the issuances of equity shares. Accordingly, the availability of financing on favourable terms is critical to our business.

General economic conditions in India and the condition and performance of the real estate market in South India: Most of our operations are located in South India, and the performance of the Indian economy and the real estate market in India (particularly South India) impacts our income and results of operations. Favorable economic conditions and the resultant increase in disposable income and improved affordability contribute to the growth of the real estate market.

The performance of the real estate market is primarily driven by:

- demand for housing units in cities and towns because of growing urbanisation of the Indian population, expanding middle class, increased disposable income, availability of housing finance and tax incentives; and

- demand for office premises by the growing Indian market, including the IT industry, the services industry, the business process outsourcing industry and the manufacturing industry.

To meet the demand for affordable housing, we began our premium affordable housing segment through our wholly-owned subsidiary, Provident, in Fiscal 2009. Provident's income increased from Rs. 1,833.75 million in Fiscal 2011 to Rs. 2,543.23 million in Fiscal 2012 and to Rs. 4,087.03 million in Fiscal 2013. Our consolidated income increased from Rs. 6,001.68 million in Fiscal 2011 to Rs. 8,155.68 million in Fiscal 2012 and Rs. 12,484.80 million in Fiscal 2013, primarily as a result of the increase in Provident's contribution to our consolidated income.

Other factors

Other factors affecting our results of operations include:

- regulations affecting the real estate industry;

- variation in prices of our properties;

- our ability to identify suitable projects and execute them in a timely and cost effective manner;

- competition; and

- customer preferences.

For more information on these and other factors/developments which have or may affect us, see "*Risk Factors*", "*Industry Overview*" and "*Our Business*".

CRITICAL ACCOUNTING POLICIES

Preparation of financial statements in accordance with Indian GAAP, the applicable accounting standards issued by the ICAI and the relevant provisions of the Companies Act require our management to make judgments, estimates and assumptions regarding uncertainties that affect the reported amounts of our assets and liabilities, disclosures of contingent liabilities and the reported amounts of income and expenses. These judgments, assumptions and estimates are reflected in our accounting policies, which are more fully described in the "*Financial Statements*".

Certain of our accounting policies are particularly important to the portrayal of our financial position and results of operations and require the application of significant assumptions and estimates of our management. We refer to these accounting policies as our "critical accounting policies". Our management uses our historical experience and analyses, the terms of existing contracts, historical cost convention, industry trends, information provided by our agents and information available from other outside sources, as appropriate, when forming our assumptions and estimates. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. However, this task may be imprecise because our management makes assumptions and provides estimates on matters that are inherently uncertain. For more information on our significant accounting policies, please see "*Financial Statements*".

While all aspects of our financial statements should be read and understood in assessing our current and expected financial condition and results, we believe that the following critical accounting policies warrant additional attention:

(a) **Revenue recognition of revenues from Projects**

For our projects that were launched on or prior to March 31, 2011 and where revenue recognition had commenced on or prior to that date, we followed the percentage of completion method for recognizing revenue from both land and construction. Under the percentage of completion method, construction revenues are recognized based on the percentage of the actual construction costs incurred until the reporting date to the total estimated construction costs to completion. Land costs are not included for purpose of computing the percentage of completion.

Our revenue recognition policy was changed with effect from April 1, 2011. For projects that were launched on or after April 1, 2011, revenue from the sale of an undivided share of land ("**UDS**") in projects where the risks and rewards on the sale of the UDS are separable from those on the construction contracts was recognized upon transfer of all significant risks and rewards of ownership of land, which takes place upon entering into the sale agreement with the customer (the "**UDS revenue recognition method**"). The entire revenue from the sale of UDS is recognized once 15 per cent. of the amount due on UDS portion from the customer is received. Any unpaid amount in respect of the UDS is classified as trade receivables and unbilled revenue. Revenue from the sale of UDS in projects other than projects where the risks and reward on the sale of the UDS are not separable from those on the construction contracts and therefore did not qualify for the foregoing accounting treatment, was recognized in accordance with the percentage of completion method. The percentage of completion method was also applied to recognize construction revenues. For Fiscal 2013, we recognized 24.22 per cent. of our revenue under the UDS revenue recognition method.

Our revenue recognition policy was aligned in accordance with the Guidance Note on Accounting for Real Estate Transactions with effect from April 1, 2012 (the "**Guidance Note**"). From April 1, 2012, we have applied the principles enunciated in Accounting Standard 7 (Construction Contracts) and Accounting Standard 9 (Revenue Recognition) in accordance with the Guidance Note. The Guidance Note is applicable to all projects which were launched on or after April 1, 2012 and also to projects which have already launched but where revenue is being recognized for the first time on or after April 1, 2012.

From April 1, 2012, while we have continued to follow the same method of revenue recognition for UDS, for construction, revenue has been recognized as per the Guidance Note. Accordingly, construction revenue from the projects (a) where all critical approvals necessary for the commencement have been obtained (including environmental and other clearances, approval of plans and designs, title to land or other rights to develop / construct and change in land use); (b) the expenditure incurred on construction and development costs is not less than 25 per cent. of the total construction and development costs; (c) at least 25 per cent. of the saleable project area is secured by contracts or agreements with buyers; and (d) at least 10 per cent. of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

As of the date of this Prospectus, we have applied the percentage of completion method as revised by the Guidance Note to two of our real estate projects, Purva White Hall and Provident Sunworth. However, as of the date of this Prospectus, the expenditure incurred on construction and development costs of these projects is less than 25 per cent. of their total construction and development costs and consequently, we have not recognized any construction revenue for these projects.

For projects executed through joint development arrangements prior to April 1, 2012, which represent barter transactions, whereby we give up a defined percentage of constructed area in lieu of payment for our share in the land, we account for such transactions on net basis and do not ascribe any value to the share of land acquired on such basis. Effective April 1, 2012, in accordance with the Guidance Note, developmental rights acquired through joint development arrangement are recorded on a gross basis on the estimated value of the land in respect of which, the development right is transferred in our favor.

(b) **Impairment of assets**

We assess at each balance sheet date whether there is any indication of an impaired asset. If any such indication exists, we estimate 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. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed. The asset is then reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(c) **Inventories**

Inventory comprises raw materials used for our construction activity. Raw materials are valued at the lower of cost or net realizable value, with the cost being determined on a 'first in first out' basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

(d) **Accounting for taxes for income**

Tax expense comprises both current and deferred taxes. The current charge for income taxes is calculated in accordance with the relevant tax regulations. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that availability of future taxable income, against which such deferred tax assets can be realized, has become reasonably certain.

(e) **Borrowing cost**

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets and are capitalized as part of the cost of such assets, in accordance with Accounting Standard 16 “Borrowing Cost”. 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 statement of profit and loss as incurred.

(f) **Basis of consolidation**

Consolidated financial statements are prepared using uniform accounting policies across the group.

Subsidiaries are all entities over which the Company has the power to control the financial and operating policies. The Company obtains and exercises control through voting rights. The consolidated financial statements of the group incorporate the financial statements of the Company as well as those entities controlled by the Company. The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealized profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the consolidated entity.

Associates are those entities over which the Company is able to exercise significant influence but which are neither subsidiaries nor interests in a joint venture. Investments in associates are initially recognized at cost and subsequently accounted for using the equity method.

PRINCIPAL COMPONENTS OF THE COMPANY'S CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Income

Our total income comprises of revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises of revenue from projects and other operating revenue. Our revenue from projects represented 98.89 per cent., 99.45 per cent., and 98.88 per cent. of our revenue from operations in Fiscal 2011, 2012 and 2013, respectively. Our other operating revenue represented 1.11 per cent., 0.55 per cent. and 1.11 per cent. of our revenue from operations in Fiscal 2011, 2012 and 2013, respectively.

Revenue from projects

Revenue from projects comprises of sale of our residential properties and interior works. Our sale of properties represented 99.80 per cent., 99.51 per cent. and 99.54 per cent. of our revenue from projects in Fiscal 2011, 2012 and 2013, respectively.

We also derive income from the sale of interior works, which includes designing, procuring, fabricating and installing the furniture, fixtures and other fittings in our property developments. Income from interior works represented 0.20 per cent., 0.49 per cent. and 0.46 per cent. respectively, of our revenue from projects in Fiscal 2011, 2012 and 2013, respectively.

Other operating revenues

Our other operating revenue comprise of rental income, scrap sales and others. We lease our commercial properties and derive rental income. Rental income represented 16.25 per cent., 15.01 per cent. and 5.74 per cent., respectively, of our other operating revenues in Fiscal 2011, 2012 and 2013, respectively.

Other income

Other income represents primarily professional charges in relation to sales of properties, which we collect from our customers, credit balances written back (which comprises write-offs or waivers of moneys which were previously owed to parties and were booked as expenses in our financial statements) and other miscellaneous income.

Expenses

Our significant expenses include:

- project expenses, which comprise of material and contractor costs, land costs and decrease/(increase) in inventory of properties under development and properties held for sale;
- employee benefit expense;
- finance expenses;
- depreciation and amortization; and
- other expenses.

Project expenses

Project expenses consist of material and contractor costs, land costs and decrease/(increase) in inventory of properties under development and properties held for sale. Project expenses reflect the costs associated with our projects, corresponding to the percentage of completion of construction of our projects.

Material and contractor costs

Our material and contractor costs primarily consist of costs related to materials used in our construction, wages, civil work done by our contractors, fees paid to architects, plan sanction and project related levies paid to local authorities. These expenses also include expenses incurred in relation to the equipment and machinery used in the construction and design for our projects, interior works and other services that we provide which are not specifically allocated to a project. Our material and contractor costs represented 73.81 per cent., 72.75 per cent. and 65.19 per cent. of our total expenses in Fiscal 2011, 2012 and 2013, respectively, which also included the cost allocated to the inventory in respect of unsold units in our projects.

Land costs

Land costs consist of the cost of acquisition of land, expenses incurred in the upkeep of and value addition to land and the cost of acquisition of development rights. Our land costs represent the cost of land that are allotted for properties under development. Our land costs represented 59.60 per cent., 62.56 per cent., and 27.30 per cent., respectively, of our total expenses in Fiscal 2011, 2012 and 2013, respectively, which also included the cost allocated to the inventory in respect of unsold units in our projects.

Decrease/(increase) in inventory of properties under development and properties held for sale

Inventory of properties consists of the sum of properties under development and properties held for sale. Decrease/(increase) in inventory of properties under development and properties held for sale represents the difference between the beginning and the ending balance of properties under development and properties held for sale during that year. For further details, please refer to Notes 1 and 23 of the "*Financial Statements*".

Employee Benefit expenses

Employee benefit expenses comprise salaries, wages, allowances and bonuses paid to employees, contribution to employees' provident fund and other staff welfare expenses not recognized under either material and contractor costs or under selling costs. Our employee benefit expenses represented 8.89 per cent, 8.44 per cent. and 8.12 per cent. respectively, of our total expenses in Fiscal 2011, 2012 and 2013 respectively.

Net finance expense

Our net finance expense includes our finance expense net of our interest income earned on bank deposits, interest from loans to our associates, interest received from our customers; net interest charges payable by us on short-term and long-term loans and debentures. These loans include working capital loans, overdrafts, loans on purchase of certain equipments and vehicles and charges such as processing fees for loans bank guarantees, net of interest capitalized.

Our net finance expense, including the cost allocated to inventory, represented 29.06 per cent., 30.96 per cent. and 25.53 per cent. of our total expenses in Fiscal 2011, 2012 and 2013, respectively.

Depreciation and amortization cost

Depreciation and amortization costs consists of depreciation on building, plant and machinery, certain other items used in construction, office equipments, computers, furniture and fixtures, vehicles, shuttering materials and leasehold improvements. Our depreciation and amortization cost represented 0.83 per cent, 0.87 per cent. and 0.77 per cent. respectively, of our total expenses in Fiscal 2011, 2012 and 2013.

Other expenses

Our other expenses comprise primarily of expenses incurred in business promotion and the costs of advertisement and publicity of our projects. This consists of costs in relation to advertising and sales promotion, commission, brokerage and referral charges, travel and communication expenses incurred in relation to the sales and marketing of our projects.

In addition, we also recognize rates and taxes, our expenditure under legal and professional charges, travelling and conveyance, security charges, remuneration to auditors, repairs and maintenance of our office premises and losses from our foreign exchange fluctuations as other expenses.

Our other expenses represented 14.26 per cent, 14.22 per cent. and 15.60 per cent. respectively, of our total expenses in Fiscal 2011, 2012 and 2013 respectively.

RESULTS OF OPERATIONS

The following table sets forth certain items derived from our audited consolidated summary financial statements for Fiscal 2013, 2012 and 2011, expressed in absolute terms and as a percentage of total revenue for the periods indicated. Amounts have been rounded to ensure percentages total to 100 per cent. as appropriate.

Particulars	**Fiscal 2013**		**Fiscal 2012**		**Fiscal 2011**	
	(Rs. in millions)	*(%)*	*(Rs. in millions)*	*(%)*	*(Rs. in millions)*	*(%)*
			(Audited and Consolidated)			
Income						
Revenue from operations						
Revenue from projects	12,319.55	98.68	8,096.54	99.28	5,934.45	98.88
Other operating revenues	139.35	1.11	44.91	0.55	66.34	1.11
Other income.........	25.90	0.21	14.23	0.17	0.89	0.01
Total income	**12,484.80**	**100.00**	**8,155.68**	**100.00**	**6,001.68**	**100.00**
Expenses						
Material and contractor costs	5,918.04	47.40	4,537.47	55.64	3,346.79	55.76
Land cost..............	2,478.39	19.85	3,901.95	47.84	2,702.29	45.03
Decrease / (increase) in inventory of properties under development and properties held for sale	(3,859.83)	(30.92)	(5,600.59)	(68.67)	(3,919.55)	(65.31)
Employee benefit expenses	737.63	5.91	526.70	6.46	403.23	6.72
Net finance expense	2,317.91	18.57	1,930.76	23.67	1,317.48	21.95
Depreciation and amortization expense	70.28	0.56	54.33	0.67	37.59	0.63
Other expenses	1,416.22	11.34	886.66	10.87	646.38	10.77

Particulars	Fiscal 2013		Fiscal 2012		Fiscal 2011	
	(Rs. in millions)	*(%)*	*(Rs. in millions)*	*(%)*	*(Rs. in millions)*	*(%)*
			(Audited and Consolidated)			
Total expenses......	**9,078.64**	**72.72**	**6,237.28**	**76.48**	**4,534.21**	**75.55**
Profit before tax and share of profit / (loss) in associates, net	**3,406.16**	**27.28**	**1,918.40**	**23.52**	**1,467.47**	**24.45**
Share of profit / (loss) in associates, net........	152.20	1.22	43.15	0.53	(11.61)	(0.19)
Profit before tax and prior period items	**3,558.36**	**28.50**	**1,961.55**	**24.05**	**1,455.86**	**24.26**
Tax expense						
Current tax	1,124.41	9.01	629.95	7.72	282.24	4.70
Deferred tax...........	(0.40)	0.00	(4.46)	(0.05)	(5.44)	(0.09)
Profit after tax and before prior period items	**2,434.35**	**19.50**	**1,336.06**	**16.38**	**1,179.06**	**19.65**
Prior period income (net of tax expense)...........	-	-	21.24	0.26	-	-
Net profit for the year	**2,434.35**	**19.50**	**1,357.30**	**16.64**	**1,179.06**	**19.65**

Comparison of Fiscal 2013 and Fiscal 2012

Income

Our total income comprising of revenues from operations and other income increased by Rs. 4,329.12 million, or 53.08 per cent., from Rs. 8,155.68 million in Fiscal 2012 to Rs. 12,484.80 million in Fiscal 2013.

Revenue from operations

Our revenue from operations comprising of revenue from projects and other operating revenues increased by Rs. 4,317.45 million, or 53.03 per cent, from Rs. 8,141.45 million in Fiscal 2012 to Rs. 12,458.90 million in Fiscal 2013.

Revenue from projects

Our revenue from projects increased by Rs. 4,223.01 million, or 52.16 per cent. from Rs. 8,096.54 million in Fiscal 2012 to Rs. 12,319.55 million in Fiscal 2013. This was primarily due to increase in the revenue generated from the sale of apartments and interior works during Fiscal 2013. In Fiscal 2013, we recognized income from sale of apartments in two residential Completed Projects, Purva Venezia and Purva Oceana, and 17 residential Ongoing Projects. We (excluding Provident) contributed 66.85 per cent. to this increase, with the main contributors being Purva Veneiza, Purva Highlands, Purva Whitehall, Purva Windermere, Purva Bluemont and Purva Oceana. Provident contributed 33.15 per cent. to the increase, primarily from revenue generated from Provident Welworth and Provident Sunworth.

The total area sold on which revenue was recognized increased by 0.98 million sq. ft. or 41.18 per cent. from 2.38 million sq. ft. in Fiscal 2012 to 3.37 million sq. ft. in Fiscal 2013. Further, the weighted average price realized from the sale of properties increased by Rs. 156 per sq. ft. or 4.39 per cent. from Rs. 3,556 per sq. ft. in Fiscal 2012 to Rs. 3,712 per sq. ft. in Fiscal 2013. This led to an overall increase in our revenue (excluding revenue from Provident) of Rs. 2,676.13 million or 48.14 per cent. from Rs. 5,558.9 million in Fiscal 2012 to Rs. 8,235.03 million in Fiscal 2013. Provident's revenue increased by Rs. 1,546.88 million or 60.96 per cent. from Rs. 2,537.64 million in Fiscal 2012 to Rs. 4,084.52 million in Fiscal 2013.

There was also an increase in the income from interior works of Rs. 16.63 million or 41.50 per cent. from Rs. 40.07 million in Fiscal 2012 to Rs.56.70 million in Fiscal 2013.

Other operating revenues

Our other operating revenues increased by Rs. 94.44 million, or 210.29 per cent., from Rs. 44.91 million in Fiscal 2012 to Rs. 139.35 million in Fiscal 2013. This was primarily due to increase in cancellation charges due to an increase in the number of cancellations, sale of additional car parks in certain projects and compensation of Rs. 59.5 million received for waiving our right to purchase certain land.

Other income

Our other income increased by Rs. 11.67 million, or 82.01 per cent., from Rs. 14.23 million in Fiscal 2012 to Rs. 25.90 million in Fiscal 2013. This was primarily due to write back of certain payables and miscellaneous income.

Expenses

Our total expenses increased by Rs. 2,841.36 million, or 45.55 per cent., from Rs. 6,237.28 million in Fiscal 2012 to Rs. 9,078.64 million in Fiscal 2013. This was primarily due to an increase in construction activities in our Ongoing Projects resulting in a corresponding increase in expenses.

Project expenses

Our project expenses increased by Rs. 1,697.77 million or 59.81 per cent. from Rs. 2,838.83 million in Fiscal 2012 to Rs. 4,536.60 million in Fiscal 2013. This is also reflected in our revenue from operations on account of increase in the revenue from projects. Project expenses, as a percentage to the total income increased from 34.81 per cent. in Fiscal 2012 to 36.34 per cent. in Fiscal 2013. Our project expenses comprise of the following:

Material and contract cost

Our material and contract cost was Rs. 4,537.47 million in Fiscal 2012 and Rs. 5,918.04 million in Fiscal 2013.

Land cost

Our land cost was Rs. 3,901.95 million in Fiscal 2012 and Rs. 2,478.39 million in Fiscal 2013.

Decrease / (increase) in inventory of properties under development and properties held for sale

Our increase in inventory of properties under development and properties held for sale was Rs. 5,600.59 million in Fiscal 2012 and Rs. 3,859.83 million in Fiscal 2013.

Employee benefit expense

Our employee benefit expense increased by Rs. 210.93 million, or 40.05 per cent., from Rs. 526.7 million in Fiscal 2012 to Rs. 737.63 million in Fiscal 2013. This was primarily due to recruitment of additional employees in our sales and marketing division and for our construction sites.

Net finance expense

Our net finance expense increased by Rs. 387.15 million, or 20.05 per cent., from Rs. 1,930.76 million in Fiscal 2012 to Rs. 2,317.91 million in Fiscal 2013. This was primarily due to an increase in our total borrowings from Rs. 13,490.69 million in Fiscal 2012 to Rs. 17,859.25 million in Fiscal 2013.

Depreciation and amortization

Our depreciation and amortization increased by Rs. 15.95 million, or 29.36 per cent., from Rs. 54.33 million in Fiscal 2012 to Rs. 70.28 million in Fiscal 2013. This was primarily due to an increase of our fixed assets amounting to Rs. 231.04 million in Fiscal 2013.

Other expenses

Our other expense increased by Rs. 529.56 million, or 59.73 per cent., from Rs. 886.66 million in Fiscal 2012 to Rs. 1,1416.22 million in Fiscal 2013. This was primarily due to an increase in the advertising and sales promotion in line with the growth in our income, higher professional charges incurred on a few land parcels included in our Land Bank and higher rent and taxes primarily due to addition of office space and site offices.

Tax expense

Our tax expense increased by Rs. 498.52 million, or 79.70 per cent., from Rs. 625.49 million in Fiscal 2012 to Rs. 1,124.01 million in Fiscal 2013 due to increased profits. Our current tax increased by Rs. 494.46 million, or 78.49 per cent., from Rs. 629.95 million in Fiscal 2012 to Rs. 1,124.41 million in Fiscal 2013. Our deferred tax decreased by Rs. 4.06 million, or 91.03 per cent., from Rs. (4.46) million in Fiscal 2011 to Rs. (0.4) million in Fiscal 2013.

Net profit for the period

As a result of the forgoing, our net profit increased by Rs. 1,077.05 million, or 79.35 per cent., from Rs. 1,357.30 million in Fiscal 2012 to Rs. 2,434.35 million in Fiscal 2013.

Comparison of Fiscal 2012 and Fiscal 2011

Income

Our total income comprising of revenues from operations and other income increased by Rs. 2,154.00 million, or 35.89 per cent., from Rs. 6,001.68 million in Fiscal 2011 to Rs. 8,155.68 million in Fiscal 2012.

Revenue from operations

Our revenue from operations comprising of revenue from projects and other operating revenues increased by Rs. 2,140.66 million, or 35.67 per cent., from Rs. 6,000.79 million in Fiscal 2011 to Rs. 8,141.45 million in Fiscal 2012.

Revenue from projects

Our revenue from projects increased by Rs. 2,162.09 million, or 36.43 per cent., from Rs. 5,934.45 million in Fiscal 2011 to Rs. 8,096.54 million in Fiscal 2012. This was primarily due to increase in the revenue generated from the sale of apartments and interior works during Fiscal 2012. In Fiscal 2012, we recognized income from sale of apartments in two residential Completed Projects and 19 residential Ongoing Projects. We (excluding Provident) contributed 68.66 per cent. to this increase, with the main contributors being Purva Windermere, Purva Midtown, Purva Bluemont and Purva Oceana. Provident contributed 31.34 per cent. to this increase, primarily from revenue generated from Provident Welworth and Provident Sunworth.

The total area sold on which revenue was recognized increased by 0.02 million sq. ft. or 0.85 per cent. from 2.36 million sq. ft. in Fiscal 2011 to 2.38 million sq. ft. in Fiscal 2012. Further, the weighted average price realized from the sale of properties increased by Rs. 806 per sq. ft. or 29.31 per cent. from Rs. 2,750 per sq. ft. in Fiscal 2011 to Rs. 3,556 per sq. ft. in Fiscal 2012. This led to an overall increase in our revenue (excluding revenue from Provident) of Rs. 1,636.95 million or 41.74 per cent., excluding revenue from the sale of land in Fiscal 2011 amounting to Rs.181.35 million. Revenue of Provident increased by Rs.706.49 million or 38.58 per cent.

There was an increase in the income from interior works of Rs. 28.49 million or 246.03 per cent. from Rs.11.58 million in Fiscal 2011 to Rs. 40.07 million in Fiscal 2012.

Other operating revenues

Our other operating revenues decreased by Rs. 21.43 million, or 32.30 per cent., from Rs. 66.34 million in Fiscal 2011 to Rs. 44.91 million in Fiscal 2012. This was primarily due to decrease in rental income and other miscellaneous income. Our rental income decreased in Fiscal 2012 as we did not lease some of our commercial properties.

Other income

Our other income increased by Rs. 13.34 million, or 1,498.88 per cent., from Rs. 0.89 million in Fiscal 2011 to Rs. 14.23 million in Fiscal 2012. This was primarily due to the collection of professional charges and compensation received and return of our investment on account of cancellation of an agreement to purchase a property.

Expenses

Our total expenses increased by Rs. 1,703.07 million, or 37.56 per cent., from Rs. 4,534.21 million in Fiscal 2011 to Rs. 6,237.28 million in Fiscal 2012. This was primarily due to an increase in our income resulting in a corresponding increase in expenses. We (excluding Provident) contributed 74.42 per cent. and Provident contributed 25.58 per cent. to our total expenses.

Project expenses

Our project expenses increased by Rs. 709.30 million, or 33.31 per cent., from Rs. 2,129.53 million in Fiscal 2011 to Rs. 2,838.83 million in Fiscal 2012. This was primarily due to increase in our revenue from operations on account of increase in the revenue from projects. Project expenses, as a percentage to the total income decreased from 35.48 per cent. in Fiscal 2011 to 34.81 per cent. in Fiscal 2012. Our project expenses comprise of the following:

Material and contract cost

Our material and contract cost was Rs. 3,346.79 million in Fiscal 2011 and Rs. 4,537.47 million in Fiscal 2012.

Land cost

Our land cost was Rs. 2,702.29 million in Fiscal 2011 and Rs. 3,901.95 million in Fiscal 2012.

Decrease / (increase) in inventory of properties under development and properties held for sale

Our increase in inventory of properties under development and properties held for sale was Rs. 3,919.55 million in Fiscal 2011 and Rs. 5,600.59 million in Fiscal 2012.

Employee benefit expense

Our employee benefit expense increased by Rs. 123.47 million, or 30.62 per cent., from Rs. 403.23 million in Fiscal 2011 to Rs. 526.70 million in Fiscal 2012. This was primarily due to recruitment of additional employees in our sales and marketing division and for our construction sites in line with the growth in our income.

Net finance expense

Our net finance expense increased by Rs. 613.28 million, or 46.55 per cent., from Rs. 1,317.48 million in Fiscal 2011 to Rs. 1,930.76 million in Fiscal 2012. This was primarily due to an increase in interest payable as a consequence of the increase in interest rates by the Reserve Bank of India and also due to an increase in our total loan exposure in line with the growth in our income.

Depreciation and amortization

Our depreciation and amortization increased by Rs. 16.74 million, or 44.53 per cent., from Rs. 37.59 million in Fiscal 2011 to Rs. 54.33 million in Fiscal 2012. This was primarily due to an increase of our fixed assets amounting to Rs. 334.06 millions in line with the growth in our income.

Other expenses

Our other expense increased by Rs. 240.28 million, or 37.17 per cent., from Rs. 646.38 million in Fiscal 2011 to Rs. 886.66 million in Fiscal 2012. This was primarily due to an increase in the advertising and sales promotion and brokerage and referral charges in line with the growth in our income, which was partially offset by a decrease in rates and taxes.

Tax expense

Our tax expense increased by Rs. 348.69 million, or 125.97 per cent., from Rs. 276.80 million in Fiscal 2011 to Rs. 625.49 million in Fiscal 2012 due to increased profits. Our current tax increased by Rs. 347.71 million, or 123.20 per cent., from Rs. 282.24 million in Fiscal 2011 to Rs. 629.95 million in Fiscal 2012. Our deferred tax decreased by Rs. 0.98 million, or 18.01 per cent., from Rs. (5.44) million in Fiscal 2011 to Rs. (4.46) million in Fiscal 2012.

Net profit for the period

As a result of the forgoing, our net profit increased by Rs. 178.24 million, or 15.12 per cent., from Rs. 1,179.06 million in Fiscal 2011 to Rs. 1,357.30 million in Fiscal 2012.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2013, the Company had cash and bank balances of Rs. 2,333.58 million. Cash and bank balances primarily consist of cash on hand, fixed deposits with an initial maturity of less than three months and balances with banks. Our primary liquidity requirements have been to finance our purchases of land, working capital for development of our projects. We expect to meet our working capital and liquidity requirements for the next 12 months primarily from the cash flows from our business operations, and, if required, project specific borrowings from banks and financial institutions as may be expedient and to a certain extent from the proceeds of this Issue.

Our growth plans will require us to incur substantial additional expenditure in the current and future fiscal years across our existing and new business lines. We expect that our land acquisitions as well as the construction and development costs for our projects will be funded through cash flows and borrowings. Our expansion plans and planned expenditure are subject to change based on various factors such as interest rates, property prices and market conditions. Our ability to raise and service the required financing depends on these factors as well.

Cash Flows

Set forth below is a table of selected information from our consolidated statements of cash flows for Fiscal 2013, 2012 and 2011:

Particulars	Fiscal 2013	Fiscal 2012	Fiscal 2011
		(Rs. in millions)	
		(Audited and Consolidated)	
Net cash generated from/(used in) operating activities…………….	399.09	919.85	417.31
Net cash generated from/(used in) investing activities…………….	(518.36)	(558.22)	(893.64)
Net cash generated from/(used in) financing activities…………….	1,696.83	(509.22)	696.10
Net increase/(decrease) in cash and cash equivalents……………...	1,577.56	(147.59)	219.77
Cash and cash equivalents at the beginning of the year……………	697.81	845.40	625.63
Cash and cash equivalents as at the end of the year……………….	2,275.37	697.81	845.40

Net cash generated from/(used in) operating activities

Our net flows generated from operating activities in Fiscal 2013 primarily comprised of operating profit before working capital adjustments for Rs. 5,795.74 million, which was adjusted for an increase in the properties under development of Rs. 1,319.35 million, an increase in the properties held for sale of Rs. 1,478.02 million, an increase in trade receivables of Rs. 1,153.26 million, an increase in loans and advances and other current assets of Rs. 395.24 million as well as tax payments of Rs. 898.06 million.

Our net flows generated from operating activities in Fiscal 2012 primarily comprised of operating profit before working capital adjustments for Rs. 3,903.75 million, which was adjusted for an increase in the properties under development of Rs. 1,820.17 million, an increase in trade receivables of Rs. 648.16 million and decrease in current liabilities and provisions of Rs. 303.84 million as well as tax payments of Rs. 533.62 million.

Our net flows generated from operating activities in Fiscal 2011 primarily comprised of operating profit before working capital adjustments for Rs. 2,822.53 million, which was adjusted for an increase in the properties under development of Rs. 1,364.21 million, an increase in loan and advances and other current assets of Rs. 918.28 million, as well as tax payments of Rs. 277.52 million.

Net cash generated from/(used in) investing activities

Our cash flow used in investment activities for Fiscal 2013 primarily comprised of purchase of fixed assets of Rs. 216.40 million, net investments in bank deposits and margin monies of Rs. 161.28 million, properties held for development of Rs. 66.20 million, net purchase of units of liquid mutual funds of Rs. 57.17 million which were offset in part by net cash generated from interest received of Rs. 51.59 million.

Our cash flow used in investment activities for Fiscal 2012 primarily comprised of properties held for development of Rs. 600.01 million and purchase of fixed assets of Rs. 148.99 million, which were offset in part by net cash generated from deposits and advances of Rs. 100.66 million.

Our cash flow used in investment activities for Fiscal 2011 primarily comprised of properties held for development of Rs. 624.36 million, loans to associates of Rs. 159.45 million and deposits and advances of Rs. 149.23 million, which were offset in part by net cash generated from loans paid by associates of Rs. 101.63 million.

Net cash generated from/(used in) financing activities

Our net cash generated from financing activities in Fiscal 2013 was primarily comprised of proceeds from term loans of Rs. 10,727.37 million and proceeds from unsecured loans of Rs. 209.70 million which were offset in part by net cash used in repayment of term loans of Rs. 4,211.64 million, repayment of debentures of Rs. 1,960.40 million, repayment of cash credit and working capital loan of Rs. 396.46 million and interest and dividend payments of Rs. 2,423.70 million and Rs. 248.04 million respectively.

Our net cash used in financing activities in Fiscal 2012 was primarily comprised of repayment of term loans of Rs. 5,503.30 million and interest payment of Rs. 1,908.77 million, which were offset in part by proceeds from term loans of Rs. 4,851.71 million and proceeds from debentures of Rs. 1,440.00 million.

Our net cash generated from financing activities in Fiscal 2011 was primarily comprised of proceeds from term loans of Rs. 4,341.73 million, proceeds from debentures of Rs. 1,500.00 million and proceeds from unsecured loans of Rs. 284.50 million, which were offset in part by net cash used in repayment of term loans of Rs. 1,880.70 million, interest payment of Rs. 1,610.23 million and repayment of cash credit and working capital loan of Rs. 928.06 million.

ASSETS

Our fixed assets primarily consist of freehold and leasehold land, buildings, furniture and fixtures, plant and machinery, shuttering materials and leasehold improvements. Capital work-in-progress includes capital expenditure on assets which we propose to retain. Investments include investments in equity securities of unlisted companies.

With respect to our current assets, inventories include raw materials, properties under development and properties held for sale. Trade receivables include receivables with respect to sale of properties, sale of interior works and rentals.

CAPITAL EXPENDITURE

The following table sets forth our historical capital expenditure for Fiscal 2013, 2012 and 2011:

Particulars	Fiscal 2013	Fiscal 2012	Fiscal 2011
		(Rs. in millions)	
Land	Nil	71.65	Nil
Building	35.21	99.45	Nil
Plant and Machinery	19.84	6.32	0.11

Particulars	Fiscal 2013	Fiscal 2012	Fiscal 2011
		(Rs. in millions)	
Office Equipment	14.29	15,20	0.94
Computers	32.14	7.49	8.86
Furniture and fixtures	17.09	19.12	0.96
Vehicles	19.59	6.71	21.06
Shuttering materials	25.94	13.05	69.20
Leasehold improvements	52.15	84.71	Nil
Intangible assets	14.79	10.36	1.90
Total	**231.04**	**318.86**	**103.03**

Our planned capital expenditure for Fiscal 2014 is approximately Rs. 150 million, which includes expenditure related to construction activities and the implementation of our business strategy.

FINANCIAL INDEBTEDNESS

The following table sets forth our secured and unsecured debt position as at March 31, 2013:

Particulars	Amount outstanding as at March 31, 2013
	(Rs. in millions)
Secured:	
Term loan from banks	6,364.07
Financial institution	Nil
Debentures	979.60
Cash credit and other loans	2,488.08
Others	7,047.60
Unsecured:	
Banks	574.31
Others	209.70
Interest free loans from related parties	195.89
Total	**17,859.25**

Our loan agreements with certain banks and financial institutions for term loans and working capital loans, contain restrictive covenants, which include, but are not limited to, requirements that we obtain consent from the lenders prior to altering our capital structure, amending our constitutional documents, effecting any scheme of amalgamation or reconstitution, permitting any change in the ownership or control (whereby there will be a change in our beneficial ownership), varying the shareholding of our Promoters, declaring dividends, investing any funds by way of deposits or loans or in the share capital of any other concern, undertaking any new project or implementing any scheme of expansion/diversification, transferring any project or any part thereof, including land and interest in land, entering into borrowing arrangements with other banks or financial institutions, undertaking guarantee obligations, changing our accounting year and/or accounting methods, creating any charge or lien on the security, changing the composition of our board of directors. Additionally, some of the loan agreements contain financial covenants that require us to provide additional security if demanded by the lender. In addition, some of our loans are secured by fixed and other assets. We intend to use a part of the net proceeds of the Issue to prepay and repay certain of our existing debt facilities. For further details, please see "*Use of Proceeds*".

CONTRACTUAL OBLIGATIONS

The table below summarizes our contractual obligation as of March 31, 2013:

Particulars	Payments due within one year	Payments due between one and five years	Payments due after more than five years	Total
		(Rs. in millions)		
Leases	193.65	671.69	251.66	1,117.00
Total	**193.65**	**671.69**	**251.66**	**1,117.00**

CONTINGENT LIABILITIES AND COMMITMENTS

As of Fiscal 2011, 2012 and 2013, we had contingent liabilities and commitments in the following amounts, as disclosed in our consolidated summary financial statements:

	Fiscal 2011	Fiscal 2012	Fiscal 2013
		(Rs. in millions)	
Demand from Service Tax Department	46.43	46.43	68.08
Demand from Commercial tax Department	22.32	5.44	23.26
Deduction under Section 80-IB of the Income - tax Act, 1961	132.17	147.16	140.67
Company's share of contractual commitments to an associates	Nil	Nil	546.87
Company's share in claims not acknowledged as debts of an associate	56.35	46.94	46.94
Total	**257.27**	**245.98**	**819.95**

In relation to two of our residential projects at Kochi, we had claimed tax deduction under Section 80-IB of the Income Tax Act, 1961 ("**Section 80-IB**"), which was subject to us completing those projects by March 31, 2011. However, we were unable to complete both projects by March 31, 2011 as a result of a court stay order on one and due to our inability to reclaim land in relation to the other. Based on a legal opinion obtained on the above matter, our management believes that we will not be denied the tax deduction under Section 80-IB and therefore, our consolidated summary financial statements do not include any adjustments in relation to this.

During Fiscal 2013, we also received an order from the Income Tax Appellate Tribunal of India directing the Assessing Officer to carry out a fresh assessment of income for assessment years 2005 and 2010 reconsidering the claim under Section 80-IB for one of our projects. We have received demand from the Income Tax Appellate Tribunal for fresh assessment of income for assessment year 2011 in relation to the above issue. Our management believes that this will not have any material impact on our financial statements.

We have claimed a tax deduction of Rs. 679.63 million until March 31, 2013 under Section 80-IB resulting in tax benefit of Rs. 229.57 million in certain projects, which were due for completion by March 31, 2011 and 2012. We have applied for the completion certificates with the local authorities, which are currently pending. However, based on the architect's certificate obtained in lieu of the completion certificate, we believe that the deduction under Section 80-IB would be allowed and our financial statements do not include any adjustments for this.

Our Company is also involved in certain litigation in relation to lands acquired by it for construction purposes, either through a joint development agreement or through outright purchases. These cases are pending with the civil courts. For further details, please see "*Legal Proceedings*". After considering the circumstances and legal advice received, our management believes that such litigation will not adversely affect its financial statements. Further, our Company has made certain advances for purchase of land pursuant to agreements executed wherein it is required to make further payments based on terms / milestones and subject to fulfillment of certain conditions by the counterparty.

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet transactions.

Transactions with Associates and Related Parties

We enter into transactions with companies, which are controlled by members of our Promoter Group and other related parties in the ordinary course of our business. As of March 31, 2013, our net balance involving transactions with related parties was Rs. 445.29 million in loans, advances, deposits and liabilities to various joint ventures, Promoter Group companies and related individuals. For details regarding our related party transactions, please see "*Financial Statements – Related Party Information*".

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations. Our long-term and short-term Rupee-denominated debts, which bear interest at floating rates linked with prime lending rates of the respective lenders, as determined from time to time totalled Rs. 14,019.70 million as at March 31, 2013. Upward fluctuations in interest rates increase the cost of both existing and new debts. Although we intend to repay some of these borrowings with the proceeds of the Issue, it is likely that in the current fiscal year and in future periods our borrowings will rise substantially given our planned expenditure. We do not engage in interest rate hedging.

Commodity Price Risk

We are exposed to market risk with respect to the prices of raw material and components used in our projects. These commodities include steel, cement and timber. The costs for these raw materials and components are subject to fluctuation based on commodity prices. The cost of components and various small parts sourced from outside manufacturers may also fluctuate based on their availability from suppliers. In the normal course of business, we purchase these raw materials and components either on a purchase order basis or pursuant to supply agreements.

Seasonality of Business

Our operations may be adversely affected by difficult working conditions during monsoons that restrict our ability to carry on construction activities and fully utilize our resources. Notwithstanding, we generally do not believe that our business is seasonal.

Competitive Conditions

We expect competition in the real estate development sector from existing and potential competitors to intensify. For further details please refer to the discussions of our competitive conditions in the sections entitled "*Risk Factors*" and "*Our Business*".

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2013 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

No circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus, which materially and adversely affect or are likely to affect, our revenues and profitability, or the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

INDUSTRY OVERVIEW

The information in this section has not been independently verified by us, the Book Running Lead Managers or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, accuracy and completeness of such data cannot be assured by the Company, the Book Running Lead Managers or their respective advisors. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.

The Indian Economy

According to the provisional estimate by the Census of India in 2011, India's total population is approximately 1.21 billion. As per International Monetary Fund's estimates, the per capita gross domestic product ("**GDP**") of India was Rs. 46,221 per annum at the end of 2011, and is expected to increase to Rs. 58,224 by the end of 2015. (*Source: Changing Landscape of Indian Retail, Seven Cities – Seven Horizons, published by Jones Lang LaSalle in 2012*)

The GDP growth rate of India decelerated to 6.5 per cent. in Fiscal 2012 compared with 8.4 per cent. growth in Fiscal 2011 (*Source: Centre for Monitoring Indian Economy, November 2012*). For Fiscal 2013, the Central Statistical Organisation of India has estimated a growth rate of 5 per cent., while the Reserve Bank of India has estimated a growth rate of 5.5 per cent. (*Source: Budget 2013-2014, Speech of P. Chidambaram, Minister of Finance, February 28, 2013*). Further, the International Monetary Fund estimates a GDP growth at factor cost of 5.4 per cent. in Fiscal 2013, 6.0 per cent. in Fiscal 2014 and 6.5 per cent. in Fiscal 2015. (*Source: Understanding IMF Real GDP Growth Forecasts for India, Press notice by the IMF Resident Representative Office in India dated January 24, 2013*)

The table below sets out the comparison between India's Real GDP Growth in 2011 and its expected GDP growth during the 2012 and 2013 calendar years, as compared to that of the European Union, United States of America, China, Japan and other Newly Industrialized Asian Economies:

	Real GDP:		
	Actual:	Projected:	
	2011	2012	2013
India	**6.8**	**4.9**	**6.0**
Euro Area[1]	1.4	(0.4)	0.2
United States	1.8	2.2	2.1
China	9.2	8.2	8.8
Japan	(0.8)	2.2	1.2
Newly Industrialized Asian Economies[2]	4.0	2.1	3.6

1 *The Euro Area comprises Germany, France, Italy, Spain, Netherlands, Belgium, Greece, Austria, Portugal, Finland, Ireland, Slovak Republic, Slovenia, Luxembourg, Cyprus, Estonia and Malta.*

2 *Newly Industrialized Asian Economies comprises Korea, Taiwan Province of China, Hong Kong SAR and Singapore.*

(*Source: International Monetary Fund, World Economic Outlook, October 2012, Coping with High Debt and Sluggish Growth*)

The Real Estate Sector in India

The Residential Segment

During 2012, macro-economic factors adversely affected the growth of residential capital values across the 10 major cities in India, Mumbai, the National Capital Region, Bengaluru, Kolkata, Chennai, Hyderabad, Pune, Ahmedabad, Chandigarh and Kochi. High interest rates and a high rate of inflation during 2012 impaired demand from potential buyers. As a result of this, the number of transactions across the 10 cities either remained stable or declined from the 2011 levels. Average capital values in the 10 cities grew at 3 to 5 per cent in 2012 on a year-on year basis. (*Source: CRISIL CRB Customised Research Bulletin, February 2013*)

During the period from 2013 to 2015, developers have planned a total residential space supply of approximately 2.1 billion square feet across these 10 cities. CRISIL Research expects that approximately 67 per cent. or around 1.4 billion square feet of this total planned residential space will be completed by 2015. *(Source: CRISIL CRB Customised Research Bulletin, February 2012)*

The Affordable Housing Segment

The Ministry of Housing & Urban Poverty Alleviation, Government of India, in the context of the Scheme of Affordable Housing in Partnership has defines 'affordable housing' based on the following parameters:

- In relation to economically weaker sections: Houses ranging from approximately 300 square feet (super built up area) with a minimum carpet area of 25 square metres;
- In relation to lower income group: Houses ranging from 500 square feet with a maximum carpet area of 48 square metres; and
- In relation to middle income group: Houses ranging from 600 square feet to 1200 square feet with a maximum carpet area of 80 square meters,

Such houses will be at costs that permit repayment of home loans in monthly instalments not exceeding 30 per cent. to 40 per cent. of the monthly income of the buyer.

(*Source: Guidelines for Affordable Housing in Partnership, Government of India, Ministry of Housing & Urban Poverty Alleviation*)

According to Jones Lang LaSalle's research, there is no clear definition of the term 'affordable'. (*Source: Affordable Housing in India, An Inclusive Approach to Sheltering the Bottom of the Pyramid, published by Jones Lang LaSalle*)

The Government of India has advanced and supporting various alternatives to provide affordable housing for all. It has recently proposed to start a fund for urban housing to mitigate the huge shortage of houses in urban areas. In addition, to promote home ownership, the Government of India has proposed that a person taking loans up to Rs. 2,500,000 from a bank or a housing finance corporation during the period from April 1, 2013 to March 31, 2014, to purchase his/her first home will be entitled to an additional deduction of interest of up to Rs. 100,000. (*Source: Budget 2013-2014, Speech of P. Chidambaram, Minister of Finance, February 28, 2013*)

For details of premium affordable housing projects developed by Provident, please see "*Our Business – Our Operations*".

According to the provisional estimate by the Census of India in 2011, India's total population is approximately 1.21 billion compared to the 1.03 billion recorded in the previous census of 2001. This growth in population has led to rapid growth of urbanization, with the share of urban population increasing to 31.0 per cent. in 2011 from 28.0 per cent. in 2001. According to the United Nations, India has the highest rate of change in its urban population amongst all BRIC nations and this figure is likely to remain above 2.0 per cent. annually for the next three decades. Nearly 64 per cent. of the Indian population is in the working age group of 15 to 64 years and 35.0 per cent. is relatively young, aged 15 to 34 years. As per International Monetary Fund's estimates, the per capita GDP of India was Rs.

46,221 per annum at the end of 2011, and is expected to increase to Rs. 58,224 by the end of 2015. (*Source: Changing Landscape of Indian Retail, Seven Cities – Seven Horizons, published by Jones Lang LaSalle in 2012*)

According to Jones Lang LaSalle's research, affordable housing in India for the poor and economically weaker sections is primarily provided by the government for welfare purposes. However, the supply of such affordable housing in India does not meet the existing shortage in the segment. According to estimates of the Technical Group constituted by the Ministry of Housing and Urban Poverty Alleviation, the urban housing shortage in India at the end of the Tenth Five Year Plan period was estimated to be 24.71 million for 66.30 million households. (*Source: Affordable Housing in India, An Inclusive Approach to Sheltering the Bottom of the Pyramid, published by Jones Lang LaSalle*)

For details of premium affordable housing projects developed by Provident, please see "*Our Business – Our Operations*".

Competitiveness and Growth Potential of the South Indian Real Estate Market

According to Jones Lang LaSalle's research, the Southern Indian states have been a major driver of growth in India in the last decade. The Southern Indian states have become the centre of manufacturing industries such as textiles, automobiles, defence, aerospace and pharmaceuticals, in addition to the progress in the IT / ITES sector. The National Association of Software and Services Companies of India projects the growth of the IT sector in India to be 11 per cent. to 14 per cent. in Fiscal 2013, with the Southern states contributing most to this growth. *(Source: Estate South 2012 - Accelerating Growth, Analysing the Real Estate Footprint of South India, Jones Lang LaSalle)* Approximately 21 per cent. of the Indian population lived in the Southern Indian states in 2011. (*Source: Planning Commission, Central Statistical Organisation, Government of India*) The aggregate GDP of these states contributed to approximately 25 per cent. of the aggregate GDP of all Indian states in Fiscal 2012. (*Source: Directorate of Economics & Statistics of respective State Governments, and Central Statistical Organisation*)

According to Jones Lang LaSalle's research, the residential markets in the South Indian cities have remained strong in the past few quarters compared to the significant decline recorded in the sales volume of Mumbai and the National Capital Region. While India's residential market continues to be dominated by the huge supply in the National Capital Region and the Mumbai Metropolitan Region, the Southern Indian cities have ensured a tough competition through their contribution to new project launches in the past few quarters. The geographic expanse of each of the capital cities in South India, rising migrant populations with increasing job opportunities and timely implementation of physical infrastructure initiatives such as road and rail networks have helped the attractiveness of the region as a favorable residential market. Further, the fact that the developers have adopted a cautious pricing strategy since the economic slowdown of 2008 along with a streamlined supply has led to a steady rise in absorption rates in the past few quarters. *(Source: Estate South 2012 - Accelerating Growth, Analysing the Real Estate Footprint of South India, Jones Lang LaSalle)*

The Bengaluru Real Estate Market

Bengaluru is the capital city of the state of Karnataka in south India, and is India's third most populous city and the fifth most populous urban agglomeration in India. The Bengaluru Metropolitan Area ("**BMA**") is covered by the Comprehensive Development Plan ("**CDP**") of the Bengaluru Development Authority. The CDP covers a local area of 1,307 square kilometers and consists of the Bengaluru Mahanagar Palike ("**BMP**"), seven City Municipal Councils ("**CMCs**"), one town municipal council and 387 villages. *(Source: City Real(i)ty, Bengaluru, CRISIL Research, February 2013 ("**City Real(i)ty, Bengaluru, February 2013**"))*

Area and population

Bengaluru spreads out in all directions and along all major roads in the absence of natural boundaries. Major roads such as Mysore Road, Old Madras Road, Bellary Road, Hosur Road and Tumkur Road are part of a radial system formed by the axes, which converges towards the city centre. Five other secondary roads, Magadi Road, Kanakapura Road, Bannerghatta Road, Varthur Road and Whitefield Road also form part of this system. While developments along all major roads are mainly for commercial and industrial purposes, the intermediary areas between the radial roads form the core residential centres. *(Source: City Real(i)ty, Bengaluru, February 2013)*

Areas such as Whitefield (in the north east), Hosur Road (in the south east) and Electronic City (south) are highly urbanized. *(Source: City Real(i)ty, Bengaluru, February 2013)*

As of 2011, the population of Bengaluru was 8.5 million. The population density of CMCs such as KR Puram, located in the vicinity of Whitefield, is 9,342 people per square kilometre, and is the highest population density amongst all seven CMCs. Furthermore, and owing to the high rates of land utilisation, the population density of the BMP at 19,023 people per square kilometre is higher as compared to the population density at city level, at 4,667 people per square kilometre. *(Source: City Real(i)ty, Bengaluru, February 2013)*

According to the census conducted in 2001, the population of the non-BMP areas had risen at a CAGR of 8.5 per cent. between 1991 and 2001, compared to the CAGR of 4.1 per cent. for the entire city. *(Source: City Real(i)ty, Bengaluru, February 2013)* The table below sets out the projected population growth in the BMA.

Name of districts	**Population (million persons)**		
	2001	**2011(P)**	**2021(P)**
BMP	4.3	5.1	5.6
Non-BMP	1.8	2.9	4.4
Total BMP	**6.1**	**8.0**	**10.0**

P: Projected

(Source: City Real(i)ty, Bengaluru February 2013)

Industries in the BMA

Bengaluru is the sixth largest city in India, with numerous public sector industries, software companies, aerospace companies, textile industries and IT / ITeS and biotechnology companies based in the city. Various public sector manufacturing companies are headquartered in Bengaluru, including Hindustan Aeronautics Limited, National Aerospace Laboratories, Bharat Heavy Electricals Limited, Bharat Electronics Limited, Bharat Earth Movers Limited and Hindustan Machine Tools. In addition, the Indian Research Space Organization was established by the Department of Science in June 1972, and is based in Bengaluru. *(Source: City Real(i)ty, Bengaluru, February 2013)*

CRISIL Research has concluded that the creation of employment has led to a significant increase in the migrant population of Bengaluru. *(Source: City Real(i)ty, Bengaluru, February 2013)*

Known as the “Silicon Valley” of India, Bengaluru's IT / ITeS industry makes a prominent contribution to the Indian economy. The IT / ITeS industry in Bengaluru is found in three main clusters, namely

- Software Technology Parks of India;
- International Technology Park, Bengaluru; and
- Electronic City (where Infosys and Wipro are based, together with many global SEI-CMM Level-5 companies).

(Source: City Real(i)ty, Bengaluru, February 2013)

According to CRISIL Research, another sector which is exhibiting rapid growth in Bengaluru is biotechnology, with Biocon, India's leading biotechnology company based in Bengaluru. *(Source: City Real(i)ty, Bengaluru, February 2013)*

Aside from the IT / ITeS and biotechnology industries, Bengaluru also houses many other small-scale industries. However, and according to CRISIL Research, the manufacturing and services sectors are the largest contributors to economic growth in the city. CRISIL Research believes this is as a result of the Karnataka State's Industrial Policy (2006-2011), which has focused on strengthening the manufacturing sector, increasing national exports from Karnataka and promoting a diversified industrial base in Karnataka, and specifically in Bengaluru. *(Source: City Real(i)ty, Bengaluru, February 2013)*

As such, CRISIL Research views the significant concentration of small and medium enterprises in diversified sectors across the city as being an important feature of economic activity in Bengaluru. Wholesale and retail merchants sell silk, garments and jewellery in the city's central areas such as Chickpet, Cubbonpet, Binnypet, Cottonpet and Srirampur in the north west region of the city. The main commercial hub for banks, corporate head offices and hotels is the area around MG Road, in the city centre. The industrial profile of the BMA is dominated by basic metal and alloy industries, metal products and parts, machinery and machine tools, rubber and plastic industries, jute textiles, cotton textiles and leather and leather products. *(Source: City Real(i)ty, Bengaluru, February 2013)*

Infrastructure

Planned and ongoing infrastructure development is also growing in the BMA, alongside the population and industrial growth trends discussed above. Some examples of ongoing infrastructure development are as follows:

- *Metro rail project*: the first phase of the Bengaluru Metro, consisting of two corridors of electrified double lines, will be 42.3 kilometre long (an east-west corridor of 18.10 kilometers, and a north-south corridor of 24.2 kilometers). Of the 42.3 kilometers, 8.8 kilometers will be underground. There will be 41 stations in this phase and it is expected to be completed by December 2013. The second phase of the Bengaluru Metro will have four extensions and two new lines running across 72.1 kilometers. There will be 61 stations and it is expected to be completed by 2017.

- *Monorail*: the Government of Karnataka has sanctioned a monorail project to serve as an alignment to the Bengaluru Metro. The proposed monorail project will cover 60 kilometers and will be implemented in two phases. The project will come up at the four corridors of the Bengaluru Metro and serve as a second feeder.

- *New international airport*: the new Bengaluru International Airport commenced operations on May 24, 2008, and is in the process of expansion by augmenting the capacity of the airport terminal building. The project also comprises expansion of terminal 1 building which will be designed to secure approximately 17.2 million passengers per annum. CRISIL Research indicates that it is already the fourth busiest airport in India. Ongoing improvements include, additional flyovers, elevated roads and bridges at intersections and bottlenecks in the road infrastructure (the national highway number seven)

- *Road transportation*: CRISIL Research indicates that road traffic in Bengaluru has increased by 600 per cent. in the last 25 years. As such, and in order to manage this increase in road traffic, the BMA proposes to develop and upgrade the existing road transportation infrastructure, including:

  (i) the construction of Bengaluru -Mysore Infrastructure Corridor, which is a proposed four to six-lane private tolled expressway to connect Bengaluru and Mysore. The project includes the construction of a 111 kilometer, four-lane expressway between Bengaluru and Mysore, a 41 kilometer southern peripheral bypass road connecting national highway number four and national highway number seven and a 10 kilometer long link road. The project will have five townships along the corridor. In addition, it will include building a dedicated 400 megawatt power generation station, its own telecommunication facilities, two water supply pipelines and sewage treatment facilities;

  (ii) the construction of a 116 kilometer long proposed peripheral ring road; and

  (iii) upgrading the Hyderabad-Bengaluru section of the national highway number seven.

- *Water supply and sanitation*: The Bengaluru Water Supply and Sewage Board ("**BWSSB** "), initially only responsible for the BMP area, has now assumed responsibility for water and sanitation for the entire BMA area.

(Source: City Real(i)ty, Bengaluru, February 2013)

The Residential Real Estate Segment in Bengaluru

Bengaluru's residential area stretches from Bellary Road in the north to Bannerghatta Road and Kanakapura road in the south and from Tumkur Road in the city's northwest to Whitefield in the east. With the development of the IT /

ITeS sector in the city's eastern quadrant, areas in and around Whitefield have grown rapidly over the last few years, with approximately 34 per cent. of upcoming residential projects situated in this area. The presence of Electronic city has aided residential development in areas such as Bannerghatta Roaad, Kanakapura Road and Marathahalli-Sarjapur Road in the South. Residential supply in these areas in and around Hosur is expected to account for around 31 per cent. of the total upcoming residential supply in Bengaluru. In addition, North Bengaluru (areas in and around Hebbal) has gained prominence over the last few years due to the commencement of operations of the new international airport at Devanhalli. Major real estate developers in Bengaluru have acquired huge tracts of land in this area, with few announcing projects to benefit from the first mover advantage. *(Source: City Real(i)ty, Bengaluru, February 2013)*

According to CRISIL Research, while the IT / ITeS sectors have been fuelling the demand for real estate in Bengaluru, other sectors like pharmaceuticals, banking and telecommunications are also gaining prominence. Several multi-national companies are also headquartered in Bengaluru. In 2013, the IT / ITeS sector is expected to recover gradually, which could cause residential demand to improve across micro markets during the second half of 2013. *(Source: City Real(i)ty, Bengaluru, February 2013)*

Over the years, road connectivity in Bengaluru has improved with the development of the Outer Ring Road and the elevated expressways. The first phase of the Bengaluru Metro has commenced operations and the travel time required to travel from the north of the city to the central business district has reduced. With the commencement of the other phases of the metro, the time required for travelling from the peripheral areas towards the central business district will reduce considerably. This is expected to have a positive impact on residential demand in the areas situated in and around the metro stations. (*Source: City Real(i)ty, Bengaluru, February 2013*)

At present, the residential real estate in Bengaluru is primarily consumption-driven. Investment demand, which was around 50 per cent. in 2005 and 2006, dropped sharply to 7 per cent. during the first half of 2009 due to the economic slowdown. Investment demand has gradually recovered since then and was between 10 per cent. and 15 per cent. in 2012. (*Source: City Real(i)ty, Bengaluru, February 2013*)

The table below provides a summary of the expected demand and supply, minimum annual household threshold income ("**MAHTI**") and affordability in terms of property cost compared with annual household income in the BMA:

Regions	MAHTI+	Affordability* - Property cost/Annual income during		Estimated demand	Planned supply	CRISIL Research's estimated supply
	As on December 31, 2012	First half of 2012	December 2012	2013-2015		2013-2015
	(Rs lakhs)				*(million square feet)*	
In and around Hebbal	7.0	7.4	7.9		32.4	16.7
In and around Malleshwaram	18.1	18.5	20.5		1.2	0.9
In and around MG Road	60.0	64.5	68.2		1.5	1.0
In and around Jayanagar	15.9	17.0	18.1		9.8	6.5
In and around Whitefield	8.0	8.7	9.0		53.0	31.4
In and around Hosur Road	5.8	6.2	6.6		48.4	29.6
In and around Tumkur Road	8.9	9.4	10.1		8.8	5.0
Total				**70.8**	**155.1**	**91.1**

\+ Minimum annual household threshold income need to buy a house.

* A lower ratio suggests higher affordability and vice versa.

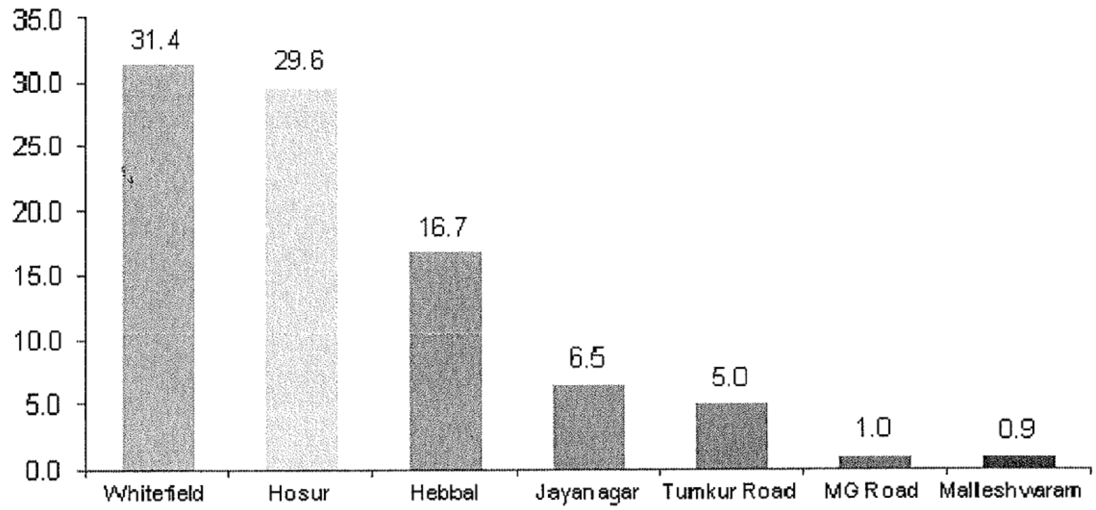
(*Source: City Real(i)ty, Bengaluru, February 2013*)

In 2013, CRISIL Research expects residential capital values to increase, as residential demand from middle income segments (Rs. 4 million to 8 million income segment) is expected to remain firm. Capital values are expected to increase by 3 per cent in the first half of 2013, as compared to the second half of 2012 and subsequently grow by 3 per cent. (*Source: City Real(i)ty, Bengaluru, February 2013*)

According to CRISIL Research's estimates, around 17,100 residential units will be sold in 2013 and 80 per cent. of these units will be absorbed by end-users. Revival in the IT/ITeS sectors and rise in employees' income levels are expected to bring about steady growth in the absorption pattern between 2013 and 2015. (*Source: City Real(i)ty, Bengaluru, February 2013*)

Total planned residential supply in Bengaluru is 155.1 million sq. ft., of which, CRISIL Research expects 91.1 million sq. ft. to materialise during the period between 2013 and 2015. Two-thirds of the planned supply is expected to come up from Whitefield in East Bengaluru and Hosur in South Bengaluru. (*Source: City Real(i)ty, Bengaluru, February 2013*)

The following is a break-down of the CRISIL Research expected residential supply of 91.1 million sq. ft. across various micro-markets of Bengaluru between 2013 and 2015:



(*Source: City Real(i)ty, Bengaluru, February 2013*)

The Chennai Real Estate Market

Chennai is the fourth largest metropolis in India. According to 2011 estimates, Chennai's total population is 8.7 million. The Chennai Metropolitan Area ("**CMA**"), encompassing 1,189 square kilometers, includes the Chennai District, part of the Thiruvullar District and part of the Kancheepuram District. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

Over the past decade, the economic structure of Chennai has become more inclined towards the tertiary / services sector, with growing contribution from the IT / ITeS and business process outsourcing sectors. With two ports at Chennai and Ennore and an international airport, the city has become the gateway to southern India. Chennai also has India's second-largest entertainment industry, next only to Mumbai. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

According to the Confederation of Indian Industry, by 2025, Chennai is estimated to become a $100 billion economy, 2.5 times its present size. Chennai District accounts for 10.94 per cent of the Tamil Nadu's income. Of this, the income from the Kancheepuram and Thiruvallur districts, parts of which fall within the CMA, contribute 2.8 per cent. and 2.5 per cent, respectively. Taking this into account, the CMA is expected to contribute 16.21 per cent to Tamil Nadu's total income from all sectors. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

Transport infrastructure is a major driver of economic development in Chennai. The city and its metropolitan area are served by major roads that are well connected to other parts of India. The Chennai airport is the third-busiest airport in India in terms of passenger handling. The modernization of the airport was completed in August 2012. A new greenfield airport at Sriperumbudur is also being planned. In addition to this, Chennai is served by two major ports, the Chennai Port, one of the largest artificial ports, and the Ennore Port. Chennai Port is the second largest port in India and is one of the key drivers of Tamil Nadu's economic growth. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

In order to provide a modern and economical mode of public transport that is properly integrated with other modes of transportation, the central government and the Tamil Nadu government are jointly implementing the Chennai Metro Rail project. Phase 1 of the Chennai Metro Rail project is scheduled to be completed by 2014-2015. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

The other infrastructure activities currently underway in Chennai are:

- *The construction of a bus rapid transit system corridor*: The project is expected to be completed by 2013. 21 bus stations have been planned under phase 1 of the project, which could be integrated with different modes of transits.

- *Construction of an outer ring road*: A six-lane outer ring road is being proposed to be built on the outskirt of the CMD. The outer ring road will be built in two phases. The first phase covering a distance of 29 kilometers will be completed by 2012-2013. The second phase covering a distance of 32 kilometers will be completed in 2016-2017.

- *Water supply*: The Chennai Metropolitan Water Supply and Sewerage Board aims to raise the per capita water supply to 100 to 150 liters per capita per day in the city and the town panchayats, and to 60 liters per capita per day in pachayat unions. To meet this target, the Chennai Metropolitan Water Supply and Sewarage Board is building desalination plants to harness sea water. One plant at Minjur is currently operational, supplying 100 million liters per day.

(*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

The Residential Real Estate Segment in Chennai

According to CRISIL Research, the residential real estate market in Chennai has spread towards the peripheral areas as space in the city centre is limited. This has resulted in the development of suburban areas such as Tambaram, Velachery, Thoraipakkam and Thiruvanmiyur to the south and southwest of Chennai, Ambattur to the northwest and Sriperumbudur to the west. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

CRISIL Research states that owing to the global economic crisis in the second half of 2008, capital values in the Chennai residential real estate market declined across most micro markets until the second half of 2009, thus enhancing the affordability levels. Despite stable capital values, affordability improved slightly in the first half of 2011 due to an increase in income levels. Higher interest rates impacted affordability levels in the second half of 2011, while an increase in income levels aided affordability in the first half of 2012. As of December 2012, affordability levels declined across micro markets as capital values had increased over the first half of 2012 levels. The central micro-market continues to be the most unaffordable, whereas areas in and around Grand Southern Trunk ("**GST**") road remain the most affordable in Chennai. CRISIL Research expects capital values to increase marginally in the first half of 2013 over the second half of 2012 and by a further 3 per cent. to 4 per cent. in the second half of 2013. Capital values are likely to increase by 6 per cent. to 7 per cent. in 2014 income levels rise in line with the improvement in economy. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

The residential real estate market in Chennai is primarily end-user driven. . End-users account for 85 per cent. to 90 per cent. of the total demand for residential units in the city. End-users include migrants who have moved to Chennai for employment or business opportunities. IT / ITeS employees also form a major segment of the migrant population due to the growth of the sector over the past few years. Investors include NRIs, individuals outside Chennai and individuals in the city opting for second homes. CRISIL Research expects the share of Investors in total buyers in Chennai to increase marginally to 12 per cent. in 2014 from 10 per cent. in 2013 and is expected to stabilise thereafter. Further, the average number of units absorbed in the market is likely to increase to 13,000 units in 2014 from 11,800 units in 2012. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

Developers have planned a total supply of 132.8 million sq. ft. in Chennai, of which CRISIL Research expects only 90.7 million sq. ft. available by December 2015, primarily due to project delays. CRISIL Research estimates that the southern and western regions along Rajiv Gandhi Salai, GST Road and Sriperumbudur continue to constitute 84 per cent. of the planned supply. Significant infrastructure development and growth in the IT / ITeS, electronics, automobiles and manufacturing industries have increased the popularity of these micro-markets. Further, CRISIL Research expects real estate activity in Central Chennai to be minimal due to lack of space. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2013*)

The Kochi Real Estate Market

Kochi is the largest urban agglomeration in the state of Kerala with an estimated population of 2.11 million (according to 2011 provisional estimates). The total area of Kochi is 330 square kilometers (according to 2001 estimates). (*Source: City Real(i)ty, Kochi, CRISIL Research, February 2013*)

Kochi is an important industrial centre with industries involved in shipbuilding, petrochemical refining, handicrafts, rubber, coir, seafood and other agricultural food products. There are also a number of small and medium scale companies involved in manufacturing a range of products including pesticides, rare earth elements, rubber processing chemicals, fertilisers, zinc and chromium compounds, and leather products. (*Source: Top 10 Emerging Business Destination In India, October 2012, published by Cushman & Wakefield*)

Kochi is emerging as a strong IT/ITeS destination amongst the emerging cities in India, owing to its high literacy rate of 96 per cent., available pool of trained manpower, lower set-up and operational costs, cheapest available bandwidth in India and global connectivity. (*Source: Top 10 Emerging Business Destination In India, October 2012, published by Cushman & Wakefield*)

A number of national real estate developers are looking at Kochi keenly for future real estate development. Many of them have either announced their projects or have acquired land banks in the city for future developments. (*Source: Top 10 Emerging Business Destination In India, October 2012, published by Cushman & Wakefield*)

The Residential Real Estate Segment in Kochi

Previously, the residential market in Kochi was restricted to the central business district area. However, space constraints within the central business district area has resulted in the expansion of the city towards the eastern and the northern regions. This has led to the emergence of new residential destinations such as Kakkanad, Nedumbasserry, Edappally and Maradu. (*Source: City Real(i)ty, Kochi, CRISIL Research, February 2013*)

According to CRISIL Research, affordability of residential real estate in Kochi was the lowest in the first half of 2008 when capital values were at peak levels. However, the global economic crisis of 2008 resulted in a correction in capital values, which helped improve affordability levels. Although prices rebounded in 2010, the improvement in income levels helped enhance affordability levels in the city. However, between first half of 2012 and December 2012, affordability worsened in three out of the five micro-markets in the city, while it remained the same as the first half of 2012 levels in the other two micro-markets. The central business district area remains the most expensive region in the city, while Kakkanad is the most affordable micro-market. (*Source: City Real(i)ty, Kochi, CRISIL Research, February 2013*)

The Kochi residential real estate market has been predominantly led by local developers such as Skyline Builders, Maruti Homes and Abad Builders. However, national players like DLF, Puravankara Projects, Sobha Developers, Prestige Group, Jain Housing Sahara, among others have also announced their projects in this city. (*Source: City Real(i)ty, Kochi, CRISIL Research, February 2013*)

Investments by NRIs from Kerala, residing in the Middle Eastern countries, has been the major drivers of growth in the residential real estate market in the city. Kochi, has also attracted several IT companies such as WIPRO, Tata Consultancy Services and Infosys who have set up their offices in micro-markets like Kakkanad. Since 2011, global economic uncertainties have affected the Kochi residential real estate market, as seen by the reduction in demand from both investors and end-users. Investment demand for houses has dropped drastically from 40-50 per cent. in 2009 to 5-10 per cent. currently. Delay in handover of the projects, in many cases, has led to loss of confidence among buyers. However, projects nearing completion stage or ready for possession projects have seen an increase in demand. Buyers increasingly prefer developers having a nationwide presence and an established track record. Lack of demand has resulted in a number of projects being stalled at the construction and sale stages, while many have been completely cancelled. (*Source: City Real(i)ty, Kochi, CRISIL Research, February 2013*)

High interest rates, prevailing weakness in the global economy and delays in completing projects have brought down residential demand across Kochi. This has also resulted in rationalization of demand for residential real estate market, with the proportion of end-users in total demand for residential units increasing compared to investor demand. CRISIL Research expects overall absorption to be about 2,700 units in 2013. However, with an improvement of the economy and easing of interest rates, demand is expected to improve to 3,000 units in 2014 and further to 3,300 units in 2015. The share of the investors is expected to remain the same at 10 per cent. till 2015. (*Source: City Real(i)ty, Kochi, CRISIL Research, February 2013*)

Of the total planned residential supply of 27 million sq. ft. in Kochi, CRISIL Research expects only about 74 per cent, or 20 million sq. ft, of residential space to materialise by the end of 2015, after taking into account the long gestation cycle, normal delays expected in project completion and delay of planned projects. Of the total supply expected between 2013 and 2015, CRISIL Research expects about 12 million sq. ft. to come up in areas in and around Kakkanad and about 4 million sq. ft. to come up in areas in and around Nedumbasserry. (*Source: City Real(i)ty, Kochi, CRISIL Research, February 2013*)

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OUR BUSINESS

Overview

We are one of the leading real estate developers in South India with a focus on developing residential (comprising of luxury and premium affordable housing projects) and commercial projects. Our projects are primarily based in South India and we have a business presence in select locations overseas. Our operations span all aspects of real estate development, from the identification and acquisition of land, to the design, planning and execution and marketing of our projects. We believe we have established a strong brand image and a successful track record in the South Indian real estate industry due to our commitment to developing high quality projects. The residential properties that we develop consist of apartment complexes, villas, townhouses, as well as premium affordable housing projects, which we develop through our wholly-owned subsidiary Provident Housing Limited ("**Provident**"). Our commercial projects include retail and office premises.

Our operations cover Bengaluru, Chennai, Coimbatore, Hyderabad, Kochi, Mangalore, Kolkata, and Colombo. A majority of our Completed Projects, Ongoing Projects and Upcoming Projects are situated in Bengaluru. We also have Completed Projects, Ongoing Projects and Upcoming Projects in Chennai, Kochi, Coimbatore, Kolkata, Hyderabad and Mangalore. In addition, we have acquired Land Bank covering approximately 7.43 million sq. ft. of Developable Area in Colombo, Sri Lanka for a proposed luxury residential project consisting of luxury apartment complexes and independent villas and townhouses. We also have a sales and marketing office in the United Arab Emirates and Saudi Arabia.

Our Promoter commenced operations in the real estate industry in Mumbai in 1975 and has over 38 years of experience in the property development, real estate and construction sectors in India. During the period from April 2007 to April 2013, we had completed 17 residential projects covering approximately 13.76 million sq. ft. of Developable Area and approximately 11.91 million sq. ft of Saleable Area. As at May 2, 2013, we had 19 residential Ongoing Projects and four commercial Ongoing Projects, covering approximately 28.04 million sq. ft. of Developable Area, approximately 24.26 million sq. ft of Saleable Area and approximately 0.87 million sq. ft. of Leasable Area. Further, as at May 2, 2013, we had 17 residential Upcoming Projects and two commercial Upcoming Projects covering approximately 22.96 million sq. ft. of Developable Area, approximately 19.47 million sq. ft of Saleable Area and approximately 1.21 million sq. ft. of Leasable Area. For further details of our Completed Projects, our Ongoing Projects and our Upcoming Projects, see "*Our Business – Our Operations*".

We develop our premium affordable housing projects through our wholly owned subsidiary, Provident. Our premium affordable housing segment seeks to create mid-income and mass housing projects comprising affordable apartments in response to the increasing demand for mid-income housing in India. Our projects in this segment are aimed at first time home buyers. Provident develops projects that have small and medium unit sizes of 850 sq. ft. to 1,360 sq. ft. with amenities such as swimming pools, club houses and multi-purpose halls. These projects are situated at the city centre, as well as in areas that are located at relatively greater distances from the city centre but with developed infrastructure such as connectivity through public transportation. We are able to provide these projects to our customers within a specified price range, which is more affordable than the housing we provide under the Puravankara brand, by reducing the size of our residential units and by applying innovative construction techniques and efficient designs that result in cost savings. During the period from April 2007 to April 2013, we completed two premium affordable housing projects in Bengaluru and Chennai representing a Developable area of approximately 2.22 million sq. ft. and a Saleable Area of approximately 2.22 million sq. ft. These comprise of the first phase of each of our Cosmos City and Welworth City projects. As at May 2, 2013, we had five Ongoing Projects and two Upcoming Projects in the premium affordable housing segment, representing a Developable Area of approximately 12.18 million sq. ft. and a Saleable Area of approximately 11.37 million sq. ft.

Our Land Bank, which represents the land on which we have no current development and which we have reserved for our future projects consists of approximately 58.61 million sq. ft. of Developable Area and approximately 49.63 million sq. ft. of Saleable Area. For further details, see "*Our Business – Our Land Bank".*

In 2005, we entered into a joint venture with Keppel Investment (Mauritius) Pte Ltd, a subsidiary of the Singapore-based Keppel Land Limited, to develop residential projects through our Associate Keppel Puravankara Development Private Limited ("**Keppel Puravankara**"). Keppel Land Limited is a subsidiary of Keppel Corporation Limited.

Temasek Holdings (Pte) Ltd, in which the Singapore Ministry of Finance is the shareholder, is the largest shareholder of Keppel Corporation Limited. Both Keppel Corporation Limited and Keppel Land Limited are listed on the Singapore Exchange Securities Trading Limited. In addition, on May 15, 2007, we executed a shareholders' agreement with Wisley Pte Ltd, a wholly owned subsidiary of Keppel Land Limited, and RSJ Developers Private Limited to develop residential projects through our Associate Keppel Magus Development Private Limited ("**Keppel Magus**"). We own 36.26 per cent. of the shares, Wisley Pte Ltd owns 37.74 per cent. of the shares and RSJ Developers Private Limited owns 26.00 per cent. of the shares in Keppel Magus.

During the period from April 2007 to April 2013, our Associate, Keppel Puravankara had completed one residential project, covering approximately 2.55 million sq. ft. of Developable Area and approximately 1.25 million sq. ft of Saleable Area. In addition, as at May 2, 2013, Keppel Puravankara had one residential Upcoming Project, covering approximately 1.94 million sq. ft. of Developable Area and approximately 0.95 million sq. ft. of Saleable Area. As at May 2, 2013, our Associate, Keppel Magus had one residential Ongoing Project, covering approximately 2.23 million sq. ft. of Developable Area and approximately 0.81 million sq. ft of Saleable Area.

We have an extensive marketing network and we maintain sales and marketing offices in Bengaluru, Chennai, Kochi, the U.A.E. and Saudi Arabia. We have built up an in-house team of engineers, architects and others who are professionally experienced in their respective fields.

Our total income has increased by Rs. 2,154.00 million, or by 35.89 per cent., from Rs. 6,001.68 million in Fiscal 2011 to Rs. 8,155.68 million in Fiscal 2012; and by Rs. 4,329.12 million, or by 53.08 per cent., from Rs. 8,155.68 million in Fiscal 2012 to Rs. 12,484.80 million in Fiscal 2013. Our net profit increased by Rs. 178.24 million, or by 15.12 per cent., from Rs. 1,179.06 million in Fiscal 2011 to Rs. 1,357.30 million in Fiscal 2012; and by Rs. 1,077.05 million, or by 79.35 per cent., from Rs. 1,357.30 million in Fiscal 2012 to Rs. 2,434.35 million in Fiscal 2013.

Competitive Strengths

We believe that the following are our principal competitive strengths:

An established brand image and presence in the South Indian real estate market

We believe we have an established brand image in the South Indian real estate market due to the quality, execution and delivery of our projects. In addition, our projects across various micro markets within South India further enhances our brand recall in South India. Our attention to quality and execution has resulted in various awards and recognitions, such as the Most Admired Upcoming Project of the Year, 2013, and Popular Choice-Affordable Housing of the Year, 2013, at the Real Estate Awards for Retail Excellence for our Purva Windermere project and our Welworth City project, respectively. In addition, our brand recognition has resulted in numerous sales referrals from our existing customer base.

Our luxury and premium real estate projects are branded under the "Purva" brand and our premium affordable housing projects are branded under the "Provident" brand. We believe that our brand gives us a competitive advantage that allows us to achieve premium sales prices and rentals. Our brand also helps us to secure land in prime locations and attract well regarded professionals and partners to collaborate with us on our projects. In addition, after the completion of a project, we continue to focus on brand management through our after-sales team to ensure brand recall among our customers and recommendations through "word of mouth".

We believe that South India in general and the micro markets of Bengaluru, Chennai, Kochi, Mangalore, Coimbatore, Hyderabad and Mysore in particular present a growth opportunity for real estate when compared to the rest of the country. We believe that our experience and presence in the South Indian real estate market provides us with a strong base to expand our operations to other regions in India and internationally. As at May 2, 2013, 59.59 per cent. of our total Developable Area of our Completed Projects, Ongoing Projects and Upcoming Projects was located in Bengaluru; 17.56 per cent. of our total Developable Area of our Completed Projects, Ongoing Projects and Upcoming Projects was located in Chennai; 14.28 per cent. of our total Developable Area of our Completed Projects, Ongoing Projects and Upcoming Projects was located in Kochi; 3.71 per cent. of our total Developable Area of our Completed Projects, Ongoing Projects and Upcoming Projects was located in Coimbatore; 3.44 per cent. of our total Developable Area of our Completed Projects, Ongoing Projects and Upcoming Projects was located in Kolkata; 0.77 per cent. of our total Developable Area of our Completed Projects, Ongoing Projects and Upcoming

Projects was located in Hyderabad; and 0.65 per cent. of our total Developable Area of our Completed Projects, Ongoing Projects and Upcoming Projects was located in Mangalore. Of our Land Bank, aggregating approximately 58.61 million sq. ft. of Developable Area as at May 2, 2013, 70.11 per cent. is located in Bengaluru, 7.95 per cent. in Chennai, 12.68 per cent. in Colombo, 0.96 per cent. in Coimbatore, 6.57 per cent. in Hyderabad, and 1.74 per cent. in Mysore.

Significant presence in the premium affordable housing segment

We believe we are one of the few real estate developers with a significant presence in the premium affordable housing segment in India. In Fiscal 2009, we commenced operations in the premium affordable housing segment through our wholly owned subsidiary, Provident. Provident develops projects that have a small and medium unit sizes of 850 sq. ft. to 1,360 sq. ft. with amenities such as swimming pools, club houses and multi-purpose halls. These projects are situated at the city centre, as well as in areas that are located at relatively greater distances from the city centre but with developed infrastructure such as connectivity through public transportation. We are able to market and sell these projects within a specified price range, which is more affordable than the housing we provide under the Puravankara brand, by reducing the size of our residential units; and by applying innovative construction techniques and efficient designs that result in cost savings. This allows us to provide our customers with a quality product at an affordable price.

During the period from April 2007 to April 2013, we completed two projects in the premium affordable housing segment. As at May 2, 2013, we had five Ongoing Projects and two Upcoming Projects in the premium affordable housing segment. Our Completed Projects in the premium affordable housing segment comprise of the first phase of each of our Cosmos City and Welworth City projects. In January 2013, Provident launched Provident Sunworth, a large premium affordable housing project in Bengaluru with total Developable Area of approximately 6.02 million sq. ft. having 5,952 apartments. Provident contributed 30.55 per cent., 31.18 per cent. and 32.74 per cent. of our total income for Fiscal 2011, 2012 and 2013.

Innovation in our projects and our processes

We believe that one of our strengths is the innovation in the execution of our projects. We seek to anticipate the changing preferences of our prospective customers in developing our real estate projects and cater to the needs of such customers. To this end, we continuously tailor our amenities and designs of our residential projects to meet the requirements of our customers. We design and develop 'theme based projects' around the lifestyles of our customers. For example, our ‘Purva Venezia’ project incorporates water bodies, arched bridges and gardens, that are based on Venetian architecture. Our 'Purva Fountainsquare' project incorporates a 'global' theme by including fountains, layered gardens, stone-scapes and architecture that are based on international designs. Our 'Purva Riviera' project has a resort-based theme, and has been developed to incorporate nature.

We are also constantly upgrading our technology and methodologies to improve efficiency in execution of our projects to reduce costs and to achieve economies of scale. We are focused on developing a mechanized and technological construction capability to increase the efficiency and quality of our projects. These capabilities are expected to allow us to ensure the quality of our projects, ease in maintenance and longevity of our projects and shorten the timelines for construction. We procure third party technology such as MIVAN and Plasmolite with a view to reducing labor requirements and reducing cost and time spent on construction.

In-house development and project management capabilities

We have the technical and human resource capabilities spanning various aspects of our real estate development business, from identification and acquisition of land to designing, planning, executing and marketing our projects. We conduct regular quality assessments of our processes and our technical staff ensures quality and efficiency in our projects. We also encourage our employees to take decisions and participate in various aspects of the development of our projects and incentivise them to actively contribute to our overall strategy. We have technically qualified personal who oversee and execute the key aspects of real estate development, such as architecture, engineering, procurement and project management. To ensure quality and increase efficiency, we have established a wholly-owned subsidiary, Starworth Infrastructure and Construction Limited, to carry on the business of construction services with us as well as with third parties. For further details, see “*Our Business – Our Project Development Methodology*”.

Even when we engage third parties to assist in our projects, we ensure that the planning, purchasing of certain material and project management of the underlying project remain with us.

In addition, we also focus on the "after sales" processes to continue to assist our customers after they have purchased our properties. We have a dedicated customer care department, which focuses on any customer grievances arising in the after sales process. Further, we arrange for property management services through contractual arrangement with Handiman Services Limited for our residential projects which focus on maintaining the quality of our projects after their completion. Our property management services teams are responsible for the provision of maintenance and management services such as building maintenance, security services and other housekeeping services.

Further, 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. For further details, see "*Board of Directors and Key Managerial Personnel*".

Our partnership with Keppel

We have invested in two Associate companies, Keppel Puravankara and Keppel Magus in collaboration with (i) Keppel Investment (Mauritius) Pte Ltd and (ii) Wisley Pte Ltd and RSJ Developers Private Limited, respectively. During the period from April 2007 to April 2013, Keppel Puravankara had completed one residential project, Elita Promenade, at Bengaluru covering approximately 2.55 million sq. ft. of Developable Area and approximately 1.25 million sq. ft of Saleable Area. In addition, as at May 2, 2013, Keppel Puravankara had one residential Upcoming Project, Elita Horizon, at Bengaluru covering approximately 1.94 million sq. ft. of Developable Area and approximately 0.95 million sq. ft. of Saleable Area. As at May 2, 2013, Keppel Magus had one residential Ongoing Project, Elita Garden Vista, at Kolkata with approximately 2.23 million sq. ft. of Developable Area and approximately 0.81 million sq. ft of Saleable Area.

Extensive Land Bank

We have access to an extensive Land Bank, primarily in South India. As at May 2, 2013, our Land Bank aggregated to approximately 58.61 million sq. ft. of Developable Area and approximately 49.63 million sq. ft. of Saleable Area. We believe that our Land Bank forms an important asset of our real estate development business. We believe that our understanding of the real estate market, arising from the collective experience of our management team, has enabled us and will continue to enable us to seek and capitalize on land acquisition opportunities at relatively early stages of their long-term appreciation potential.

To reduce land acquisition costs, we also acquire access to land either through entering into a joint development agreement with land-owner, pursuant to which the land-owner contributes the underlying land for development, or through a joint venture with a strategic partner, pursuant to which we jointly purchase the underlying land for development. Further, we leverage on our joint developments and joint ventures to scale up and diversify our portfolio of projects under development. For details, see "*Our Business – Our Associates*" and "*Our Business – Our Joint Development Model*". For example, our Purva Atria, Purva Platina, Purva Mid Town, Provident Harmony and Provident Skyworth projects are being developed pursuant to joint development agreement, and our Elita Horizon and Elita Garden Vista projects are being developed by our Associates.

Strategy

We are committed to building a leading Indian real estate development company with the highest standards of professionalism, quality and customer service. The key elements of our business strategy are as follows:

Efficient utilization of Land Bank

We believe that continuing to efficiently convert our Land Bank into Completed Projects within a defined period is important to our growth strategy. We aim to reduce the time period for which land remains unutilized within our Land Bank. We seek to do this in a number of ways beginning from the land acquisition. We only acquire land which meets certain criteria including clear title, potential appeal of the location to the target demographic and the suitability for the design of future projects. Once acquired, we take steps to complete the design and planning of the project, including liaising with the relevant authority for permission to commence construction. As part of our efforts to develop our Land Bank, we also invest in technology to increase efficiencies, save costs and achieve economies of scale.

We have a dedicated planning department which focuses on the efficient planning and execution of our projects once we have completed the acquisition of land. Our planning process prior to the completion of acquisition is very detailed and allows us to efficiently and swiftly execute our projects post land acquisition.

Focus on the expansion of our premium affordable housing segment

We commenced our operations through our wholly-owned subsidiary, Provident, in Fiscal 2009 and entered into the premium affordable housing segment in Fiscal 2009, aimed at providing affordable, residential units to our customers. We believe that growth potential exists in the premium affordable housing segment on account of increased urbanization, increasing market for residential rentals, and greater availability of financing options to our target customers. During the period from April 2007 to April 2013, we had completed two premium affordable housing projects in Bengaluru and Chennai representing a Developable area of approximately 2.22 million sq. ft. and a Saleable Area of approximately 2.22 million sq. ft. These comprise of the first phase of each of our Cosmos City and Welworth City projects. Additionally, as at May 2, 2013, we had five Ongoing Projects and two Upcoming Projects in the premium affordable housing segment. We are considering exploring options to expand our premium affordable housing products through Provident into new geographies across India. We believe that our experience in developing residential real estate projects provides us with the necessary expertise and capabilities to effectively compete in the premium affordable housing segment.

Acquisition of Land Bank in strategic locations across India

We believe that continuing to build our Land Bank is critical to increasing our market penetration across India. As such, we continue acquiring land at strategic locations where we are currently present, and intend to expand opportunistically across India, particularly in the Northern and Western states of India. As part of our land acquisition strategy, we endeavor to acquire large and contiguous areas of land with clean titles and at low costs.

We focus on land areas where we see value enhancement opportunities. We continuously identify lands in various locations which we believe are suitable for our projects and have the potential for appreciation in value.

We also acquire access to Land Bank either through entering into joint development agreements with land-owner, pursuant to which the land-owner contributes the underlying land for development, or through a joint venture arrangement, pursuant to which we jointly purchase the underlying land for development.

Continue to enhance our brand by focusing on technological innovations and delivering quality products to our customers

We intend to continue to promote our brand by focusing on technological innovations and by delivering value to our customers. Even though the real estate development industry is labour intensive, we believe that there is an increasing need to mechanize the processes involved in order to reduce our dependency on labor, minimize costs, increase efficiency and improve the quality of our projects. We have invested in a mechanized and technological construction capability in order to increase the scale of our operations and the quality of our products. In the past, our use of aluminum formwork from MIVAN and Plasmolite technology have resulted in increased efficiencies. We intend to continue the process of investment in innovation.

We believe that delivering value to our customers and enhancing their overall satisfaction with our products will enable us to strengthen our brand. We intend to provide our customers amenities and designs tailored to meet their lifestyles. For example, our ‘Purva Riviera’, ‘Purva Venezia’ and ‘Purva Fountainsquare’ projects are theme-based projects that meet the requirements of our customers. We also offer interior decoration facilities to our customers. Our customers may use our modifications and interior works segment for their apartments as we are able to offer them a range of services and products in a convenient manner and at competitive prices. Also, we intend to continue building market recognition of the brand through marketing initiatives such as advertising campaigns and participation in international real estate exhibitions and expansion of our customer loyalty scheme, 'Purva Privileges'.

Leverage on our real estate development and execution capabilities to pursue commercial projects

We have around 27 years of experience in the property development, real estate and construction sectors in India. During the period from April 2007 to April 2013, we had completed 17 residential projects covering approximately 13.76 million sq. ft. of Developable Area and approximately 11.91 million sq. ft of Saleable Area. We also have a number of Upcoming Projects and Ongoing Projects in the residential and commercial real estate segment. We intend to leverage on our experience and expertise in the real estate development business and our execution capabilities to develop commercial projects as and when opportunities arise.

Foster strategic partnerships

We intend to enter into strategic joint ventures and partnerships, where appropriate, to foster growth, increase the scale of our operations and to maximize the value of our Land Bank. We expect to share development rights through these partnerships and collaborations and also gain international expertise and create new sources of revenues.

Our Operations

Our business operations include development of real estate projects in the residential and the commercial segments. In the residential segment, we primarily develop apartment and condominium-type complexes, villas, townhouses, as well as premium affordable housing projects, which we develop through our wholly-owned Subsidiary, Provident. In the commercial segment we develop retail spaces and office premises.

Our operations, currently cover Bengaluru, Chennai, Coimbatore, Hyderabad, Kochi, Mangalore, Kolkata and Colombo. A majority of our Completed Projects, Ongoing Projects and Upcoming Projects are situated in Bengaluru. We have project offices in Coimbatore, Kolkata and Hyderabad. We also have sales and marketing offices in the United Arab Emirates and Saudi Arabia.

During the period from April 2007 to April 2013, we had completed 17 residential projects covering approximately 13.76 million sq. ft. of Developable Area and approximately 11.91 million sq. ft of Saleable Area. Additionally, as at May 2, 2013, we had 19 residential Ongoing Projects and four commercial Ongoing Projects; and 17 residential Upcoming Projects and two commercial Upcoming Projects.

The following table presents, the approximate Developable Area, Saleable Area and Leasable Area of (i) our residential projects, which were completed during the period from April 2007 to April 2013 and (ii) our Ongoing Projects and Upcoming Projects as at May 2, 2012 in the residential and commercial real estate segments.

	Completed Projects			**Ongoing Projects**			**Upcoming Projects**		
Type of Real Estate Project	**Developable Area**	**Saleable Area**	**Leasable Area**	**Developable Area**	**Saleable Area**	**Leasable Area**	**Developable Area**	**Saleable Area**	**Leasable Area**
	(in million square feet)								
(A) Residential									
Residential projects undertaken by our Company	8.99	8.44	N.A.	13.96	13.22	N.A..	17.88[1]	17.38	N.A.
Residential projects undertaken by our Associates	2.55	1.25	N.A.	2.23	0.81	N.A..	1.94	0.95	N.A.
Residential projects undertaken by Provident Housing Limited	2.22	2.22	N.A.	10.56	10.23	N.A.	1.62	1.14	N.A.
	13.76	**11.91**	N.A.	**26.75**	**24.26**	N.A.	**21.44**	**19.47**	N.A.
(B) Commercial									
Commercial project undertaken by our Company where the Company has 100 per cent interest	N.A.	N.A.	N.A.	0.31	N.A.	0.31	0.74	N.A.	0.74
Commercial project undertaken pursuant to joint	N.A.	N.A.	N.A.	0.98	N.A.	0.56	0.78	N.A.	0.47

Type of Real Estate Project	Completed Projects			Ongoing Projects			Upcoming Projects		
	Developable Area	Saleable Area	Leasable Area	Developable Area	Saleable Area	Leasable Area	Developable Area	Saleable Area	Leasable Area
	(in million square feet)								
development agreements									
	N.A.	N.A.	N.A.	**1.29**	**N.A.**	**0.87**	**1.52**	**N.A.**	**1.21**
Total (A) + (B)	**13.76**	**11.91**	N.A.	**28.04**	**24.26**	**0.87**	**22.96**	**19.47**	**1.21**

[1] *This includes Edapally, which is our residential Upcoming Project, proposed to be developed by the Company together with its Subsidiaries, Melmont Constructions Private Limited and Purva Realties Limited.*

Our Residential Projects

Our residential projects are primarily focused on developing apartment and condominium-type housing, independent villas and townhouses. We also develop stand-alone dwellings, apartments and row houses that are generally incorporated into a larger development and generally include additional amenities such as gymnasiums, clubhouses, entertainment centres, gardens, pools and recreational areas. Many of our residential projects provide amenities, including security systems, power generation, air conditioning, sports and recreational facilities.

Our residential projects also comprise of premium affordable housing projects. Through our wholly owned Subsidiary, Provident, we commenced operations in the premium affordable housing segment in Fiscal 2009 to develop mid-income and mass housing projects comprising affordable apartments. Provident develops projects that have small and medium unit sizes of 850 sq. ft. to 1,360 sq. ft. with amenities such as swimming pools, clubhouses and multi-purpose halls. These projects are situated at the city centre, as well as in areas that are located at relatively greater distances from the city centre but with developed infrastructure such as connectivity through public transportation. We are able to market and sell these projects within a specified price range which is more affordable than the housing we provide under the Puravankara brand by reducing the size of our residential units; and by applying innovative construction techniques and efficient designs that result in cost savings. Our premium affordable housing projects are targeted at first time homebuyers. During the period from April 2007 to April 2013, we had completed two premium affordable housing projects in Bengaluru and Chennai with a Developable Area of approximately 2.22 million sq. ft. and a Saleable Area of approximately 2.22 million sq. ft. These comprise of the first phase of each of our Cosmos City and Welworth City projects. As at May 2, 2013, we had five Ongoing Projects and two Upcoming Projects in the premium affordable housing segment, representing a Developable Area of approximately 12.18 million sq. ft. and a Saleable Area of approximately 11.37 million sq. ft. In January 2013, we also launched Provident Sunworth, a large premium affordable housing project in Bengaluru with a total Developable Area of approximately 6.02 million sq. ft.

In order to decide on the location, design and specification for our residential projects, we analyse various qualitative and quantitative data obtained through extensive market research undertaken by an internal development team which considers a number of factors, including target population in the target areas and economic standards in the general area. The type of the development is determined accordingly.

We create architectural variety within our projects by offering numerous models, floor plans, and exterior styles in an effort to enhance home values by creating diversified neighbourhood looks within our projects.

We believe that we implement innovative approaches to the development and marketing of our residential projects and we believe that our key strength is to be able to develop and deliver theme-based projects. We see the leisure facilities associated with our residential accommodation as a marketing tool. For further details, please see "*Our Business – Competitive Strengths – Innovation in our projects and our processes*".

During the period from April 2007 to April 2013, we had completed 17 residential projects covering approximately 13.76 million sq. ft. of Developable Area and approximately 11.91 million sq. ft of Saleable Area. As at May 2, 2013, we had 19 residential Ongoing Projects and 17 residential Upcoming Projects, covering approximately 48.19 million sq. ft. of Developable Area and approximately 43.73 million sq. ft of Saleable Area.

Our Completed Projects

Majority of our residential Completed Projects are located in Bengaluru, India.

The following table details our residential Completed Projects during the period from April 2007 to April 2013, excluding projects in the premium affordable housing segment.

Project	City	Developable Area	Our Economic Interest[1]	Saleable Area	Completion Date
		(in million square feet)	*%*	*(in million square feet)*	
Purva Riviera	Bengaluru	1.30	100.00	1.26	September 2007
Purva Parkridge	Bengaluru	0.35	100.00	0.35	September 2007
Purva Panorama	Bengaluru	0.97	80.00	0.75	September 2007
Purva Sunshine	Bengaluru	0.30	78.00	0.23	September 2007
Purva Grande	Bengaluru	0.04	84.00	0.03	September 2007
Purva Belmont	Bengaluru	0.30	67.00	0.19	September 2007
Purva Fountain Sq	Bengaluru	1.74	100.00	1.74	September 2008
Purva Jade	Chennai	0.01	100.00	0.01	March 2010
Purva Parkway	Bengaluru	0.03	55.00	0.02	March 2010
Purva Vantage	Bengaluru	0.01	81.00	0.01	March 2010
Purva Venezia	Bengaluru	2.09	100.00	2.09	March 2012
Purva Highlands - Phase I	Bengaluru	1.34	100.00	1.34	May 2012
Purva Oceana	Kochi	0.27	100.00	0.27	September 2012
Purva Atria	Bengaluru	0.24	62.00	0.15	January 2013
Elita Promenade[2]	Bengaluru	2.55	49.00	1.25	December 2010
TOTAL:		**11.54**		**9.69**	

[1] Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the project. In the case of joint ventures, this reflects our percentage holding in the Associate.

[2] Developed by our Associate, Keppel Puravankara.

The following table details our residential Completed Projects in the premium affordable housing segment during the period from April 2007 to April 2013.

Project	City	Developable Area	Our Economic Interest[1]	Saleable Area	Completion Date
		(in million square feet)	*%*	*(in million square feet)*	
Cosmos City - Phase I	Chennai	1.09	100.00	1.09	June 2011
Welworth City - Phase I	Bengaluru	1.13	100.00	1.13	May 2012
TOTAL:		**2.22**		**2.22**	

[1]Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the project. In the case of joint ventures, this reflects our percentage holding in the Associate.

Our Ongoing Projects - Residential

In relation to all the residential Ongoing Projects mentioned in the table below, final sanction plan or equivalent planning permissions have been obtained and the bookings for sale or construction activities have commenced. In relation to all Ongoing Projects, right and / or interest in the underlying land is held by the Company, its Subsidiaries or its Associates.

The following table details our residential Ongoing Projects, excluding projects being developed by Provident, as at May 2, 2013:

Project	City	Developable Area	Our Economic Interest[1]	Saleable Area
		(in million square feet)	*%*	*(in million square feet)*
Purva Highland Phase II	Bengaluru	1.20	100.00	1.20
Purva Skywood	Bengaluru	1.24	100.00	1.24

Project	City	Developable Area	Our Economic Interest[1]	Saleable Area
		(in million square feet)	*%*	*(in million square feet)*
Purva Whitehall	Bengaluru	0.40	100.00	0.40
Purva Eternity	Kochi	0.96	100.00	0.96
Purva Grandbay	Kochi	0.51	100.00	0.51
Purva Moon Reach	Kochi	0.39	100.00	0.39
Purva Swanlake	Chennai	1.17	100.00	1.17
Purva Windermere	Chennai	4.13	100.00	4.13
Purva Bluemont	Coimbatore	1.85	100.00	1.85
Purva Atria Platina	Bengaluru	0.14	62.00	0.09
Purva Midtown Residences	Bengaluru	0.45	75.00	0.34
Purva Season	Bengaluru	1.08	60.00	0.65
Purva Sunflower	Bengaluru	0.44	65.00	0.29
Elita Garden Vista[2]	Kolkata	2.23	36.26	0.81
Total		**16.19**		**14.03**

[1] Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the project. In the case of joint ventures, this reflects our percentage holding in the Associate.

[2] Developed by our Associate, Keppel Magus.

The following table details our residential Ongoing Projects being developed by Provident, as at May 2, 2013.

Project	City	Developable Area	Our Economic Interest[1]	Saleable Area
		(in million square feet)	*%*	*(in million square feet)*
Provident Harmony	Bengaluru	0.65	67.50	0.44
Provident Welworth City Phases II and III[2]	Bengaluru	2.33	100.00	2.33
Provident Sunworth	Bengaluru	6.02	100.00	6.02
Provident Cosmos City Phase II	Chennai	1.14	100.00	1.14
Provident Skyworth	Mangalore	0.42	73.00	0.30
Total		**10.56**		**10.23**

[1] Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the project. In the case of joint ventures, this reflects our percentage holding in the Associate.

[2] The Company has applied to the Bengaluru International Airport Area Planning Authority for a renewal of the period of validity of the sanctioned development plan for Provident Welworth City by a period of three years through its letter dated March 25, 2013, as the previous sanction plan dated September 3, 2009, has expired.

Our Upcoming Projects

In relation to all the residential Upcoming Projects mentioned in the table below, approvals for the conversion of the land (where necessary) have been obtained but all the approvals to obtain the final sanction plan or equivalent planning permissions have not been obtained as at the date of this Prospectus. In relation to all Upcoming Projects, right and / or interest in the underlying land is held by the Company, its Subsidiaries or its Associates.

The following table details our residential Upcoming Projects, excluding projects in the premium affordable housing segment, as at May 2, 2013:

Project	City	Developable Area	Our Economic Interest[1]	Saleable Area
		(in million square feet)	*%*	*(in million square feet)*
Bellandur	Bengaluru	0.55	100.00	0.55
Kachanayakanahalli	Bengaluru	1.91	100.00	1.91

Project	City	Developable Area	Our Economic Interest[1]	Saleable Area
		(in million square feet)	%	*(in million square feet)*
Mallasandra I	Bengaluru	0.25	100.00	0.25
Mallasandra II	Bengaluru	2.01	100.00	2.01
Malasandra III	Bengaluru	0.69	100.00	0.69
Kudlu	Bengaluru	0.48	100.00	0.48
Padur	Chennai	2.00	100.00	2.00
Purva Jade II	Chennai	0.07	100.00	0.07
Windermere Phase IV[2]	Chennai	1.24	100.00	1.24
Marine Drive	Kochi	2.91	100.00	2.91
Edappally[3]	Kochi	4.21	100.00	4.21
Hosur Road	Bengaluru	1.14	68.00	0.78
JP Nagar, Kothanur	Bengaluru	0.17	71.00	0.12
U M Kaval [4]	Bengaluru	0.25	64.00	0.16
Elita Horizon[5]	Bengaluru	1.94	49.00	0.95
Total		**19.82**		**18.33**

[1] *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the project. In the case of joint ventures, this reflects our percentage holding in the Associate.*

[2] *Pursuant to the development control rules in Chennai, the Company has the option to avail premium floor space index in relation to this project for the payment of an additional amount.*

[3] *Developed by the Company and Subsidiaries, Melmont Constructions Private Limited and Purva Realties Limited.*

[4] *A refundable deposit may be payable to the landowner of the underlying land, subject to the conditions specified in joint development agreement.*

[5] *Developed by our Associate, Keppel Puravankara.*

The following table details our residential Upcoming Projects in the premium affordable housing segment, as at May 2, 2013.

Project	City	Developable Area	Our Economic Interest[1]	Saleable Area
		(in million square feet)	%	*(in million square feet)*
Milesandra Village, Kengeri	Bengaluru	1.07	70.00	0.75
Selvapuram	Coimbatore	0.55	70.00	0.39
Total		**1.62**		**1.14**

[1] *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the project. In the case of joint ventures, this reflects our percentage holding in the Associate.*

Our Commercial Projects

Our commercial projects include retail and office premises. During the period from April 2007 to April 2013, we have not completed any commercial projects.

We intend to leverage on our experience and expertise in the real estate development business and our execution capabilities to develop commercial projects consisting of commercial complexes, office premises, hospitality projects and warehouses, as and when opportunities arise.

As at May 2, 2013, we had four commercial Ongoing Projects and two commercial Upcoming Projects representing approximately 2.81 million sq. ft. of Developable Area, approximately 2.08 million sq. ft. of Leasable Area.

Our Ongoing Projects

In relation to all the commercial Ongoing Projects mentioned in the table below, final sanction plan or equivalent planning permissions have been obtained and the bookings for sale or construction activities have commenced. In relation to all Ongoing Projects, right and / or interest in the underlying land is held by the Company, its Subsidiaries or its Associates.

The following table details our commercial Ongoing Projects as at May 2, 2013

Project	**City**	**Developable Area**	**Our Economic Interest[1]**	**Saleable Area**	**Leasable Area**
		(in million square feet)	%	*(in million square feet)*	*(in million square feet)*
Purva Gainz	Bengaluru	0.27	73.00	N.A.	0.19
Purva Primus	Chennai	0.21	60.00	N.A.	0.12
Purva Moneta	Chennai	0.31	100.00	N.A.	0.31
Purva Summit	Hyderabad	0.50	50.00	N.A.	0.25
Total		**1.29**		**N.A.**	**0.87**

[1] Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the project. In the case of joint ventures, this reflects our percentage holding in the Associate.

Our Upcoming Projects

In relation to all the commercial Upcoming Projects mentioned in the table below, approvals for the conversion of the land (where necessary) have been obtained but all the approvals to obtain the final sanction plan or equivalent planning permissions have not been obtained as at the date of this Prospectus. In relation to all Upcoming Projects, right and / or interest in the underlying land is held by the Company, its Subsidiaries or its Associates.

The following table details our commercial Upcoming Projects as at May 2, 2013:

Project	**City**	**Developable Area**	**Our Economic Interest[1]**	**Saleable Area**	**Leasable Area**
		(in million square feet)	%	*(in million square feet)*	*(in million square feet)*
Kanakapura	Bengaluru	0.78	60.00	N.A.	0.47
Old Madras Road	Bengaluru	0.74	100.00	N.A.	0.74
Total		**1.52**		**N.A.**	**1.21**

[1] Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the project. In the case of joint ventures, this reflects our percentage holding in the Associate.

Our Land Bank

Land is an important resource and is a key factor contributing to our ability to develop real estate. Our Land Bank comprise of (i) lands owned by our Company through itself and through our Subsidiaries; (ii) land over which our Company has sole development rights; (iii) land in relation to which our Company and/or our Subsidiary have entered into memorandum of understanding/ agreement to acquire; and (iv) lands for which joint development agreements have been entered into by our Company or through our Subsidiaries or through our Associates.

The following is a summary of our Land Bank as at May 2, 2013:

Land Bank	**Location**	**Developable Area**	**Our Economic Interest[1] %**	**Saleable Area**
Thalghattapura I	Bengaluru	1.13	75.00	0.85
Yelahanka I[2]	Bengaluru	4.89	75.00	3.67

Land Bank	Location	Developable Area	Our Economic Interest[1] %	Saleable Area
Thalghattapura II	Bengaluru	0.68	69.00	0.47
Hennur -II	Bengaluru	1.71	60.00	1.02
Kailasanahalli	Bengaluru	1.74	70.00	1.22
Chinnacurchi & BM Kaval,Kengeri[3]	Bengaluru	9.22	35.70	3.29
Sree Rampura	Mysore	0.05	72.00	0.04
Basanavahali	Mysore	0.48	76.00	0.37
Dattagalli Village	Mysore	0.04	72.00	0.03
Arehalli-DB Road	Bengaluru	0.15	100.00	0.15
Dodaballapur Road	Bengaluru	4.91	100.00	4.91
IVC Road - Devanahalli - I	Bengaluru	4.15	100.00	4.15
IVC Road - Devanahalli - II	Bengaluru	0.20	100.00	0.20
Devanahalli	Bengaluru	3.75	100.00	3.75
Medahalli	Bengaluru	4.44	100.00	4.44
Whitefield	Bengaluru	1.04	100.00	1.04
Yelahankha Circle	Bengaluru	2.18	100.00	2.18
Haralakunte	Bengaluru	0.12	100.00	0.12
Hennur - I	Bengaluru	0.78	100.00	0.78
Plot III	Mysore	0.45	100.00	0.45
Trichy Road	Coimbatore	0.56	100.00	0.56
Raidurga	Hyderabad	3.85	100.00	3.85
Sriperumbudur[4]	Chennai	4.66	100.00	4.66
Ja-ela[5]	Colombo	7.43	100.00	7.43
Total		**58.61**		**49.63**

[1] Reflects the percentage of our economic interest in the Land Bank. In the case of joint development agreements, this reflects the percentage of the total Developable Area that we are entitled to retain under the joint development agreement entered into in respect of the Land Bank.

*[2] The Company had entered into a joint development agreement dated March 5, 2005 ("**JDA**"), with P. Dayananda Pai in respect of lands situated at Yelahanka Village and Yelahanka Ammanikere Village, Yelahanka Hobli, Bengaluru North Taluk (the "**Yelahanka Property**"). As per the terms of the JDA, the Company is entitled to 75 per cent. undivided share in the Yelahanka Property. P. Dayanand Pai had entered into an agreement of sale dated November 29, 2004 in respect of the Yelahanka Property (the "**Agreement**"), with Manipal Academy Higher Education ("**MAHE**"), wherein MAHE, which is the owner of the Yelahanka Property, had agreed to sell the Yelahanka Property to P. Dayananda Pai, subject to payment of the full sale consideration within a period of 40 months from November 29, 2004. Both MAHE and P. Dayananda Pai had executed powers of attorney dated March 29, 2005 in favor of the Company and MAHE had also executed a declaratory affidavit dated March 22, 2005 confirming that it is aware of the terms of the JDA and that it has no objection either to the execution of the JDA or to sell the Yelahanka Property to P. Dayananda Pai or his nominees.*

Subsequently, by letters dated April 21, 2008 and June 5, 2008, MAHE informed the Company that the Agreement was conditional upon P. Dayananda Pai making full payment under the Agreement on or before March 31, 2008. In the letter dated April 21, 2008, MAHE has alleged that P. Dayananda Pai had failed to fulfill his commitment under the Agreement, and that hence MAHE had cancelled the Agreement with effect from April 5, 2008 and also that the powers of attorney executed in favour of P. Dayananda Pai and the Company, dated March 29, 2005 were revoked with immediate effect. In response to the same, the Company has brought to MAHE's attention that it cannot terminate the Agreement since the terms of the Agreement do not provide for any termination clause in the event of delay in payment of sale consideration. In the letter dated June 5, 2008, MAHE further stated that cancellation of the Agreement automatically negates any declaration, resolution or powers of attorney executed by MAHE in relation to the Yelahanka Property and any such declaration, resolution or powers of attorney shall stand automatically terminated. The Company filed a suit O.S. 4788 of 2011 against MAHE and P. Dayananda Pai seeking specific performance of the JDA and temporary injunction against P. Dayananda Pai and MAHE from alienating the Yelahanka Property. MAHE has argued before the Additional City Civil and Sessions Judge, Bengaluru, that the Yelahanka Property has already been sold to third parties and hence, MAHE does not have any interest in the Yelahanka Property. Further, P. Dayananda Pai has also alleged that the Company has failed to make certain payments under the JDA resulting in the default committed by P. Dayananda Pai under the Agreement. For further details in relation to the existing legal proceedings on the Property, please see "Legal Proceedings".

*Further, certain portion of the Yelahanka Property is subject to acquisition proceedings initiated by the National Highways Authority of India ("**NHAI**") by a final notification dated July 30, 2010 and Karnataka Industrial Areas Development Board ("**KIADB**") by a preliminary notification dated December 18, 2010. The final notification regarding the said acquisition proceedings is not yet issued by the KIADB and the Company is yet to receive a notification regarding withdrawal of the final notification issued by the NHAI.*

*[3] Shriram Properties Limited ("**SPL**") had entered into four joint development agreements between July 2007 and May 19, 2008, (collectively the "**JDAs**") with landowners (the "**Landowners**") in respect of lands admeasuring 198.79 acres situated at Chinnakurchi and Badamanavarthe Kaval Villages, Kengeri Hobli, Bengaluru South Taluk (the "**Chinnakurchi Property**"). The Landowners have also executed powers of attorney on the same dates as the JDAs in favor of SPL, empowering them to develop the Chinnakurchi Property either by themselves or along with other entities or through a special purpose vehicle ("**SPV**"). As per the terms of the JDAs, SPL is entitled to 70 per cent. of the entire development on the Chinnakurchi Property.*

*The Company had entered into a term sheet dated August 22, 2011, (the "**Term Sheet**") with SPL to jointly develop the Chinnakurchi Property, and have incorporated an SPV, Grandhills Development Private Limited. As per the terms contained in the Term Sheet, the development rights of SPL under the JDAs are required to be assigned to the SPV under an assignment deed or a fresh joint development agreement, with SPL's equity stake in the SPV being 49 per cent. and the Company's equity stake being 51 per cent. The terms of the Term Sheet also provide that the Landowners are entitled to 30 per cent. of the entire development. Therefore, in effect, the Company is entitled to 35.7 per cent. of the entire development on the Chinnakurchi Property.*

The Term Sheet was valid for a period of 60 days from the date of signing, unless extended by mutual agreement. While currently the Term Sheet has expired, the Company and SPL have been negotiating the terms of the proposed joint development to be undertaken through the SPV, Grandhills Development Private Limited.

[4] *Land Bank held by our Subsidiaries, Nile Developers Private Limited and Vaigai Developers Private Limited.*

[5] *Land Bank held by our Subsidiary, Welworth Lanka Private Limited.*

As at the date of this Prospectus, we have not identified what part of our Land Bank will be developed as Purva projects or Provident projects.

As at March 31, 2013, the carrying cost of our Land Bank, which is disclosed in our financial statements under "properties held for development", was Rs. 7,977.06 million, representing amounts paid towards acquiring land and rights for development pursuant to joint development agreements entered with the landowners. Carrying cost of Land Bank includes costs related to acquisition of land, stamp duty, registration fees, brokerage fees and such other costs which are incidental in acquiring and making the land ready for development. We may also be required to pay additional amounts.

We may also be required to pay additional amounts with respect to our Land Bank, subject to the conditions specified in the joint development agreements and subject to the achievement of certain milestones with respect to the land.

Our Associates

We have invested in two Associate companies, Keppel Puravankara and Keppel Magus in collaboration with (i) Keppel Investment (Mauritius) Pte Ltd and (ii) Wisley Pte Ltd and RSJ Developers Private Limited, respectively. Keppel Land Limited provides administrative, accounting and company secretarial services to the Associate companies.

During the period from April 2007 to April 2013, our Associate, Keppel Puravankara had completed one residential project, covering approximately 2.55 million sq. ft. of Developable Area and approximately 1.25 million sq. ft of Saleable Area. In addition, as at May 2, 2013, Keppel Puravankara had one residential Upcoming Project, covering approximately 1.94 million sq. ft. of Developable Area and approximately 0.95 million sq. ft. of Saleable Area. As at May 2, 2013, our Associate, Keppel Magus had one residential Ongoing Project, covering approximately 2.23 million sq. ft. of Developable Area and approximately 0.81 million sq. ft of Saleable Area.

Our Joint Development Model

We also enter into joint development agreements with land-owners, pursuant to which land-owners contribute the underlying land for development. As at May 2, 2013, approximately 8.12 million sq. ft. of Developable Area, or 15.92 per cent., of the total Developable Area of our Ongoing Projects and Upcoming Projects is being developed through joint development agreements.

Under the terms of the joint development agreements, the land-owner contributes the underlying land, and we, as the project developers, either directly through our Company, Subsidiaries or an Associate, are responsible for the cost and execution of the development of the project on such land. The joint development agreement also typically sets out the economic interest of the parties, which is expressed as a percentage of the total Developable Area. We are responsible for marketing and sale of our share in the total Developable Area of the project upon launch.

Under these joint development agreements, in the event of any delay in the completion of the project within the time-frame specified, we are required to indemnify land-owners and pay certain penalties as specified in these agreements. In the past, we have experienced delays in the completion and handover of projects.

Our Project Development Methodology

The execution methodology that we employ for our projects can be divided into the following distinct activities:

Pre-development stage:

Identification of potential areas of development and initial due diligence

One of the key factors in the real estate development sector is the ability to assess the potential of a location after evaluating its demographic trends. We rely on our experience and ability of our senior management to identify and evaluate potential locations. We also use our experience to evaluate locations where we can gain the early mover advantage.

The process of land identification starts from the stage of selecting an appropriate area which has growth potential. Our land acquisition team along with our research team undertakes initial due-diligence of the proposed land by analyzing market data on selling prices of apartments / villas, availability of social, physical and other infrastructure and other relevant micro-market information such as population demographics, to decide on the financial viability of beginning a residential or commercial project on the proposed land. We also conduct title searches and obtain a title opinion of the proposed lands before acquiring such land. Thereafter, a survey is conducted at the proposed site and a preliminary feasibility report is prepared.

The report is based on an analysis of certain criteria, including, among other things (a) the standard of living and disposable income of the population of the location, (b) the growth prospects of the towns in terms of trade and industry, (c) financial viability of the project and (d) the available or planned infrastructure surrounding the land that we have identified for our project. The next step, after area identification, involves identifying the type of project to be undertaken in that particular area and deciding the scale and type of the project. Typically, decisions at this stage involve examining the viability of developing a Purva or a Provident project on the identified project site. In the case of Provident projects, the landed cost at which the apartment will be sold to the customer is the main criterion. Therefore, we follow strict design parameters to enable cost savings and choose locations that have developed social and physical infrastructure. In the case of Purva projects, which comprise of luxury and premium real estate projects, design parameters are flexible. In addition, Purva projects are in some instances located in areas with upcoming infrastructure developments, in order to cater to future demands. The final decision on the location, nature, financial feasibility and scale of each project is taken by our senior management.

Evaluation of applicable laws and obtaining requisite approvals

While evaluating the feasibility of an area for the implementation of a project, it is imperative to understand the legal regime governing land development in location, which varies from state to state and intra-state locations. We also evaluate the factors which affect the obtaining of the approvals required for the implementation of the project. The approvals generally required for a real estate development project include approvals for building plans, for the conversion of agricultural lands to non-agricultural lands, where applicable, the approval of lay outs and approvals related to certain infrastructure facilities such as power and water. Similarly, approvals from various government authorities, including from the relevant environmental authorities, airport authorities and fire authorities are required for buildings above a certain stipulated height. Building completion certificates are obtained from the appropriate authorities after the projects have been completed in accordance with applicable law.

Acquisition of title and/or development rights of land

Acquisition of title and/or development rights of land primarily depends upon the laws and regulations governing the location of the proposed real estate development project. Our existing Land Bank have been acquired by us and are held by us under various mechanisms. For details of our Land Bank, please refer to "*Our Business – Our Land Bank*".

Development stage:

Design and Construction

The design and planning of our projects is either completed by our in-house planning department or by external architects and structural consultants appointed by us. The majority of architects and structural consultants engaged by us are specific to a particular project and are drawn from a pool of designers and architects. The planning department and/or the architect appointed by us provide us with the structural design of the project as well as the estimates of the requirements for manpower, materials, machinery. The external consultants continue to advise us during the course of the project. We also undertake in-house review of the architecture and structural designs prepared by the external consultants.

Once the design and the estimates for the project have been finalized, we set up a project team under the supervision of a site engineer who is the central co-coordinating person who reports to the senior management of our Company. We have the state of art machinery which we use for the construction of our projects and have invested in mechanizing our construction processes. We also grant construction contracts to third parties for certain projects, where we only oversee the construction processes. Such contracts are granted based on a tender process. Where we outsource the construction to third parties, or in the case of premium affordable housing projects developed by Provident, we specify to our contractors the structural design of the projects and the machinery to be used for construction.

The purchase of raw materials is centralized and is based on the estimates given by the planning division or the architect, as the case may be. We share market information on our procurement of raw materials with our contractors to enable them to avail similar cost savings. We are not dependent on any single contractor / builder / supplier for our construction activities. The orders for raw materials are placed by us on the basis of one-to-one negotiations and we do not have any tender or bidding process.

We ensure that the raw material requirements of each project are satisfied in a timely and cost effective manner with quality checks. We ensure that payment is made to suppliers in a timely manner and scrap on project sites is effectively disposed off.

We conduct regular site visits and have developed a system of internal reporting for monitoring of the status and stage of all the projects being developed by us at any given point of time through a daily information system with monthly review. Our audit department also undertakes a monthly safety audit of our project sites. In addition, our internal auditors undertake site visits and prepare a quarterly report on all projects developed by us.

This minimizes time and cost overruns. We deploy representatives of our head office at the sites of our projects to deal with issues related to manpower planning, including welfare of the workers, as well as security and administration of the site. These representatives travel from site to site in order to oversee such issues.

Additionally, one representative from our human resources department visits each site periodically to address issues related to statutory compliances and other general issues related to the workers.

Our wholly-owned Subsidiary, Starworth Infrastructure and Construction Limited also performs construction works and bids for our projects and for third party projects from time to time.

Sales, Marketing and Customer Relationship Management

We maintain a database consisting of our existing customers and undertake direct sales efforts through a combination of telephonic marketing and electronic marketing either centrally from our head office or through our sales and marketing offices located in three cities in India and through our sales personnel located in our project offices in three cities in India and through our international offices in the U.A.E. and Saudi Arabia. We conduct our indirect marketing through our external network of sales associates across India. We actively participate in real estate exhibitions that are attended by NRIs abroad and Indian local population in India.

We have a loyal customer base and encourage the participation of former buyers or tenants in our new product launches. We have referral schemes called “Purva Privilege” and “Purva Champion” where we offer financial incentives to our existing customers for their referrals. We also maintain ongoing engagement with our customers through our event, “Purva Connect”. This helps us build the “Purva” brand, generates goodwill among our customers and also helps us build a loyal customer base.

We employ various marketing approaches depending on whether the project is residential or commercial. These include launch events, corporate presentations, web marketing, direct and indirect marketing, as well as newspaper and outdoor advertising. We prefer to market our projects directly to our customers and only a small portion of our sales are made through brokers channel partners. In addition to the sales made at our corporate office and sales and marketing offices, we also make sale bookings at project offices. Our sales teams have incentives tied to their sales performance. A client servicing team services the customer from after the booking process, through to the transfer of property to the new owner. We liaise with various banks and housing finance companies to provide our customers with convenient access to finance in order to purchase their apartments.

We have an active customer relationship management team to manage all aspects of the sale including addressing any concerns of the customers. Our customer relationship management team regularly follow-up with our customer on payments and meet with customers at the project site. Feedback from the customer on quality issues during the development phase is shared with the technical team. Team members are incentivized based on their performance in each of the project on which they work on.

Completion and handover of the project

We transfer the title or lease hold rights as the case may be to the customer. We ensure that the entire consideration is paid to us prior to the transfer of title or before possession is handed over, whichever is earlier.

Interiors

As part of our endeavor to be a comprehensive housing solutions entity, we have an in-house interiors division, “Purva Streaks”, offering interior decoration facilities to our customers. This division is staffed with a dedicated team of professionals, including interior designers, who provide prospective customers with various interior options to suit their needs as well as their budget. Our income from interior works was Rs. 11.58 million, Rs. 40.07 million, and Rs. 56.70 million in Fiscal 2011, 2012 and 2013. Income from interior works represented 0.20 per cent., 0.49 per cent. and 0.46 per cent. respectively, of our revenue from projects in Fiscal 2011, 2012 and 2013, respectively.

Post-development stage:

Facilities Services Management

Our Promoter group company, Handiman Services Limited, provides facility management services in relation to our projects for a certain period after the handover of the project, post which the residents of our projects have the option to retain Handiman Services Limited. These facility management services include building maintenance, security services and other housekeeping services. These services provided by Handiman Services Limited are monitored by our internal team to ensure that the premises are maintained as per our standards.

Employees

As at April 30, 2013, we had approximately 986 permanent employees consisting of our technical and non-technical staff. Our work force also consists of (i) trainees, (ii) consultants who are engaged by us on a contractual basis to assist in the architectural and structural design of our projects and, (iii) contractors who are engaged by us on a contractual basis and who employ laborers to work at project sites. We do not count any personnel employed by our sub-contractors as our employee. We expect that with the growth of our business, human resources and employee recruitment activities will increase.

We believe that our employees are key contributors to our business success. To achieve this, we focus on hiring and retaining the best talents in the industry. We undertake to impart training and development sessions with newly hired professionals and view this process as a necessary tool to maximizing performance of employees. In order to engage contract laborers for projects sites we are required to be registered under certain regulations. For further information, see “*Risk Factors*”. In Fiscal 2012, we streamlined our organizational structure by defining the primary responsibilities and career progression for each employee. We have also established a Center for Excellence, which imparts skills and on the job training to our employees.

We also have open forums with employees to consider any feedback and address any grievances that the employees may have. In addition, our employee relations manager meets each employee twice a year. We believe that these initiatives facilitate healthy employer-employee relations and have helped us retain our employees.

Insurance

Our operations are subject to hazards inherent in the construction industry, such as risk of equipment failure, work accidents, fire, earthquake, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We have obtained workmen’s compensation policies and contractors' all risks insurance from several insurers for our projects, which are currently in force. We also maintain automobile policies for our vehicles. We also have directors and officers liability insurance.

We have not insured the premises on which our registered office is located. We may be subject to claims resulting from defects arising from engineering, procurement or construction services provided by us within the warranty periods extended by us, which can range typically up to 12 months or longer from the date of their delivery to the client.

Competition

The real estate development industry in India, while fragmented, is highly competitive. We face competition from large domestic as well as international property development and construction companies as a consequence of, among other things, rising government expenditures on infrastructure and various other policy initiatives. In our premium affordable housing segment, we face competition from large domestic property development and construction companies as well as local unorganized players.

Intellectual Property

We own the registered trademarks for "Purva", "Puravankara", "Puravankara Projects Limited" and our old corporate logo and corporate slogan and various combinations thereof in various classes. We have applied for the trademark for our current corporate logo. Our subsidiary Provident owns the registered trademarks for "Provident" and "Provident Housing Limited".

Information Technology

We have incorporated current software systems in our businesses and operations. All key department functions have been interfaced with software systems to maintain continuity in our businesses and operations. In addition to standard software systems for word processing, providing secure access to applications and content from other clients and other systems used by our employees, we have recently integrated our financial operations through an ERP system. We have commenced integration of an ERP package which will interface all standalone software across functions currently in operation to standardize and optimize information flow across the organization.

Corporate Social Responsibility

We are a socially responsible company and we believe that great emphasis should be placed on social and community service. We have undertaken various non-profit initiatives and believe in utilizing our capability and resources in undertaking developments that will benefit the community. These extend financial support to old age homes, orphanages and help children from the poorer sections of the society. For instance, in Fiscal 2012, we contributed Rs. 2.5 million to the Premanjali Trust.

Office Properties

Our registered and corporate office is located at No. 130/1 and 130/2, Ulsoor Road, Bengaluru, which we have leased from a third party and Puravankara Investments, a Promoter Group Entity, respectively. The registered office property located at the ground floor of No. 130/1 has been leased for a period of five years from September 1, 2009 to August 31, 2014. Our company pays Rs. 2,25,000 per month as rent for this property. The corporate office property located at No. 130/2 have been leased for a period of eleven months from March 8, 2013 until February 8, 2014 at a rate of Rs. 23,15,765 per month.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors

The Company's Articles of Association provide that the minimum number of Directors shall be three and the maximum number of Directors shall be 12, unless otherwise approved in a general meeting. As of the date of this Prospectus, the Company has six directors. The Company may, subject to the provisions of the Articles of Association and the Companies Act, alter the minimum or the maximum number of Directors by approval of its shareholders, subject to approval of the Government, if the increase is beyond the maximum permissible limits under its Articles of Association as first registered.

Not less than two-thirds of the total number of Directors shall be elected Directors who are liable to retire by rotation. At the Company's annual general meeting, one-third of such of the Directors as are liable to retire by rotation for the time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office and they will be eligible for re-election. The Managing Director or Whole time Director, appointed or the Directors appointed as a Debenture Director and Special Director of the Company are not liable to retire by rotation. The quorum for meetings of the Board of Directors is one-third of the total number of Directors, or two Directors, whichever is higher, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting, being not less than two, shall be the quorum during such time.

The Company's Directors are not required to hold any Equity Shares to qualify to be a Director.

The following table provides information about the Company's current Directors as of the date of this Prospectus:

Sr. No.	Name, DIN, Term and Nationality	Age (Years)	Designation
1.	**Ravi Puravankara** **DIN**: 00707948 **Term**: Re-appointed on September 28, 2011 with effect from April 1, 2011 for a term of five years **Nationality**: Indian	61	Chairman and Managing Director
2.	**Ashish Puravankara** **DIN**: 00504524 **Term**: Re-appointed on September 28, 2011 with effect from April 1, 2011 for a term of five years **Nationality**: Indian	34	Joint Managing Director
3.	**Nani R. Choksey** **DIN**: 00504555 **Term**: Re-appointed on September 28, 2011 with effect from April 1, 2011 for a term of five years **Nationality**: Indian	61	Deputy Managing Director
4.	**Anup S. Shah** **DIN**: 00317300 **Term**: Liable to retire by rotation **Nationality**: Indian	56	Independent Director

Sr. No.	Name, DIN, Term and Nationality	Age (Years)	Designation
5.	**R.V.S. Rao** **DIN**: 0061599 **Term**: Liable to retire by rotation **Nationality**: Indian	69	Independent Director
6.	**Pradeep Guha** **DIN**: 00180427 **Term**: Liable to retire by rotation **Nationality**: Indian	60	Independent Director

Brief Profile of the Directors

Ravi Puravankara, our founder, Chairman and Managing Director, has been associated with the real estate sector since 1978. He was the former member of the Asia Pacific Commitee to the International Real Estate Federation (FIABCI), Indian Chapter.

Ashish Puravankara holds a Bachelor of Science Degree in Business from Virginia Polytechnic Institute and State University and a degree of Master of Business Administration for Business, Government and Not-for-Profit Management from Willamette University in Salem, Oregon. He is also a Member of the Delta Epsilon Chapter, National Professional Fraternity in Marketing, Sales Management and Selling. He has been a director on our Board since July 15, 2000 and currently as the Joint Managing Director of our Company manages our operations. He has over 8 years of experience in the field of real estate. He has been responsible for the identification of opportunities for the Company and has also been instrumental in implementing best construction practices by the acquisition of new materials and focusing on technology as a means to achieve quality construction. He is actively involved in our current projects.

Nani R. Choksey, our Deputy Managing Director has over 33 years of experience in the real estate development, construction and finance sectors. He has been associated with our Promoter since 1978 and has been responsible for the execution of projects by us and by our Promoter. He has been associated with the Company since its inception and is also responsible for the finance and construction functions. He has been actively involved in all projects of the Company. He is also actively involved in our current projects in Bengaluru, Kochi and our premium affordable housing project.

Anup S. Shah graduated with a Bachelor‘s Degree in law from Government Law College, Mumbai and is a practicing Advocate. He has been an independent director on our Board since September 30, 2005.

R.V.S. Rao has been an independent director on our Board since July 2, 2007.

Pradeep Guha has been an independent director on our Board since July 2, 2007.

Borrowing Powers of the Board

In terms of the Articles of Association, the Board may, from time to time, but with such consent of the Company in General Meeting as may be required under the Companies Act raise or borrow any sum or sums of money for the purposes of the Company and subject to the provisions of the Companies Act may secure payment or repayment of the same in such manner and terms as prescribed by the Board. The shareholders of the Company, through a resolution passed at the extra ordinary general meeting dated December 23, 2006, authorised the Board to borrow monies together with monies already borrowed, in excess of the aggregate of the paid up capital of the Company and its free reserves, not exceeding ₹ 25,000.00 million at any time.

Shareholding of Directors

The following table sets forth the number of Equity Shares held by the Directors as of April 26, 2013:

Name	Number of Equity Shares	Percentage (%)
Ravi Puravankara	191,988,480	89.96**
Ashish Puravankara	4,800*	-
Nani R. Choksey	1920*	-
Anup S. Shah	Nil	-
R.V.S. Rao#	2,000*	-
Pradeep Guha	Nil	-

** Less than 1.00%*
#Jointly held with Lakshmi V. Rao
*** Subsequent to the successful completion of this Issue and the OFS, our Promoter will hold 75.00% of our issued share capital on a fully diluted basis.*

Compensation of the Directors

Executive Directors

Set forth below are details of the compensation (and other terms and benefits) paid by the Company to its Executive Directors for the financial year 2012-13:

Ravi Puravankara

(₹ in million)

Particulars	Remuneration
Basic Salary	9.60
House Rent Allowance	5.90
Conveyance	2.40
Leave Travel Allowance	0.99
Medical Allowance	0.99
Bonus	1.40
Contribution to provident fund	1.16

Ashish Puravankara

(₹ in million)

Particulars	Remuneration
Basic Salary	11.61
Medical Allowance	0.02
Ex-Gratia	0.89
Contribution to Provident Fund	0.01

Nani R. Choksey

(₹ in million)

Particulars	Remuneration
Basic Salary	11.49
Medical Allowance	0.01
Contribution to Provident Fund	0.60

The remuneration by way of salary and commission payable to Ravi Puravankara, Chairman and Managing Director, Ashish Puravankara, Executive Director and Nani R. Choksey, Executive Director is within the limits laid down in Section 198 and Section 309 of the Companies Act.

The Company does not have employment contracts with any of its Directors.

Non-Executive Directors

The Board has pursuant to its meeting dated February 10, 2012 approved the payment of commission of ₹ 1.10 million to Anup S. Shah, R.V.S. Rao and Pradeep Guha for the financial year ended March 31, 2012. Further, each of the Independent Directors were paid ₹ 0.02 million for attending each meeting of the Board and the Audit Committee for the financial year 2011-12.

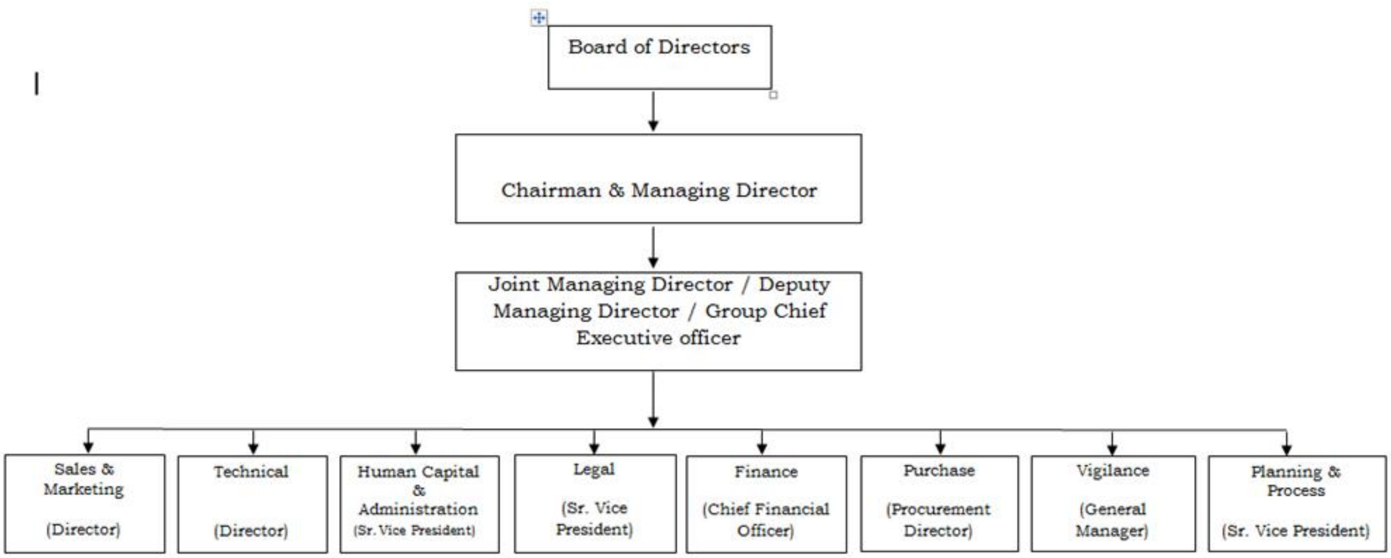
We have paid a sum of ₹ 7.31 million to Anup S. Shah during the financial year 2011-12 for various professional services rendered by his law firm.

The shareholders of the Company have pursuant to the annual general meeting dated August 21, 2012 approved the payment of commission for a sum not exceeding 1% of net profits ascertained under Sections 198, 349 and 350 of the Companies Act to the Non-Executive Directors of the Company (other than managing director and whole-time director) for each of the financial year of the Company commencing from April 1, 2012 for a period not exceeding five years in such amounts or proportions and in such manner as may be decided by the Board.

Prohibition by SEBI or Other Governmental Authorities

The Promoter, Directors or persons in control of our Company or the companies with which they are or were associated as promoters, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Organisation Structure



Key Managerial Personnel

The Key Managerial Personnel of the Company, other than the Executive Directors, are as follows:

Jackbastian Kaitan Nazareth: 45 years, Group Chief Executive Officer, holds a Bachelor's Degree in Civil Engineering from Karnataka University, Dharwad and has a Post Graduate Diploma in Management from Goa Institute of Management. Prior to joining the Company in February 2010, he was working with Sobha Electromechanical Works LLC, Dubai.

Anil Kumar A: 45 years, Chief Financial Officer, Chartered Accountant, certified by the Institute of Chartered Accountants of India. He has also passed the final examinations held by the Institute of Company Secretaries of India and by the Institute of Cost and Works Accountants of India. Prior to joining the Company in June, 2012, he has worked with Mantri Developers Private Limited and Brigade Enterprises Limited as the Chief Financial Officer. He has over 22 years of work experience in the field of finance and accounts. He heads the finance function.

Key Managerial Personnel of Provident, a Subsidiary

Madhu V: 61 years, Managing Director, Provident, holds a degree of Master of Science in Chemistry from the University of Kerala and a degree of Masters in Business Administration from the Southern Cross University. He is a retired Indian Administrative Service officer. He also holds a degree of Bachelor of Sciences in Chemistry, Mathematics and Physics. Prior to joining Provident in March, 2011, he was serving in senior level capacity at various government departments.

All our Key Managerial Personnel are permanent employees of the Company or of its Subsidiary, Provident, as the case may be.

Other than as disclosed below, none of the Key Managerial Personnel of the Company or of its Subsidiary hold any Equity Shares in the Company.

Name	Number of Equity Shares	Percentage (%)
Madhu V	1,000*	-

***** *Less than 1.00%*

Corporate Governance

The Company complies with the applicable corporate governance requirements, including the requirements such as constitution of the Board and Committees thereof under the Equity Listing Agreement.

Currently, the Board consists of six Directors out of which three are independent Directors. As the Chairman of the Company is a person related to the Promoter and an Executive Director, at least half of the Board is required to consist of independent directors, as required under the corporate governance norms provided in Clause 49 of the Equity Listing Agreement. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and proper constitution of Committees of the Board. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Committees of the Board

As of the date of this Prospectus, there are three Board level committees in the Company, which have been constituted and which function in accordance with the relevant provisions of the Companies Act and the Equity Listing Agreement: (i) the Audit Committee; (ii) the Investors' Grievance Committee and (iii) Compensation Committee.

The members of the aforesaid committees as of the date of this Prospectus are:

Committee	Members
Audit Committee	Anup S. Shah (Chairman), R.V.S. Rao, Ravi Puravankara and Pradeep Guha
Investors' Grievance Committee	R.V.S. Rao (Chairman), Nani R. Choksey and Ashish Puravankara
Compensation Committee	Ravi Puravankara (Chairman), R.V.S. Rao, Pradeep Guha and Anup S. Shah

The Company has also constituted another Board level committee being the Management Sub-Committee with Ravi Puravankara, Ashish Puravankara and Nani R. Choksey as members, *inter alia* empowered to manage all matters pertaining to investments, formation of subsidiaries, borrowings (other than debentures), statutory compliances and other routine business activities.

Interest of Promoter, Directors and Key Managerial Personnel

Except as stated in "***Financial Statements – Related Party Information***", and to the extent of shareholding held in the Company and remuneration, sitting fees and benefits to which they are entitled as per their terms of appointment, the Directors do not have any other interest in the Company or its business. The Directors may also be regarded as interested in the Equity Shares, if any, held by or that may be subscribed by and allotted to them, their relatives, dependents, companies, firms, HUF or trusts, in which they are interested as directors, members, partners, karta and/or trustees. All the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares and any other benefit arising out of such holding and transactions with the companies with which they are associated as directors or members.

The Non-Executive Directors of the Company may also be deemed to be interested to the extent of commission and sitting fees payable to them for attending meetings of the Board or a committee.

Our Promoter is further interested in the operations of our Company to the extent of the personal guarantees issued by him as additional security for most of our borrowings.

Our Promoter may also be deemed to be interested in the Company to the extent that him or any entities promoted by him hold an interest in any of our existing, ongoing or upcoming projects or the lands on which they are being developed.

Except Ravi Puravankara and Ashish Puravankara, none of the other Directors are related to each other.

Other than as disclosed above, the Key Managerial Personnel of our Company do not have any other interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them or their dependants in the Company, if any.

PRINCIPAL SHAREHOLDERS

Ravi Puravankara is the Promoter of the Company.

The shareholding pattern of the Company as of April 26, 2013 is as indicated in the table below:

Category of Shareholder	No. of Shareholders	Total No. of Equity Shares	Total No. of Equity Shares held in Dematerialised Form	Total Shareholding as a % of total No. of Equity Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	No. of Equity Shares	As a % of Total No. of Equity Shares
(A) Shareholding of Promoter and Promoter Group (1) Indian							
Individuals / Hindu Undivided Family	1	191,988,480	191,988,480	89.96	89.96	-	-
Bodies Corporate	-	-	-	-	-	-	-
Persons acting in concert	-	-	-	-	-	-	-
Any Other (specify) 1. Promoter Group (Individual)	3	4,560	4,560	0.00*	0.00*	-	-
2. Director	1	4,800	4,800	0.00*	0.00*	-	-
Sub Total	**5**	**191,997,840**	**191,997,840**	**89.96**	**89.96**	-	-
(2) Foreign	-	-	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A)	**5**	**191,997,840**	**191,997,840**	**89.96**	**89.96****	-	-
(B) Public Shareholding (1) Institutions							
Mutual Funds / UTI	2	1,450,467	1,450,467	0.00*	0.00*	-	-
Financial Institutions / Banks	2	12,708	12,708	0.00*	0.00*	-	-
Foreign Institutional Investors/	8	14,207,784	14,207,784	6.66	6.66	-	-
Insurance Companies	2	1,881,275	1,881,275	0.00*	0.00*	-	-
Sub Total	**14**	**17,552,234**	**17,552,234**	**8.22**	**8.22**	-	-
(2) Non-Institutions							
Bodies Corporate	343	581,498	581,498	0.00*	0.00*	11,863	2.13
Individuals							
Individual shareholders	23,060	2,630,104	2,629,701	1.23	1.23	-	-

Category of Shareholder	No. of Shareholders	Total No. of Equity Shares	Total No. of Equity Shares held in Dematerialised Form	Total Shareholding as a % of total No. of Equity Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	No. of Equity Shares	As a % of Total No. of Equity Shares
holding nominal share capital up to ₹ 0.1 million							
Individual shareholders holding nominal share capital in excess of ₹ 0.1 million	5	226,328	226,328	0.00*	0.00*	-	-
Any Others (Specify)	-	-	-	-	-	-	-
Trusts		-	-	-	-	-	-
Non Resident Indians (Repatriable)	240	308,619	308,619	0.00*	0.00*	-	-
Non Resident Indians (Non Repatriable)	48	8,525	8,525	0.00*	0.00*	-	-
Clearing Members	156	115,267	115,267	0.00*	0.00*	-	-
Director/Relative of Director	2	3.920	3,920	0.00*	0.00*	-	-
Sub Total	**23,854**	**3,874,261**	**3,873,858**	**1.82**	**1.82**	**-**	**-**
Total Public shareholding (B)	**23,868**	**21,426,495**	**21,426,092**	**10.04**	**10.04**	**-**	**-**
Total (A)+(B)	**23,873**	**213,424,335**	**213,423,932**	**100.00**	**100.00**	**-**	**-**
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
(1) Promoter and Promoter Group	-	-	-	-	-	-	-
(2) Public	-	-	-	-	-	-	-
Sub Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (A)+(B)+(C)	**23,873**	**213,424,335**	**213,423,932**	**100.00**	**100.00**	**-**	**-**

* *Less than 1.00%*

*** Subsequent to the successful completion of this Issue and the OFS, our Promoter will hold 75.00% of our issued share capital on a fully diluted basis.*

Shareholding of persons belonging to the category "Promoter and Promoter Group" as of April 26, 2013 is detailed in the table below:

Name of the Shareholder	Details of Equity Shares held	
	No. of Equity Shares held	As a % of grand total
Ravi Puravankara	191,988,480	89.96**

Name of the Shareholder	Details of Equity Shares held	
	No. of Equity Shares held	As a % of grand total
Vishalakshi Puravankara	1,920*	-
Aarthi Puravankara	1,440*	-
Amanda Puravankara	1,200*	-
Ashish Puravankara	4,800*	-
Total	**191,997,840**	**89.96**

**Less than 1.00%*

*** Subsequent to the successful completion of this Issue and the OFS, our Promoter will hold 75.00% of our issued share capital on a fully diluted basis.*

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the application, payment, Allocation and Allotment of the Equity Shares offered in the Issue. The Company and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. This section applies to all Applicants. The Applicants are advised to inform themselves of any restrictions or limitations that may be applicable to them. Please see – "**Selling Restrictions**" and "**Purchaser Representations and Transfer Restrictions**". Applicants are advised to make their independent investigations and ensure that their applications do not exceed the Issue Size or the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

Authority for the Issue

The Issue was authorised and approved by the Board of Directors through a resolution dated February 14, 2013, by the shareholders of the Company through a special resolution dated March 15, 2013 and a resolution of the IPP Committee dated May 15, 2013.

The Company has applied for and received in-principle approval from the BSE and the NSE on May 15, 2013 under Clause 24(a) of the Equity Listing Agreement for listing of the Equity Shares offered in the Issue on the Stock Exchanges. The Company has also filed a copy of the Red Herring Prospectus and this Prospectus with the RoC, SEBI and the Stock Exchanges.

Prohibition by SEBI or Other Governmental Authorities

The Company, the Subsidiaries, the Promoter, the members of the Promoter Group, the Directors and the persons in control of the Company have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies with which the Promoter, the Directors or the persons in control of the Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Restrictions on Issue Size

Under Regulation 91I of the SEBI Regulations, the aggregate of all tranches of the IPP undertaken by the Company cannot result in an increase in the public shareholding in the Company by more than 10% or such lesser percentage as may be required for the Company to achieve the required minimum public shareholding. Based on the Issue Size of 23,725,351 Equity Shares[#] including the issue of 2,156,850 Equity Shares pursuant to the exercise of the Over Allotment Option in full, the increase in public shareholding of the Company shall be 9.00 %.

Subject to finalization of Basis of Allocation. The exact number of Equity Shares to be issued pursuant to the Issue may be required to be adjusted depending on, inter alia, the actual number of Equity Shares Allotted upon finalization of the Basis of Allocation.

Subsequent to the successful completion of this Issue and the OFS, our Promoter will hold 75.00% of our issued share capital on a fully diluted basis.

Who can Apply

This Issue is being made only to Eligible QIBs.

Only the following categories of QIBs are eligible to invest in this Issue:

- mutual funds, venture capital funds and AIFs registered with SEBI;

- foreign institutional investors and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual;

- public financial institutions, as defined in Section 4A of the Companies Act;

- scheduled commercial banks;

- state industrial development corporations;

- insurance companies registered with the Insurance Regulatory and Development Authority;

- provident funds with minimum corpus of ₹ 250 million;

- pension funds with minimum corpus of ₹ 250 million;

- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the GoI published in the Gazette of India;

- insurance funds set up and managed by army, navy or air force of the Union of India; and

- insurance funds set up and managed by the Department of Posts, India.

Note: FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in this Issue.

FIIs are permitted to participate in the Issue only under the Portfolio Investment Scheme, subject to compliance with all applicable laws and such that the shareholding of the FIIs does not exceed specified limits as prescribed under applicable laws in this regard.

No single FII can hold more than 10% of the post Issue paid-up capital of the Company. In respect of a FII investing in the Equity Shares offered in the Issue on behalf of its eligible sub-accounts, the investment on behalf of each eligible sub-account shall not exceed 10% of the Company's total paid-up capital. **The aggregate FII holding in the Company cannot exceed 24% of the total paid-up capital of the Company.**

Note: Each eligible sub-account of a FII, other than a sub-account which is a foreign corporate or foreign individual, will need to submit separate ASBA Applications. FIIs or sub-accounts of FIIs, are required to indicate the SEBI FII/sub-account registration number in the ASBA Applications.

No Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being a Promoter or any person related to the Promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to promoter(s):

a) rights under a shareholders' agreement or voting agreement entered into with our Promoter or persons related to our Promoter;

b) veto rights; or

c) right to appoint any nominee director on the Board.

Provided that a QIB which does not hold any Equity Shares and which has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoter.

Applicants are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Applicants are advised to ensure that the number of Equity Shares for which they have provided

ASBA Applications in the Issue 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 and this Prospectus. Further, Applicants are required to satisfy themselves that their ASBA Applications would not result in triggering a tender offer under the Takeover Regulations.

A minimum of 25% of the aggregate number of Equity Shares to be Allotted in the Issue shall be Allocated and Allotted to Mutual Funds and Insurance Companies, subject to receipt of valid ASBA Applications at or above the Issue Price, provided that if this portion or any part thereof to be Allocated and Allotted to Mutual Funds and Insurance Companies remains unsubscribed, such minimum portion or part thereof may be Allotted to other Eligible QIBs. For further details, please see "– ***Basis of Allocation*****".**

Affiliates or associates of the Book Running Lead Managers who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

No person connected with the Issue shall offer any incentive, direct or indirect, in any manner, whether in cash, kind, services or otherwise, to any Applicant for making an ASBA Application.

Number of Allottees

The Equity Shares offered in the Issue will not be Allotted to less than 10 Allottees.

As provided in the SEBI Regulations, no single Allottee shall be Allotted more than 25% of the offer size in terms of Regulation 91H of the SEBI Regulations, subject to the following.

Provided further that Eligible QIBs belonging to the same group or those who are under common control shall be deemed to be a single Allottee for the purpose of the foregoing.

i. The expression 'belong to the same group' shall have the same meaning as 'companies under the same group' as provided in sub-section (11) of Section 372 of the Companies Act:

   Section 372(11) of the Companies Act - "*For the purposes of this section, a body corporate shall be deemed to be in the same group as the investing company-*

   a. *if the body corporate is the managing agent of the investing company; or*

   b. *if the body corporate and the investing company should, in virtue of subsection (1B) of section 370, be deemed to be under the same management*."

Under Section 370(1B) of the Companies Act, two bodies corporate are deemed to be under the same management if any of the following conditions are satisfied:

(a) The managing agent, secretaries and treasurers, managing director or manager of one body corporate is the managing agent, secretary or treasurer, managing director or manager of the other body corporate or a partner in a firm acting as the managing agents or secretaries and treasurers of the other body corporate or a director of a private company acting as managing agent or secretaries and treasurers of the other body corporate;

(b) A majority of the directors of the one body corporate constitute or at any time within the immediately preceding six months have constituted a majority of the directors on the board of the other body corporate;

(c) Not less than one-third of the total voting power with respect to any matter relating to each of the two bodies corporate is exercised or controlled by the same individual or body corporate;

(d) The holding company of one body corporate is under the same management as the other body corporate within the meaning of (a), (b) or (c) above; and

(e) One or more directors of one body corporate hold, either by themselves or together with their relatives, the majority of the shares in the other body corporate.

ii. The expression 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations:

Regulation 2(1)(e) of the Takeover Regulations – *""control" includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner:*

Provided that a director or officer of a target company shall not be considered to be in control over such target company, merely by virtue of holding such position."

Minimum Application Size

Each ASBA Application is required to be for such number of Equity Shares and at such price per Equity Share that the minimum Application Amount exceeds ₹ 200,000.

Information for the Applicants

(a) Only ASBA mode of payment can be used by Eligible QIBs to participate in this Issue.

(b) The Company, in consultation with the BRLMs, will decide the Floor Price or the Price Band for the Issue and the same shall be announced at least one day prior to the Issue Opening Date.

(c) The Company will publish the Issue Opening Date and the Issue Closing Date in the Floor Price/ Price Band Announcement. The Issue Period shall be for a minimum of one Working Day and shall not exceed two Working Days.

(d) The Company filed the Red Herring Prospectus with the RoC at least three Working Days before the Issue Opening Date.

(e) Once a duly filled in ASBA Application is submitted by an Applicant, such ASBA Application constitutes an irrevocable offer and cannot be withdrawn. In addition, the price per Equity Share and/or the number of Equity Shares applied for in an ASBA Application cannot be revised downwards.

(f) The Company shall open the Public Issue Account with the Public Issue Account Bank in terms of Section 73 of the Companies Act to receive monies on the Designated Date from the ASBA Accounts.

(g) Upon the receipt of the ASBA Applications, the Company, after the closure of the Issue, shall determine the Issue Price for the Equity Shares offered in the Issue and the number of Equity Shares to be issued at the Issue Price, in consultation with the Book Running Lead Managers and in accordance with the Allotment Criteria. Upon finalisation of the Basis of Allocation, the Company will issue CANs to the successful Applicants. The dispatch of the CANs shall be deemed a valid, binding and irrevocable agreement on the part of the Applicant to subscribe to such number of Equity Shares as mentioned in their respective CANs at the Issue Price indicated in such CAN. The CAN shall contain details such as the number of Equity Shares Allocated to the Applicant and the Issue Price.

(h) The Company shall take all steps to ensure that listing and commencement of trading of the Equity Shares Allotted in the Issue at the Stock Exchanges is within 12 Working Days of the Issue Closing Date.

(i) The Company or the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Final listing and trading approvals granted by the Stock Exchanges are also placed on their respective websites. Applicants are advised to apprise themselves of the status of the receipt of the listing and trading approvals from the Stock Exchanges or the Company.

(j) The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC in terms of Regulation 66 of the SEBI Regulations, in an English national newspaper, a Hindi national newspaper and a Kannada newspaper, each with wide circulation.

(k) In case of a Mutual Fund, a separate ASBA Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such ASBA Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple ASBA Applications, provided that the ASBA Applications clearly indicate the scheme concerned for which it has been made. No Mutual Fund scheme can invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights. Further, no single Mutual Fund shall be Allocated and Allotted more than 25% of the offer size in terms of Regulation 91H of the SEBI Regulations.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in an English national newspaper, a Hindi national newspaper and a Kannada newspaper, each with wide circulation.

ASBA Application and Revision Form

The ASBA Application and the Revision Form shall be in the form prescribed by SEBI pursuant to the circular dated September 27, 2011, to the extent applicable to the Issue.

By making an application for the Equity Shares offered in the Issue through an ASBA Application, an Applicant will be deemed to have made the representations, warranties and agreements made under "***Representations by Investors***", "***Selling Restrictions***" and "***Purchaser Representations and Transfer Restrictions***".

SCSBs would be entitled to a processing fee of ₹ 25 per valid ASBA Application collected by the members of the Syndicate in the Specified Cities and submitted to the SCSBs. No selling commission is payable in respect of ASBA Applications procured in the Issue.

Method and Process of Bidding

(a) ASBA Applications will be available with the SCSBs, the members of the Syndicate (only in the Specified Cities) and at the Registered Office of the Company. Electronic ASBA Applications will be available on the website of the Stock Exchanges and the Designated Branches of the SCSBs.

(b) Any eligible Applicant may obtain a copy of the Red Herring Prospectus and the ASBA Applications from the Registered Office of the Company.

(c) Applicants should approach the Designated Branches of the SCSBs or the members of the Syndicate (only in the Specified Cities) to submit their ASBA Applications.

(d) Applicants may submit their ASBA Applications, and / or the Revision Forms, during the Issue Period to (i) the members of the Syndicate in the Specified Cities; (ii) the Designated Branches of the SCSBs where the ASBA Account is maintained; or (iii) in electronic form to the SCSBs with whom the ASBA Account is maintained. For details, the Applicants should contact the SCSBs where the ASBA Account is maintained. The SCSBs may provide the electronic mode of bidding either through an internet enabled bidding and banking facility or through any secured, electronically enabled mechanism for bidding and blocking funds in the ASBA Account.

(e) ASBA Applications submitted directly to the SCSBs should bear the stamp of the SCSBs and the ASBA Application submitted to the members of the Syndicate in the Specified Cities should bear the stamp of the member of the Syndicate. Applicants also have an option to submit the ASBA Application in electronic form or submit ASBA Applications through the members of the Syndicate in the Specified Cities.

(f) For ASBA Applications submitted to the members of the Syndicate in the Specified Cities, the members of the Syndicate shall upload the details of the ASBA Application onto the electronic bidding system of the Stock Exchanges and deposit a schedule (containing certain information including the ASBA Application number and the Application Amount) along with the ASBA Application with the relevant branch of the SCSB, designated by such SCSB to accept such ASBA Applications from the members of the Syndicate in such Specified City. (A list of such branches is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries. The relevant branch of the SCSB shall block an amount equal to the Application Amount specified in the ASBA Application in the ASBA Account. For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount equal to the Application Amount specified in the ASBA Application in the ASBA Account, before entering the required details of the ASBA Application into the electronic bidding system.

(g) The Applicant should mention its PAN allotted under the I.T. Act in the ASBA Application. Any ASBA Application without the PAN is liable to be rejected. Applicants should not submit the GIR number instead of the PAN as the ASBA Application is liable to be rejected on this ground.

(h) The Registrar to the Issue shall validate the details of the ASBA Application uploaded on the electronic bidding system of the Stock Exchanges with the Depository records and the complete reconciliation of the final certificates received from the SCSBs with the electronic details of the ASBA Applications.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the ASBA Application and entered into the electronic bidding system of the Stock Exchanges by the Syndicate/ SCSBs do not match with the DP ID, Client ID and PAN available in the database of Depositories, the ASBA Application is liable to be rejected.

(i) Each ASBA Application will give the Applicant the option to indicate up to three prices within the Price Band or at or above the Floor Price, as the case may be, and specify the demand (i.e., the number of Equity Shares applied for at each such price). The number of Equity Shares applied for by an Applicant at or above the Floor Price or within the Price Band, as the case may be, will be considered for Allocation and Allotment in accordance with the Basis of Allocation. The highest value indicated by the Applicant in the ASBA Application to subscribe for the Equity Shares applied for in the ASBA Application shall be blocked in the ASBA Account of such Applicant. After determination of the Issue Price, the maximum number of Equity Shares applied for by an Applicant at or above the Issue Price will be considered for Allocation and the rest of the options will become automatically invalid.

(j) The Applicant cannot submit another ASBA Application after one ASBA Application has been submitted to the SCSBs or any member of the Syndicate. Submission of a second ASBA Application to either the same or to another SCSBs or any member of the Syndicate will be treated as multiple ASBA Applications and is liable to be rejected either before entering the required details of the ASBA Application into the electronic bidding system, or at any point of time prior to the Allotment of the Equity Shares offered in this Issue. However, the Applicant can revise upwards the price per Equity Share or the number of Equity Shares applied for through the Revision Form, the procedure for which is detailed under the paragraph titled "- ***Revision of ASBA Applications***".

(k) Upon receipt of an ASBA Application from the Applicant, in physical mode, the Designated Branches of the SCSBs shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Application, prior to uploading details of the ASBA Application on the electronic bidding system of the Stock Exchanges.

(l) If sufficient funds are not available in the ASBA Account, the Designated Branches of the SCSBs shall reject such ASBA Application and shall not upload the details of the ASBA Application on the electronic bidding system of the Stock Exchanges.

(m) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application and will enter the details of the ASBA Application into the electronic bidding system and generate a TRS for each price and demand option. It is the Applicant's responsibility to obtain the TRS from the members of the Syndicate or the Designated

Branches of the SCSBs. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(n) SCSBs making ASBA Applications on their own account using the ASBA facility are required to have a separate account using the ASBA facility are required to have a separate account in their own name with any other SEBI registered SCSB. Such account should be used solely for the purpose of making applications in public issues and clear demarcated funds should be available in such account for ASBA Applications/

(o) The Application Amount shall remain blocked in the ASBA Account until the finalisation of the Basis of Allocation, the dispatch of the CAN and consequent transfer of the Application Amount for the Allotted Equity Shares to the Public Issue Account from the ASBA Accounts, or alternatively, until the withdrawal of the Issue or the rejection of the ASBA Application, as the case may be. Once the Basis of Allocation is finalised and the CAN is dispatched, the Registrar to the Issue shall send an appropriate request to the SCSBs to unblock the relevant ASBA Accounts and to transfer the amount due on the Equity Shares to be Allotted to the successful Applicants to the Public Issue Account on the Designated Date.

(p) In case the Company withdraws or cancels the Issue, the Registrar to the Issue shall give instructions to the SCSBs to unblock the Application Amounts in the relevant ASBA Accounts of the Applicants within one day of receipt of such instruction. The Company shall also inform the Stock Exchanges of such cancellation or withdrawal.

Electronic Registration of ASBA Applications

(a) The members of the Syndicate and the SCSBs will register the ASBA Applications received, using the electronic bidding system of the Stock Exchanges.

(b) The members of the Syndicate and the SCSBs may undertake modification of selected fields in the details under the ASBA Application already uploaded within one Working Day from the Issue Closing Date.

(c) Neither the Company nor the Registrar to the Issue shall be responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the ASBA Applications accepted by the members of the Syndicate or the SCSBs, (ii) the details under the ASBA Applications uploaded by the members of the Syndicate or the SCSBs, or (iii) the ASBA Applications accepted but not uploaded by the members of the Syndicate or the SCSBs.

(d) The SCSBs shall be responsible for any acts, mistakes, errors or omissions and commissions in relation to (i) the ASBA Applications accepted by them, (ii) the details under the ASBA Applications uploaded by them, (iii) the ASBA Applications accepted but details not uploaded by them, and (iv) the ASBA Applications accepted and details uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for ASBA Applications uploaded by the SCSBs, the full Application Amount has been blocked in the relevant ASBA Account and can be transferred to the Public Issue Account on the Designated Date.

(e) The Stock Exchanges will offer an electronic facility for registering details under the ASBA Applications for the Issue. This facility will be available with the Syndicate and their authorised agents and the SCSBs during the Issue Period. The members of the Syndicate and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of details under the ASBA Applications, subject to the condition that they will subsequently upload the off-line data file into the electronic facilities offered by the Stock Exchanges. The members of the Syndicate and the SCSBs will register the ASBA Applications received, using the electronic bidding system of the Stock Exchanges. On the Issue Closing Date, the members of the Syndicate and the Designated Branches of the SCSBs shall upload the details under the ASBA Applications on the electronic bidding system of the Stock Exchanges till such time as may be permitted by the Stock Exchanges.

(f) The permission given by the Stock Exchanges to use its network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company, the members of the Syndicate or the SCSBs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of the Company or any scheme or project of the Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares offered in the Issue will be listed or will continue to be listed on the Stock Exchanges.

(g) The aggregate demand in relation to the ASBA Applications registered shall be displayed by Stock Exchanges without disclosing the price.

(h) With respect to details under the ASBA Applications submitted to the SCSBs, the SCSBs shall enter the following details in the electronic bidding system of the Stock Exchanges:

- ASBA Application number;
- PAN;
- DP ID and Client ID number of the beneficiary account of the Applicant;
- Application Amount;
- ASBA Account number;
- Category of the Applicant;
- Numbers of Equity Shares applied for; and
- Price per Equity Share.

(i) With respect to details under the ASBA Applications submitted to the members of Syndicate at the Specified Cities, the members of Syndicate shall enter the following details in the electronic bidding system of the Stock Exchanges:

- ASBA Application number;
- PAN;
- DP ID and Client ID number of the beneficiary account of the Applicant;
- Application Amount;
- ASBA Account number (not compulsory);
- Category of the Applicant;
- Numbers of Equity Shares applied for;
- Price per Equity Share;
- Bank code for the SCSB where the ASBA Account is maintained; and
- Name of the Specified City.

(j) Each ASBA Application will give the Applicant the choice to apply for up to three optional prices at or above the Floor Price or within the Price Band, as the case may be, and to specify the demand (i.e., the number of Equity Shares applied for) at each such price.

(k) TRS will be generated when the ASBA Application is registered for each price and demand option. The registration of the ASBA Application by the member of the Syndicate or the Designated Branches of the SCSBs does not guarantee that the Equity Shares shall be Allocated/Allotted either by the members of the Syndicate or the Company.

(l) Only those ASBA Applications details of which are uploaded on the electronic bidding system of the Stock Exchanges shall be considered for the Allocation and Allotment. Members of the Syndicate and the SCSBs will be given up to one Working Day after the Issue Closing Date to verify the DP ID and Client ID uploaded on the electronic bidding system of the Stock Exchanges during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchanges and will reconcile and validate the details of the ASBA Application uploaded on the electronic bidding system of the Stock Exchanges with the Depositories records. In case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such ASBA Applications are liable to be rejected.

(m) The details of the ASBA Applications uploaded on the electronic bidding system of the Stock Exchanges shall be considered as final and Allocation and Allotment will be based on such details.

Revision of ASBA Applications

(a) During the Issue Period, any Applicant who has submitted an ASBA Application subscribing to a specific number of Equity Shares at a particular price level may revise upwards the number of Equity Shares applied for and/or the price per Equity Shares within the Price Band or at or above the Floor Price, as the case may be, using the printed Revision Form, which is a part of the ASBA Application. **An ASBA Application cannot be withdrawn and the price per Equity Share and/or the number of Equity Shares applied for cannot be revised downwards**.

(b) Upward revisions can be made in both the desired number of Equity Shares and the price per Equity Share by using the Revision Form. The members of the Syndicate and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms.

(c) The Applicant can make this upward revision any number of times during the Issue Period. However, for any revision(s) in the ASBA Application, the Applicants will have to use the services of the same member of the Syndicate or the SCSB through whom such Applicant had placed the original ASBA Application. Applicants are advised to retain copies of the blank Revision Form and any revision in the ASBA Application must be made only in such Revision Form or copies thereof.

(d) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of all the options in his or her ASBA Application or earlier Revision Form. For example, if an Applicant has applied for three options in the ASBA Application and such Applicant is changing only one of the options in the Revision Form, the Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Syndicate and the Designated Branches of the SCSBs will not accept incomplete or inaccurate Revision Forms.

(e) In case of revision of the number of Equity Shares and/or the price per Equity Share, the relevant SCSB shall block the additional Application Amount in the ASBA Account of such Applicant. The Registrar to the Issue will reconcile the ASBA Application data and consider the revised ASBA Application data for preparing the Basis of Allocation.

(f) When an Applicant revises its ASBA Application, it should surrender the earlier TRS and request for a revised TRS from the members of the Syndicate or the SCSB as proof of it having revised the previous ASBA Application.

Allocation

(a) Allocation to FIIs, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

(b) A minimum of 25% of the aggregate number of Equity Shares to be Allotted in the Issue shall be Allocated and Allotted to Mutual Funds and Insurance Companies, subject to valid ASBA Applications being received at or above the Issue Price, provided that if this portion or any part thereof to be Allotted to Mutual Funds and Insurance Companies remains unsubscribed, such minimum portion or part thereof may be Allotted to other Eligible QIBs.

(c) The Equity Shares will be Allotted to at least 10 Allottees under the Issue. However, no single Allottee shall be Allotted more than 25% of the offer size in terms of Regulation 91H of the SEBI Regulations. See "– ***Number of Allottees***".

Price Discovery

(a) Based on the demand for the Equity Shares offered in the Issue generated at various price levels, the Company, in consultation with the BRLMs, shall finalise the Issue Price.

(b) The Issue Price shall be the price at or above the Floor Price, or within the Price Band, as the case may be. The Equity Shares offered in the Issue shall be Allocated and Allotted at the Issue Price.

Allotment Criteria

The Equity Shares offered in the Issue will be Allocated and Allotted to successful Applicants as per the proportionate method.

Basis of Allocation

- ASBA Applications received at or above the Issue Price shall be grouped together to determine the total demand for the Equity Shares offered in the Issue. The Allocation and Allotment to all successful Applicants will be made at the Issue Price finalised by our Company, in consultation with the Book Running Lead Managers, in terms of Regulation 91H of the SEBI Regulations.

- The Allocation shall be undertaken in the following manner:

  (a) In the first instance, Allocation shall be made to Mutual Funds and Insurance Companies for up to 25% of the aggregate number of Equity Shares to be Allotted in the Issue as follows:

    - In the event that the aggregate demand from Mutual Funds and Insurance Companies exceeds 25% of the aggregate number of Equity Shares to be Allotted in the Issue, then subject to valid ASBA Applications received at or above the Issue Price, Allocation to Mutual Funds and Insurance Companies shall be made on a proportionate basis at the Issue Price for 25% of the aggregate number of Equity Shares to be Allotted in the Issue. For the method of proportionate Basis of Allocation, see "***– Proportionate Method***" below.

    - In the event that the aggregate demand from Mutual Funds and Insurance Companies is equal to or less than 25% of the aggregate number of Equity Shares to be Allotted in the Issue, then all Mutual Funds and Insurance Companies shall get full Allocation at the Issue Price to the extent of valid ASBA Applications received at or above the Issue Price.

    - In the event that the aggregate demand from Mutual Funds and Insurance Companies exceeds 25% of the aggregate number of Equity Shares to be Allotted in the Issue, then the additional demand from Mutual Funds and Insurance Companies after Allocation of 25% of the aggregate number of Equity Shares to be Allotted in the Issue, shall be aggregated with the demand from other Eligible QIBs applying in the Issue.

    - In the event subscription from Mutual Funds and Insurance Companies is below 25% of the aggregate number of Equity Shares to be Allotted in the Issue and if any Equity Shares offered in the Issue that are available for the Allocation in the Mutual Funds and Insurance Company category remain unsubscribed, such Equity Shares shall be available for Allocation to other Eligible QIBs as set out in paragraph (b) below.

  (b) In the second instance, Allocation to the remaining Applicants shall be determined as follows:

    - All Applicants who have submitted valid ASBA Applications at or above the Issue Price shall be Allocated Equity Shares offered in the Issue at the Issue Price on a proportionate basis, until the Equity Shares offered in the Issue representing up to 75% of the Issue Size or such number of Equity Shares offered in the Issue as may remain after Allocation to Mutual Funds and Insurance Companies are exhausted. For the method of proportionate Basis of Allocation, see "***– Proportionate Method***" below.

    - Mutual Funds and Insurance Companies, who have received Allocation as per paragraph (a) above, for less than the number of Equity Shares applied for by them, are eligible to receive Equity Shares on a proportionate basis along with the other Eligible QIBs. For the purpose of Allocation to Mutual Funds and Insurance Companies in this category, quantity of Equity Shares applied for in the Issue less the Equity Shares Allocated as per (a) above shall be considered for Allocation.

- In the event subscription from Mutual Funds and Insurance Companies pursuant to paragraph (a) above is below 25% of the aggregate number of Equity Shares to be Allotted in the Issue, such portion which remains unsubscribed would be included for Allocation along with the other Eligible QIBs on a proportionate basis.

Proportionate Method

The Allocation and Allotment shall be made on a proportionate basis as explained below:

(a) The number of Equity Shares applied for in the Issue at or above the Issue Price shall first be aggregated.

(b) The number of Equity Shares to be Allocated to the successful Applicants will be calculated on a proportionate basis, which is total number of Equity Shares applied for by each Applicant (subject to the maximum limit of 25% of the offer size in terms of Regulation 91H of the SEBI Regulations) multiplied by the inverse of the over-subscription ratio, where over-subscription ratio means the ratio of the total number of Equity Shares applied for in the Issue and the remaining number of Equity Shares offered in the Issue that are available for Allocation.

(c) If the determination of proportionate Allocation to an Applicant is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower whole number. Allocation and Allotment to all Applicants would be arrived at after such rounding off.

THE DECISION OF THE COMPANY AND THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION AND ALLOTMENT SHALL BE BINDING ON ALL APPLICANTS.

Issuance of the CAN

(a) Upon approval of the Basis of Allocation by the Stock Exchanges and the dispatch of the CAN, the Registrar to the Issue shall send to the Book Running Lead Managers a list of the Applicants who would be Allotted Equity Shares in the Issue.

(b) The Company will then issue a CAN to the Applicants who have been Allocated Equity Shares in the Issue.

(c) The dispatch of the CAN shall be deemed a valid, binding and irrevocable agreement on part of the Applicant to subscribe to the Equity Shares Allocated to such Applicant at the Issue Price.

(d) On the basis of the approved Basis of Allocation, the Company shall pass necessary corporate action for Allotment of Equity Shares in the Issue.

RoC Filing

The Company will update and deliver a copy of the updated Red Herring Prospectus for registration to the RoC in accordance with the applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue and will be complete in all material respects. The Company will register a copy of the Prospectus with the RoC in terms of relevant provisions of the Companies Act.

Advertisement under Regulation 66 of the SEBI Regulations

The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC in terms of Regulation 66 of the SEBI Regulations, in an English national newspaper, a Hindi national newspaper and a Kannada newspaper, each with wide circulation. Any material updates between the date of the Red Herring

Prospectus and the date of this Prospectus will be included in such statutory advertisement.

Designated Date and Allotment of Equity Shares offered in the Issue

(a) The Company will ensure that (i) the Allotment of Equity Shares offered in the Issue; and (ii) credit to the successful Applicant's depositary account will be completed within 12 Working Days of the Issue Closing Date. After the funds blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue Account on the Designated Date, the Company will ensure that the credit of the Equity Shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment.

(b) In accordance with the SEBI Regulations, Equity Shares offered in the Issue will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

(c) Allottees will have the option to re-materialise the Equity Shares so Allotted in the Issue as per the provisions of the Companies Act and the Depositories Act.

(d) In case of an over subscription to the Issue, an Allotment of not more than 2,156,850 Equity Shares, may be made by the Book Runnning Lead Managers in consultation with the Company, under the Over Allotment Option. The Over Allotment Option shall be exercised by the BRLMs in consultation with the Company on or prior to dispatch of CANs. The Allotment under the Over Allotment Option shall not result in an increase in the public shareholding in the Company by more than such percentage as is required for the Company to achieve the required minimum public shareholding.

(d) The Equity Shares will be Allotted to at least 10 Allottees under the Issue. As provided in the SEBI Regulations, no single Allottee shall be Allotted more than 25% of the offer size in terms of Regulation 91H of the SEBI Regulations. See "– ***Number of Allottees***".

Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS

(a) Check if you are eligible to apply;

(b) Ensure that the price per Equity Share you have included in the ASBA Applications is a price per Equity Share at or above the Floor Price or within the Price Band, as the case may be;

(c) Do not apply for or revise the prices indicated in the ASBA Application to a price higher than the Cap Price, if applicable;

(d) Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares in the Issue will be in the dematerialised form only;

(e) Ensure that the ASBA Applications are submitted either to the members of the Syndicate (only in Specified Cities) or at a Designated Branch of the SCSB where the Applicant or the person whose ASBA Account will be utilised by the Applicant for bidding has an ASBA Account;

(f) Ensure that the ASBA Application is signed by the account holder(s) or an authorised signatory on behalf of the account holder, in case the Applicant is not the account holder in accordance with the instructions contained in the ASBA Applications. Ensure that you have mentioned the correct ASBA Account number in the ASBA Application;

(g) Ensure that the ASBA Application is completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA Application or in the Revision Form. Applicants should note that the members of the Syndicate and / or the SCSBs, as appropriate, will not be liable for errors in data entry due to incomplete or illegible ASBA Applications or Revision Forms;

(h) If you are an SCSB and are applying for Allotment of the Equity Shares, ensure that you use an ASBA Account for your ASBA Application which is maintained in your own name with a different SEBI registered SCSB, which ASBA Account is used solely for the purpose of subscribing in public issues, having clear, demarcated funds.

(i) Ensure that you request for and receive a TRS for each of the options applied for in the ASBA Application;

(j) Ensure that you have funds equal at least to the Application Amount in your ASBA Account maintained with the SCSB before submitting the ASBA Application to the respective Designated Branch of the SCSB or the member of the Syndicate in Specified Cities;

(k) Submit revised ASBA Applications to the same member of the Syndicate/SCSB through whom the original ASBA Application was placed and obtain a revised TRS;

(l) Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;

(m) Ensure that the name given in the ASBA Application is exactly the same as the name in which the beneficiary account is held with the Depository Participant;

(n) Ensure that the DP ID, the Client ID and the PAN mentioned in the ASBA Application and entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate match with the DP ID, Client ID and PAN available in the Depository database;

(o) Ensure that you use the ASBA Application bearing the stamp of the relevant SCSB and/or the Designated Branch of the SCSB and/or the member of the Syndicate (except in case of electronic forms);

(p) Applicants bidding through Syndicate should ensure that the ASBA Application is submitted to a member of the Syndicate only in the Specified Cities and that the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has named at least one branch in the Specified Cities for the members of the Syndicate to deposit the ASBA Applications;

(q) Ensure that in case of ASBA Applications made under power of attorney, relevant documents are submitted;

(r) Ensure that ASBA Applications submitted by Eligible QIBs resident outside India should be in compliance with applicable foreign and Indian laws;

(s) Ensure that you have correctly signed the authorisation/undertaking box in the ASBA Application, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the ASBA Application;

(t) ASBA Applications made on a repatriation basis shall be in the name of FIIs under the Portfolio Investment Scheme;

(u) Do not fill up the ASBA Application such that the number of Equity Shares applied for exceeds the investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations; and

(v) Information provided by the Applicants will be uploaded on the electronic bidding system of the Stock Exchanges by the members of the Syndicate and the SCSBs, as the case may be, and the electronic data will be used to make Allocation and Allotment. Please ensure that the details are correct and legible.

Applicant's PAN, Depository Account and ASBA Account Details

Applicants should note that on the basis of PAN of the Applicants, DP ID and Client ID entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate or SCSBs, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants' ASBA Account details, and PAN registered with the Depository (the "Demographic Details"). These Demographic

Details would be used for processing, including identifying ASBA Applications to be rejected on technical grounds and unblocking of ASBA Account. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in unblocking of the ASBA Account at the Applicants sole risk and none of the BRLMs, the Registrar to the Issue, the SCSBs or the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the ASBA Application.

The Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs. The Demographic Details given by Applicants in the ASBA Application would not be used for any other purpose by the Registrar to the Issue.

By signing the ASBA Application, the Applicant 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.

The CAN will be mailed at the address of the Applicant as per the Demographic Details received from the Depositories or the email address provided by the Applicant in the ASBA Application. Applicants may note that delivery of the CAN may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Please note that any such delay shall be at such Applicant's sole risk and none of the Company, BRLMs, or the Registrar to the Issue shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the parameters, namely, PAN of the Applicant, the DP ID and Client ID, then such ASBA Application is liable to be rejected.

ASBA Applications made under Power of Attorney

In case of ASBA Applications made pursuant to a power of attorney or by FIIs, Mutual Funds, AIFs, Insurance Companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the ASBA Application.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to ASBA Applications by FIIs, AIFs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the ASBA Application.

(b) With respect to ASBA Applications by Insurance Companies, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the ASBA Application.

(c) With respect to ASBA Applications made by provident funds with a minimum corpus of ₹ 250 million and in accordance with their constitutional documents and pension funds (subject to applicable law) with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the ASBA Application.

PAYMENT INSTRUCTIONS

Payment mechanism for Applicants

The Applicants shall specify the ASBA Account number in the ASBA Application. The SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the ASBA Application and each Applicant or the account holder shall be deemed to have agreed to block such amount. In case of revision of the number of Equity Shares applied for or the price per Equity Share, the SCSB shall block additional Application Amount in the ASBA Account of such Applicant and the Applicants or the account holder shall be deemed to have agreed to block such amount.

The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allocation in the Issue, dispatch of the CAN and consequent transfer of the Application Amount to the Public Issue Account, until rejection of the ASBA Applications or until withdrawal of the Issue, as the case may be. In the event of rejection of the ASBA Application or for unsuccessful or partially successful ASBA Applications, the Registrar to the Issue shall give instructions to the SCSB to unblock the application money in the relevant ASBA Account and the same shall be acted upon by the SCSB concerned within one Working Day of receipt of such instruction.

OTHER INSTRUCTIONS

Multiple Applications

An Applicant should submit only one (and not more than one) ASBA Application.

In case of a Mutual Fund, a separate ASBA Application may be made in respect of each scheme of the Mutual Fund and such ASBA Applications in respect of over one scheme of the Mutual Fund will not be treated as multiple ASBA Applications provided that the ASBA Applications clearly indicate the scheme concerned for which the ASBA Application has been made.

After submitting an ASBA Application, an Applicant cannot submit another ASBA Application, to either the same or another Designated Branch of the SCSB or member of the Syndicate. Submission of a second ASBA Application in such manner will be deemed a multiple ASBA Application and would be rejected. However, the Applicants may revise their ASBA Application through the Revision Form, the procedure for which is described in "- ***Revision of ASBA Applications***" above.

Copies of ASBA Applications with the same PAN details shall be treated as multiple ASBA Applications and are liable to be rejected.

The Company, in consultation with the BRLMs, reserves the right to reject, in its absolute discretion, all or all except one of such multiple ASBA Application(s) in any or all categories.

1. All ASBA Applications will be checked for common PAN as per the records of Depository. For Applicants other than Mutual Funds and FII sub-accounts, ASBA Applications bearing the same PAN will be treated as multiple ASBA Applications and will be rejected.

2. For ASBA Applications from Mutual Funds and FII sub-accounts which were submitted under the same PAN, the ASBA Applications will be scrutinised for DP ID and Client ID. In case applications bear the same DP ID and Client ID, these will be treated as multiple applications.

The Registrar to the Issue will obtain, from the depositories, details of the Applicant's address based on the DP ID and Client ID provided in the ASBA Applications.

REJECTION OF ASBA APPLICATIONS

The Company has a right to reject the ASBA Applications based on technical grounds. The Designated Branches of the SCSBs shall have the right to reject ASBA Applications if at the time of blocking the Application Amount in the Applicant's ASBA Account, the respective Designated Branch of the SCSB ascertains that sufficient funds are not available in the Applicant's ASBA Account maintained with the SCSB.

Grounds for Technical Rejections

Applicants are advised to note that ASBA Applications are liable to be rejected *inter alia* on the following technical grounds and for any other reasons after assigning reason for such rejection in writing:

(a) ASBA Applications other than by Eligible QIBs.

(b) Incomplete ASBA Application. For instance, ASBA Application not having details of the ASBA Account to be blocked or not containing the authorisations for blocking the Application Amount in the ASBA Account specified in the ASBA Application;

(c) The amount mentioned in ASBA Application does not tally with the amount payable for the value of the Equity Shares applied for;

(d) PAN not mentioned in the ASBA Application;

(e) ASBA Applications made at a price per Equity Share less than the Floor Price or not within the Price Band, as the case may be;

(f) ASBA Application by Applicants whose demat account have been "suspended for credit" pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

(g) Multiple ASBA Applications as explained in the Red Herring Prospectus. See "*– **Other Instructions – Multiple Applications***";

(h) ASBA Applications are not delivered by the Applicants within the time prescribed as per the ASBA Applications, the Floor Price / Price Band Announcement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the ASBA Applications;

(i) In case no matching or corresponding record is available with the Depositories that matches the DP ID and the Client ID;

(j) Inadequate funds in the ASBA Account to block the Application Amount specified in the ASBA Application at the time of blocking such Application Amount in the ASBA Account;

(k) ASBA Application submitted by Applicants to a member of the Syndicate at locations other than the Specified Cities;

(l) In case of SCSBs applying for Allotment of Equity Shares, if the ASBA Account is not maintained in the name of such SCSB with a different SEBI registered SCSB;

(m) ASBA Applications by persons in the United States – other than qualified institutional buyers as defined in Rule 144A of the U.S. Securities Act;

(n) ASBA Applications, details of which are not uploaded on the electronic bidding system of the Stock Exchanges;

(o) ASBA Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority; and

(p) ASBA Application does not have details of the Applicant's Depository account.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

The Allotment of Equity Shares in this Issue shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

Applicants can seek Allotment only in dematerialised mode. ASBA Applications from any Applicant without relevant details of its depository account are liable to be rejected.

(a) An Applicant applying for Equity Shares in the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the ASBA Application.

(b) Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant as provided in the ASBA Application.

(c) Names in the ASBA Application or Revision Form should be identical to those appearing in the account details in the Depository.

(d) The Applicant is responsible for the correctness of its Demographic Details given in the ASBA Application vis-à-vis those with its Depository Participant.

(e) The trading of the Equity Shares issued pursuant to the Issue of the Company would be in dematerialised form only for all Applicants in the demat segment of the Stock Exchanges.

(f) Non transferable CAN will be directly sent to the Applicants.

The Company or the members of the Syndicate will not be responsible or liable for the delay in the credit of the Equity Shares Allotted in the Issue due to errors in the ASBA Application or otherwise on part of the Applicants.

Communications

All future communications in connection with ASBA Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the Applicant, ASBA Application number, the Applicants' Depository Account details, number of Equity Shares applied for, date of the ASBA Application, name and address of the member of the Syndicate or the Designated Branch of the SCSBs where the ASBA Application was submitted and ASBA Account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Registrar to the Issue in case of any pre-Issue or post- Issue related problems such as non-receipt of the CAN, credit of Allotted Equity Shares in the respective beneficiary accounts etc. In case of ASBA Applications submitted with the Designated Branches of the SCSBs, Applicants can contact the Designated Branches of the SCSBs.

UNBLOCKING THE FUNDS

The Registrar to the Issue shall instruct the relevant SCSBs to unblock the funds in the relevant ASBA Accounts to the extent of the Application Amount specified in the ASBA Applications for rejected or unsuccessful or partially successful ASBA Applications within 12 Working Days of the Issue Closing Date and the same shall be acted upon by the SCSBs within one Working Day of receipt of such instruction.

DISPOSAL OF ASBA APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall take all steps to ensure that listing and commencement of trading of the Equity Shares Allotted in the Issue at the Stock Exchanges is within 12 Working Days of the Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company further undertakes that:

(a) Allotment of Equity Shares in the Issue shall be made only in dematerialised form within 12 Working Days of the Issue Closing Date;

(b) Instructions for unblocking of the Applicant's ASBA Account shall be made within 12 Working Days from the Issue Closing Date; and

(c) The Company shall pay interest at 15% per annum for any delay, if Allotment is not made, funds in the relevant ASBA Accounts to the extent of the Application Amount specified in the ASBA Applications for rejected or unsuccessful or partially successful ASBA Applications are not unblocked and/or demat credits are not made to investors within the 12 Working Days.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 68A 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.*"**

Issue Programme

Details of the Issue programme shall be disclosed in the Floor Price/ Price Band Announcement. Investors should refer to the pre-issue advertisement and the Floor Price / Price Band Announcement for further details.

ASBA Applications and any revision in the ASBA Applications shall be accepted and uploaded only between 10 a.m. (Indian Standard Time, "**IST**") and 5 p.m. IST during the Issue Period as mentioned above by the members of the Syndicate at the Syndicate ASBA Bidding Centers and the Designated Branches of SCSBs as mentioned on the ASBA Application.

Withdrawal of the Issue

The Company reserves the right to withdraw the Issue at any stage prior to Allotment. In such an event, the Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published. The Registrar to the Issue, shall issue instructions to the SCSBs to unblock the ASBA Accounts of the Applicants within one day of receipt of such instructions. The Company shall also inform the Stock Exchanges of such withdrawal.

PLACEMENT

Issue and Placement Agreement

The Book Running Lead Managers have entered into the Issue and Placement Agreement with the Company, pursuant to which the Book Running Lead Managers have agreed to manage the Issue and use reasonable efforts to procure subscription for Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VIII-A of the SEBI Regulations.

The Issue and Placement Agreement contains customary representations and warranties, as well as indemnities from the Company and is subject to termination in accordance with the terms contained therein.

In case of over subscription in the Issue, the Book Running Lead Managers in consultation with the Company, can exercise the right to Allot an additional up to 2,156,850 Equity Shares, on or prior to dispatch of CANs.

The Company has received in-principle approvals from the Stock Exchanges under Clause 24(a) of the Equity Listing Agreement to list the Equity Shares being offered in the Issue on the Stock Exchanges. After Allotment of the Equity Shares pursuant to the Issue, applications shall be made to list the Equity Shares and admit them to trading on the Stock Exchanges. The Issue is subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which the Company shall apply for after the Allotment.

In connection with the Issue, the Book Running Lead Managers (or their respective affiliates) may, for their own accounts, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares at the same time as the offer and issuance of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribution or in connection with the issuance of P-Notes. See – “***Offshore Derivative Instruments***”.

From time to time, the Book Running Lead Managers and certain of their affiliates have provided and continue to provide commercial and investment banking services to us or our affiliates for which they have received and may in the future receive compensation. As of the date of this Prospectus, we have entered into loan agreements for an aggregate amount of ₹ 500.00 million from Kotak Mahindra Prime Limited, which is an affiliate of Kotak Mahindra Capital Company Limited, one of the Book Running Lead Managers. We have entered into loan agreements for an aggregate amount of ₹ 3,800.00 million with J.P. Morgan Securities India Private Limited, J.P. Morgan Advisors India Private Limited and J.P. Morgan Chase Bank N.A., Mumbai, Branch each of which is an affiliate of J.P. Morgan India Private Limited, which is one of the Book Running Lead Managers.

Lock-up

The Company has agreed that it will not, without the prior written consent of the Book Running Lead Managers, from the date of the Issue and Placement Agreement and for a period of up to 90 days after the date of Allotment pursuant to the Issue (the “**Lock-up Period**”), directly or indirectly: (a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares; (c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in depository receipt facilities or enter into any such transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depository receipt facility; or (d) announce any intention to enter into any transaction whether any such transaction described in (a) or (b) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise, provided however that the restrictions in the foregoing paragraph shall not apply to any offering, issuance or allotment of Equity Shares pursuant to the Issue or for any offering, issuance or allotment of Equity Shares only if so required by applicable Indian Law, including companies with minimum public shareholding requirements as applicable to the Company.

The Promoter has agreed that, without the prior written consent of the Book Running Lead Managers, he will not, during the period commencing on the date of the Issue and Placement Agreement and ending 90 days after the date of Allotment (the "**Lock-up Period**"), directly or indirectly: (a) issue, offer, lend, sell, pledge, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for the Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares; (c) deposit Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in depository receipt facilities or enter into any such transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depository receipt facility; or (d) announce any intention to enter into any transaction whether any such transaction described in (a) or (b) above is to be settled by delivery of the Equity Shares, or such other securities, in cash or otherwise.

The restrictions in the foregoing paragraph shall not apply to (a) any inter-se transfer of Equity Shares between the Promoters and the Promoter Group, provided that the restrictions set forth in the previous paragraph shall continue to apply for the remaining period to the transferee and that such transferee shall be bound by the restrictions in the preceding paragraph until the Lock-up Period set forth herein has expired; and (b) any sale, transfer or disposal of such Equity Shares to the extent such sale, transfer or disposal is mandatorily required for compliance with applicable Indian law, including compliance with minimum public shareholding requirements applicable to the Company.

Inter-se Allocation of Responsibilities of the BRLMs

The following table sets forth the *inter se* allocation of responsibilities for various activities among the BRLMs for the Issue:

Sr. No.	Activities	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities	Kotak, JPM, Axis	Kotak
2.	Due diligence of the Company including its operations, management, business plans, legal etc. Drafting and design of offer documents and other issue related material such as application forms etc. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI including finalisation of offer documents and the RoC filing.	Kotak, JPM, Axis	Kotak
3.	Drafting and approval of all statutory advertisements	Kotak, JPM, Axis	Kotak
4.	Review of other publicity material such as corporate advertisements, press releases, etc.	Kotak, JPM, Axis	Axis Cap
5.	Appointment of intermediaries, including the Public Issue Account Bank, the Registrar to the Issue, the printers, the advertising agency.	Kotak, JPM, Axis	JPM
6.	Preparing road show presentation	Kotak, JPM, Axis	JPM
7.	International institutional marketing strategy, which will cover, *inter alia:* • Finalising the Investor Master-list and division of investors for one to one meetings	Kotak, JPM, Axis	Axis

Sr. No.	Activities	Responsibility	Co-ordinator
	• Finalising the international road show schedule • Managing logistics for international road shows • Preparation of frequently asked questions		
8.	Domestic institutional marketing strategy, which will cover, *inter alia*: • Finalising the domestic road show schedule • Managing logistics for domestic road shows	Kotak, JPM, Axis	Kotak
9.	Pricing, managing the book and allocation	Kotak, JPM, Axis Cap	JPM
10.	Co-ordination with the Stock Exchanges for book building software and bidding terminals. Post-bidding activities including management of escrow accounts, follow-up with SCSBs, Registrar to the Issue, co-ordination for allocation, demat delivery of Equity Shares, intimation of Allocation and dispatch of the CANs to Applicants etc. The Book Running Lead Manager shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with the Company. The post Issue activities will involve essential co-ordination and follow up steps with the Stock Exchanges, which include the finalisation of listing and trading of Equity Shares	Kotak, JPM, Axis	Axis

SELLING RESTRICTIONS

The distribution of this Prospectus or any Issue material and the offering, sale or delivery of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Prospectus or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Prospectus may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. No action has been taken or will be taken that would permit a public offering of the Equity Shares to be issued pursuant to the Issue to occur in any jurisdiction, except India, or the possession, circulation or distribution of this Prospectus or any other material relating to the Company or the Equity Shares offered in the Issue in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

United States of America

The Equity Shares are being offered and sold (i) within the United States only to institutions that are "qualified institutional buyers" as defined in Rule 144A, and (ii) outside of the United States to non-U.S. Persons in reliance on Regulation S. The Equity Shares have not been and will not be registered under the Securities Act 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) except in certain transactions exempt from the registration requirements of the U.S. Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each of the Book Running Lead Managers has warranted that, except as permitted by the Issue and Placement Agreement, it will not offer or sell the Equity Shares in the Issue:

as part of their distribution at any time; or

otherwise until 40 days after the later of the commencement of the Issue and the Issue Closing Date

within the United States or to, or for the account or benefit of, U.S. Persons, and that it will have sent to each dealer to which it sells the Equity Shares (other than a sale pursuant to Rule 144A) during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the securities within the United States or to, or for the account or benefit of, U.S. Persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the first date upon which the Equity Shares were bona fide offered to the public, an offer of the Equity Shares within the United States by a dealer may violate the registration requirements of the U.S. Securities Act.

Prospective purchasers in the United States are hereby notified that the sellers of Equity Shares offered hereby may be relying on the exemption from the registration requirements under Section 5 of the Securities Act provided by Rule 144A from the U.S. Investment.

The Equity Shares are transferable only in accordance with the restrictions described under "*Purchaser Representations and Transfer Restrictions*".

United Kingdom

Each of the Book Running Lead Managers have represented and agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act of 2000 ("FSMA")) received by them in connection with the issue or sale of the Equity Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by them in relation to the Equity Shares in, from or otherwise involving the United Kingdom.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Book Running Lead Manager has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Equity Shares which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Equity Shares to the public in that Relevant Member State:

(i) Approved prospectus: if an offer of those Equity Shares may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "Non-exempt Offer"), following the date of publication of a prospectus in relation to such Equity Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus, and the Company has consented in writing to its use for the purpose of that Non-exempt Offer;

(ii) Qualified investors: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(iii) Fewer than 100 offerees: at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Book Running Lead Managers for any such offer; or

(iv) Other Exempt offers: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Equity Shares referred to in (ii) to (iv) above shall require the Company or the Book Running Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe the Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Cayman Islands

No invitation whether directly or indirectly may be made to the public in the Cayman Islands to subscribe for the Equity Shares unless the Issuer is listed on the Cayman Islands Stock Exchange.

Hong Kong

Each of the Book Running Lead Manager has represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Equity Shares other than (a) to "professional investors" as defined in the Equity Shares and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Equity Shares and Futures Ordinance and any rules made under that Ordinance.

Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore under the Equity Shares and Futures Act, Cap. 289 of Singapore, or the SFA, and accordingly, the Book Running Lead Managers may not offer nor sell the Equity Shares pursuant to an offering nor make the Equity Shares the subject of an invitation for subscription or purchase, nor will the Book Running Lead Managers circulate or distribute this Prospectus or and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares, whether directly or indirectly, to any person in Singapore other than under exemptions provided in the SFA for offers made (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) or any person, pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with, the conditions of any other applicable provision of the SFA.

Each holder of the Equity Shares should note that any subsequent sale of the Equity Shares acquired pursuant to an offer in this Prospectus made under exemptions (a) or (b) above within a period of six months from the date of initial acquisition is restricted to (i) institutional investors (as defined in Section 4A of the SFA), (ii) relevant persons as defined in Section 275(2) of the SFA, and (iii) persons pursuant to an offer referred to in Section 275(1A) of the SFA.

Where the Equity Shares are acquired by persons who are relevant persons specified in Section 276 of the SFA, namely:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except: (1) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets and further for corporations, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

Japan

The Equity Shares offered in this Prospectus have not been registered under the Equity Shares and Exchange Law of Japan. The Equity Shares have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan, except (i) pursuant to an exemption from the registration requirements of the Equity Shares and Exchange Law and (ii) in compliance with any other applicable requirements of Japanese law.

Switzerland

This Prospectus does not constitute an issue prospectus pursuant to Article 652a or Article 1,156 of the Swiss Code of Obligations. The Equity Shares will not be listed on the SIX Swiss Exchange and, therefore, this Prospectus may not comply with the disclosure standards of the listing rules (including any additional listing rules or prospectus schemes) of the SIX Swiss Exchange. Accordingly, the Equity Shares may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors, which do not subscribe to the Equity Shares with a view to distribution. The prospective investors must be individually approached by a dealer from time to time.

Australia

This Prospectus is not a disclosure document under Chapter 6D or Part 7.9 of the Corporations Act 2001 of the Commonwealth of Australia (the "**Australian Corporations Act**"), has not been and will not be lodged with the Australian Securities and Investments Commission ("**ASIC**") as a disclosure document for the purposes of the Australian Corporations Act and does not purport to include the information required of a disclosure document under the Australian Corporations Act. ASIC has not reviewed this Prospectus or commented on the merits of investing in the Equity Shares, nor has any other Australian regulator.

No offer of the Equity Shares is being made in Australia, and the distribution or receipt of this Prospectus in Australia does not constitute an offer of securities capable of acceptance by any person in Australia, except in the limited circumstances described below relying on certain exemptions in the Corporations Act. Accordingly,

(i) the offer of the Equity Shares in Australia under this Prospectus may only be made to those select persons who are able to demonstrate that they are "Wholesale Clients" for the purposes of Chapter 7 of the Australian Corporations Act and fall within one or more of the following categories: "Sophisticated Investors" that meet the criteria set out in Section 708(8) of the Australian Corporations Act, "Professional Investors" who meet the criteria set out in Section 708(11) and as defined in Section 9 of the Australian Corporations Act, experienced investors who receive the offer through an Australian financial services licensee where all of the criteria set out in section 708(10) of the Australian Corporations Act have been satisfied or senior managers of the Company (or a related body, including a subsidiary), their spouse, parent, child, brother or sister, or a body corporate controlled by any of those persons, as referred to in section 708(12) of the Australian Corporations Act; and

(ii) this Prospectus may only be made available in Australia to those persons who are able to demonstrate that they are within one of the categories of persons as set forth in clause (i) above.

The Equity Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Equity Shares may be issued, and no draft or definitive offering circular, advertisement or other offering material relating to any of the Equity Shares may be distributed in Australia except where disclosure to investors is not required under Chapter 6D or Chapter 7 of the Australian Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations.

As any offer of the Equity Shares under this Prospectus will be made without disclosure in Australia under the Australian Corporations Act, the offer of those Equity Shares for resale in Australia within 12 months may, under sections 707 or 1012C of the Australian Corporations Act, require disclosure to investors under the Australian Corporations Act if none of the exemptions in the Australian Corporations Act apply to that resale. Accordingly, any person who acquires the Equity Shares pursuant to this Prospectus should not, within 12 months of acquisition of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under the Australian Corporations Act or unless a complaint disclosure document is prepared and lodged with the Australian Securities and Investments Commission.

Any person who accepts an offer of the Equity Shares under this Prospectus must represent that, if they are in Australia, they are such a person as set forth in clause (i) above and acknowledge the restrictions on the on-sale of the Equity Shares set out above.

The provisions that define the exempt categories of person as set forth in clause (i) above are complex, and if you are in any doubt as to whether you fall within one of these categories, you should seek appropriate professional advice regarding those provisions.

This Prospectus is intended to provide general information only and has been prepared without taking into account any particular person's objectives, financial situation or needs. Investors should, before acting on this information, consider the appropriateness of this information having regard to their personal objectives, financial situation or needs. Investors should review and consider the contents of this Prospectus and obtain financial advice specific to their situation before making any decision to make an application for the Equity Shares.

United Arab Emirates (excluding the Dubai International Financial Centre)

The Equity Shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates ("**U.A.E.**") other than in compliance with the laws of the U.A.E. Prospective investors in the Dubai International Financial Centre should have regard to the specific notice to prospective investors in the Dubai International Financial Centre set out above. The information contained in this Prospectus does not constitute a public offer of securities in the U.A.E. in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 of the U.A.E., as amended) or otherwise and is not intended to be a public offer. The Company and the Equity Shares have not been approved or licensed by or registered with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other relevant licensing authorities or governmental agencies in the U.A.E. This Prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or the Dubai Financial Services Authority. This Prospectus is being issued to a limited number of selected institutional and sophisticated investors, is not for general circulation in the U.A.E. and may not be provided to any person other than the original recipient or reproduced or used for any other purpose. If you do not understand the contents of this Prospectus, you should consult an authorized financial adviser. This Prospectus is provided for the benefit of the recipient only, and should not be delivered to, or relied on by, any other person.

Dubai International Financial Centre

This Prospectus relates to an exempt offer (an "**Exempt Offer**") in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "**DFSA**"). This Prospectus is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Prospectus nor taken steps to verify the information set out in it, and has no responsibility for it. The Equity Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Prospectus, you should consult an authorized financial adviser. For the avoidance of doubt, the Equity Shares are not interests in a "fund" or a "collective investment scheme" within the meaning of either the Collective Investment Law (DIFC Law No. 2 of 2010) or the Collective Investment Rules Module of the Dubai Financial Services Authority Rulebook.

Korea

This Prospectus is not, and under no circumstances is to be considered as, a public offering of securities in Korea for the purposes of the Financial Investment Services and Capital Market Act of Korea (the "**FSCMA**"). Neither the Company nor any of the Book Running Lead Managers may make any representation with respect to the eligibility of any recipients of this Prospectus to acquire the Equity Shares offered hereby under the laws of Korea, including but without limitation the Foreign Exchange Transaction Act of Korea and the regulations thereunder (the "**FETA**").

The Equity Shares offered hereby have not been registered under the FSCMA and the Equity Shares may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re offering or resale, directly or indirectly, in Korea or to any resident of Korea (as defined in the FETA), except otherwise permitted by applicable laws and regulations of Korea, including, without limitation, the FSCMA and the FETA.

Kuwait

The Issue has not been approved by the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry, nor has the Company received authorization or licensing from the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry to market or sell the Equity Shares within Kuwait. Therefore, no services relating to the offering, including the receipt of applications and/or the allotment of Equity Shares, may be rendered within Kuwait by the Company or persons representing the Company.

Qatar

This Prospectus does not, and is not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Prospectus nor the Equity Shares have been registered, considered, authorized or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor persons representing the Company are authorized or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Prospectus may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Neither the Company nor persons representing the Company are, by distributing this document, advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Malaysia

No approval from the Securities Commission of Malaysia ("**SC**") has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been or will be registered with the SC in connection with the Issue in Malaysia. Accordingly, this Prospectus or any amendment or supplement thereto or any other offering document in relation to the Company may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares being offered pursuant to the Issue and no person may offer for subscription or purchase any of the Equity Shares being offered pursuant to the Issue directly or indirectly to anyone in Malaysia.

Bahrain

This Prospectus has not been approved by the Central Bank of Bahrain ("**CBB**") and the regulations of the CBB do not apply.

No offer will be made in Bahrain to the public to purchase the Equity Shares pursuant to the Issue and this Prospectus will not be issued to, or made available to, the public generally in Bahrain.

The CBB takes no responsibility for the performance of the Equity Shares being offered pursuant to the Issue nor for the correctness of any statements or representation made by the Book Running Lead Managers.

Saudi Arabia

No action has been or will be taken in Saudi Arabia that would permit a public offering of the Equity Shares pursuant to the Issue in the Kingdom of Saudi Arabia. As required by Article 4 of the Investment Fund Regulations, as enacted by Resolution of the Board of the Capital Market Authority No. 1-219-2006 dated 3/12/1427 H (24 December 2006) (the "**IF Regulations**"), the Equity Shares pursuant to the Issue will only be initially offered and sold in the Kingdom of Saudi Arabia following 15 days prior notification to the Capital Market Authority (the "**CMA**") through an entity authorised by the CMA in accordance with the Authorised Persons Regulations, as enacted by Resolution of the Board of the Capital Market Authority No. 1-83-2005 dated 21/5/1426 H (28 June 2005) and further amended.

PURCHASER REPRESENTATIONS AND TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to making any purchase or resale, pledge or transfer of our Equity Shares.

U.S. Issue Purchaser Representations and Transfer Restrictions

Due to the following restrictions, purchasers are advised to consult legal counsel prior to making any purchase or resale, pledge or other transfer of Equity Shares. Terms used herein that are defined in Rule 144A or Regulation S are used herein as defined therein.

Each purchaser of the Equity Shares within the United States purchasing pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have represented and agreed that it has received a copy of the Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision. Furthermore, by reviewing the instructions contained in, checking the relevant box, and otherwise duly completing and submitting the ASBA Application and by accepting the Red Herring Prospectus and any supplement hereto and/or this Prospectus and/or purchasing the Equity Shares, offerees and purchasers in the Issue will make the following representations, warranties, agreements, undertakings and acknowledgements to the Company, the Book Running Lead Managers and their respective affiliates:

(1) it is an institution that, in the normal course of business, invests in or purchases securities similar to the Equity Shares and it, and any accounts for which it is acting, (a) are a highly sophisticated investor that have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of our investments in the Equity Shares, and (b) are able to bear the economic risk, and sustain a complete loss, of such investment in the Equity Shares. It will not look to the Company, the Book Running Lead Managers, or any of their respective affiliates, for all or part of any loss it may suffer and have no need for liquidity with respect to its investment in the Equity Shares and have no reason to anticipate any change in our circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares;

(2) it is a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act (a "**US QIB**");

(3) it is not a broker-dealer which owns and invests on a discretionary basis less than US$25 million in securities of unaffiliated issuers;

(4) it is not a participant-directed employee plan, such as a plan described in subsection (a)(1)(i)(D), (E) or (F) of Rule 144A;

(5) if it is acquiring the Equity Shares as a fiduciary or agent for one or more investor accounts,

(a) each such account is a US QIB,

(b) it has sole investment discretion with respect to each account, and

(c) it has full power and authority to make the representations, warranties, agreements, undertakings and acknowledgements contained in the ASBA Application on behalf of each such account;

(6) it hereby confirms that it is acquiring an interest in the Equity Shares for its own account as principal, or for the account of one or more other persons (i) who are able to and who shall be deemed to make all of the representations and agreements in the ASBA Application, (ii) for whom it exercises sole investment discretion, and (iii) on behalf of whom it has full power and authority to make the representations, warranties, agreements, undertakings and acknowledgements contained in the ASBA Application.

(7) it is authorized to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

(8) it understands that the Equity Shares are subject to significant restrictions on transfer and are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act or under the securities laws of any state or other jurisdiction of the United States. It acknowledges and agrees that it is not taking up the Equity Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the U.S. Securities Act);

(9) it will make its own independent investigation and appraisal of the business, results, financial condition, prospects, creditworthiness, status and affairs of the Company and it will make its own investment decision to acquire the Equity Shares. It understands that the Company believes there is a possibility that, for U.S. federal income tax purposes, the Company may be considered a PFIC and, if it is, that there may be materially adverse consequences under US and other tax laws resulting from an investment in the Equity Shares, and it will make such investigation and consult such tax and other advisors with respect thereto as it deems appropriate. It will satisfy itself concerning, without limitation, the effects of United States federal, state and local income tax laws and foreign tax laws on its investment in the Equity Shares;

(10) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for re-sales of any Equity Shares;

(11) it agrees, on its own behalf and on behalf of any accounts for which it is acting, that it will not reoffer, resell, pledge or otherwise transfer the Equity Shares, except to a non-U.S. person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act in each case in accordance with all applicable securities laws;

(12) it agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, (i) of any transfer restrictions that are applicable to the Equity Shares being sold, and (ii) that the Equity Shares have not been and will not be registered under the U.S. Securities Act;

(13) it will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

(14) it understands and acknowledges that: (a) the Company shall not recognize any offer, sale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions and (b) the Company and its agents may require any U.S. person or any person within the United States who is required under these restrictions to be a "QIB" but is not a "QIB" at the time it acquires a beneficial interest in the Equity Shares to transfer the Equity Shares within 30 days to a non-U.S. person in an offshore transaction complying with the provisions of Regulation S and if the obligation is not met, the Company is irrevocably authorized, without any obligation, to sell such Equity Shares on either the Bombay Stock Exchange Limited or the National Stock Exchange of India Limited on such terms as the directors of the Company think fit, or the Company shall be entitled to redeem such Equity Shares at par;

(15) it acknowledges that its purchase of the Equity Shares is subject to and based upon all the terms, conditions, representations, warranties, agreements, undertakings and acknowledgements and other information contained in the Red Herring Prospectus, this Prospectus and the ASBA Application;

(16) it acknowledges that the Company, the Book Running Lead Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents

that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account;

(17) it irrevocably authorizes the Company, its affiliates, the Book Running Lead Managers and their respective affiliates and any person acting on their behalf to produce the ASBA Application or a copy hereof to any interested party in any administrative or legal proceedings, dispute or official inquiry with respect to the matters covered hereby;

(18) it agrees that if at any time its representations cease to be true, it will resell the securities at the Company's request;

(19) it agrees that neither on its own account, nor any of its affiliates, nor any person acting on its or its affiliates behalf, will make any "directed selling efforts" as defined in Regulation S, or any "general solicitation" or "general advertising" as defined in Regulation D, with respect to the Equity Shares. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any directed selling efforts, or general solicitation or general advertising;

(20) it will base its investment decision on a copy of the information contained in the Red Herring Prospectus and this Prospectus;

(21) it acknowledges that neither the Company nor any of its affiliates nor any other person (including the Lead Managers) or any of their respective affiliates has made or will make any representations, express or implied, to us with respect to the Company, the Issue, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning the Company, the Issue or the Equity Shares, other than (in the case of the Company and its affiliates only) the information contained in the Red Herring Prospectus and this Prospectus;

(22) it understands and acknowledges that the Book Running Lead Managers are assisting the Company in respect of the Issue and that the Book Running Lead Managers are acting solely for the Company and no one else in connection with the Issue and, in particular, are not providing any service to investors, making any recommendations to investors, advising regarding the suitability of any transactions investors may enter into to subscribe, purchase or transfer any Equity Shares nor providing advice in relation to the Company, the Issue or the Equity Shares; and in connection with such understanding, it waives any and all claims, actions, liabilities, damages or demands it may have against the Book Running Lead Managers (or any of their respective affiliates) arising from their engagement with the Company. Furthermore, it acknowledges that it has not relied on and will not rely on any investigation by, or on any information contained in any research reports prepared by, the Book Running Lead Managers or any of their respective affiliates; and

(23) all representations, warranties, agreements, undertakings and acknowledgements it has made in the ASBA Application shall survive the execution and delivery thereof.

Global Offer Purchaser Representations and Transfer Restrictions

The Equity Shares are being offered and sold in the Issue only to non-U.S. persons in offshore transactions pursuant to, and in accordance with, Regulation S under the U.S. Securities Act. By reviewing the instructions contained in, checking the relevant box, and otherwise duly completing and submitting the ASBA Application and by accepting the Red Herring Prospectus and any supplement hereto and/or the Prospectus and/or purchasing the Equity Shares, offerees and purchasers in the Issue will make the following acknowledgements, representations and warranties to the Company, the Book Running Lead Managers and their respective affiliates:

(1) it is not a U.S. person (as defined in Regulation S under the U.S. Securities Act) and is acquiring the Equity Shares for its own account or the account or benefit of a non U.S. person in an offshore transaction pursuant to, and in accordance with, Regulation S;

(2) it understands that the Equity Shares are being offered in a transaction not involving any public issue in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States;

(3) it agrees, on its own behalf and on behalf of any accounts for which it is acting, that it will not reoffer, resell, pledge or otherwise transfer the Equity Shares, except to a non-U.S. person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with all applicable securities laws; it understands and acknowledges that the Company shall have no obligation to recognize any offer, sale, pledge or other transfer made other than in compliance with the restrictions on transfer set forth and described herein and that the Company may make notation on its records or give instructions to any transfer agent of the Equity Shares;

(4) it acknowledges that its purchase of the Equity Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in the Red Herring Prospectus, the final Prospectus and the ASBA Application;

(5) it understands that the foregoing representations, warranties, agreements, undertakings and acknowledgements are required in connection with United States and other securities laws and that the Company, the Book Running Lead Managers and their respective affiliates, and others are entitled to rely upon the truth and accuracy of the representations, warranties, agreements, undertakings and acknowledgements contained herein;

(6) it agrees that if any of the representations, warranties, agreements, undertakings and acknowledgements made herein are no longer accurate, it shall promptly notify the Company and the Book Running Lead Managers in writing; and

(7) all representations, warranties, agreements, undertakings and acknowledgements it has made in the ASBA Application and by accepting the Red Herring Prospectus and/or purchasing the Equity Shares shall survive execution and delivery of the ASBA Application.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from publicly available documents from various sources, including officially prepared materials from SEBI, the BSE and the NSE, and has not been prepared or independently verified by the Company, the Book Running Lead Managers or any of their respective affiliates or advisors.

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Stock Exchange Division, under the SCRA and the SCRR. On June 20, 2012, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) Stock Exchanges and Clearing Corporations) Regulations, 2012 which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. Further, various rules, bye-laws and regulations of the respective stock exchanges regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner in which contracts are entered into, settled and enforced between members.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and other intermediaries, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, investor protection, insider trading, substantial acquisitions of shares and takeovers of companies, buybacks of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authorities.

Most of the stock exchanges have their own governing board for self regulation. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Listing of Securities

The listing of securities on a recognised Indian stock exchange is regulated by applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI and the equity listing agreements of the respective stock exchanges. The governing body of each recognised stock exchange is empowered to suspend or withdraw admission to dealings in a listed security for breach of or non compliance with any conditions under such equity listing agreement or for any other reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend such equity listing agreements and the bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognised stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the "**Delisting Regulations**") in relation to the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Pursuant to an amendment of the SCRR in June 2010, all listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25% and have been given a period of three years to comply with such requirement.

Pursuant to a notification dated January 30, 2012 and circulars dated February 1, 2012 and August 29, 2012, SEBI has introduced new mechanisms for listed Indian companies and their controlling shareholders to meet minimum public shareholding requirements, i.e., (i) the institutional placement programme; (ii) an offer for sale (secondary offering) by the promoters and promoter group through the relevant stock exchange; (iii) Rights Issues to public shareholders, with promoters/promoter group shareholders forgoing their rights entitlement; and (iv) Bonus Issues to public shareholders, with promoters/promoter group shareholders forgoing their bonus entitlement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, the BSE is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchange of India.

As of March 31, 2013, the BSE had 1,385 members, comprising 208 individual members, 1,147 Indian companies and 30 FIIs. Only a member of the BSE has the right to trade in the stocks listed on the BSE. As of March 31, 2013 there were 5,211 listed companies trading on the BSE (excluding permitted companies). The estimated market capitalisation of stocks trading on the BSE was ₹ 65,332.52 billion as on March 31, 2013. In March 2013, the average daily equity turnover on the BSE was ₹ 20.92 billion. As of March 31, 2013, the BSE had 15,716 trader work stations spread over 229 cities.

NSE

The NSE was established by financial institutions and banks to provide nationwide on-line satellite-linked screen-based trading facilities with electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchanges of India. The NSE was recognised as a stock exchange in April 1993 and commenced operations in the wholesale debt market segment in June 1994.

The average daily turnover for March 2013 was ₹ 111.89 billion. The NSE launched the NSE 50 index, now known as S&P CNX NIFTY, on April 1, 1996 and the Nifty Mid-cap 50 Index on December 1, 1996. As of March 31, 2013 the NSE had 1,666 companies listed and market capitalisation of approximately ₹ 62,390.35 billion. The NSE has a wide network in major metropolitan cities and has a screen based trading and a central monitoring system.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE.

Trading Hours

Trading on both the BSE and the NSE occurs from Monday through Friday, from 9.15 a.m. to 3.30 p.m. IST (excluding the 15 minutes pre-open session from 9.00 a.m. to 9.15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in cash and derivatives segments) subject to the condition that (i) the trading hours are between 9 a.m. and 5 p.m.; and (ii) the stock exchange has in place risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading (BOLT) facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. NSE also provides on-line trading facilities through a fully automated screen based trading system called 'National Exchange for Automated Trading' (NEAT).

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the specific regulations in relation to substantial acquisition of shares and takeover being the Takeover Regulations. Since the Company is an Indian listed company, the provisions of the Takeover Regulations apply to the Company.

Insider Trading Regulations

The Insider Trading Regulations have been notified by SEBI to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information. The Insider Trading Regulations also provide disclosure obligations for shareholders holding more than a pre-defined percentage, promoters, persons who form a part of the promoter group and directors and officers, with respect to their shareholding in the company, and the changes therein. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information of the company.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, SEBI framed the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended, which among other things provide regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

DESCRIPTION OF THE EQUITY SHARES

The following is a summary of some of the provisions contained in, and is qualified in its entirety by, the Company's Memorandum and Articles of Association, the Companies Act, the SCRA and other related Indian regulations. Prospective investors are urged to read the Company's Memorandum and Articles of Association carefully, and consult with their advisers, as to the Company's Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights of the holders of the Equity Shares.

Authorised Capital

The authorised share capital of the Company is ₹ 1,600 million divided into 320.00 million Equity Shares of ₹ 5 each.

Articles of Association

The Company is governed by its Articles of Association.

Dividends

Under the Companies Act, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the members, who have the right to decrease but not to increase the amount of the dividend recommended by the board of directors. Subject to certain conditions specified under Section 205 of the Companies Act, no dividend can be declared or paid by a company for any financial year except out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act or out of the profits of the company for any previous financial year(s) arrived at as laid down by the Companies Act and remaining undistributed, or out of both.

However, the board of directors is not obligated to recommend a dividend. The decision of the Board of Directors and shareholders of the Company may depend on a number of factors, including but not limited to, the Company's profits, capital requirements and overall financial condition.

No unpaid or unclaimed dividend shall be forfeited by the board of directors. The Company shall comply with the provisions of Section 205A read with Section 205C of the Companies Act and the Articles of the Company in respect of unpaid or unclaimed dividend. In addition, as permitted by the Articles, the Board may from time to time pay to the members of the Company such interim dividends as appear to them to be justified by the profits of the Company.

Subject to applicable provisions of the FEMA, all dividends and other distributions declared and payable on the Equity Shares may be paid by the Company to the holder thereof in Indian Rupees and may be converted into foreign currency and freely transferred out of India without the necessity of obtaining any governmental or regulatory authorisation or approval in India or any political subdivision or taxing authority thereof.

The Equity Shares issued pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of the Company in all respects including entitlements to any dividends that may be declared by the Company.

Capitalisation of Profits and Issue of Bonus Shares

The Company may, upon recommendation of the Directors at a general meeting, capitalise any amount for the time being standing to the credit of the Company's reserves or to the credit of the profit and loss account, or otherwise available for distribution in the manner as set forth in the Articles. The share premium account and the capital redemption reserve fund of the Company can only be applied towards payment for unissued Equity Shares to be issued to members of the Company as fully paid bonus shares.

Alteration of Share Capital

The Company's issued share capital may be increased by, *inter alia*, creation of new shares, such that the increase in the aggregate amount shall be divided into shares of such respective amounts as prescribed in its general meetings. The Company may also issue convertible debentures as detailed in the Articles at a discount only by passing a special resolution of the shareholders.

Subject to provisions of the Companies Act, the Company may also from time to time by special resolution reduce its share capital and by an ordinary resolution convert any of its fully paid-up Equity Shares into stock and re-convert that stock into fully paid-up Equity Shares and cancel the Equity Shares which have not been or agreed to be taken up by any person.

The Articles further provide that the Company may in a general meeting, from time to time (i) divide, consolidate or sub-divide its share capital and the resolution may determine that as between the holders of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend capital or otherwise as compared with the others; (ii) cancel shares which at the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Pre-emptive Rights

When it is proposed to increase the subscribed capital of the Company by the issue of new Equity Shares, such Equity Shares shall be offered first to the existing shareholders in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date by a notice, specifying the number of Equity Shares and limiting a time not being less than 15 days from the date of the offer which shall be deemed to include the right exercisable by the person concerned to renounce the Equity Shares offered to him in favour of any other person and shall contain a statement of this right. If the offer is not accepted it is deemed to have been declined. The Board is authorised to distribute any new Equity Shares not purchased by the existing shareholders in the manner that it deems most beneficial to the Company.

Further, new Equity Shares may be offered to any person whether or not those persons include existing shareholders, either if a special resolution to that effect is passed by the shareholders of the Company in a general meeting, or where a simple majority of shareholders present and voting have passed the resolution and the Central Government is satisfied that such issue is most beneficial to the Company.

Preference Shares

Subject to provisions of Section 80 of the Companies Act, the Company may issue preference shares which are liable to be redeemed. The resolution authorizing such issue is required to prescribe the manner, terms and conditions for such redemption.

General Meetings of Shareholders

The Company must hold its annual general meeting within six months after the expiry of each financial year, provided that not more than 15 months shall elapse between the date of the previous annual general meeting and the next, unless extended by the Registrar of Companies at the request of the company for any special reason for a period not exceeding three months.

Written notices convening a meeting setting out the date, place and agenda of the meeting must be given to members at least 21 days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received from all shareholders entitled to vote at an annual general meeting, or from shareholders holding not less than 95% of the paid-up capital of the company, at any other meeting. Further, the shareholders of a company can participate in the general meeting through video conference facility, in the event such facility is provided by the company.

A listed company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the memorandum of association, the issuing of shares with differential voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares under

Section 77A(1) of the Companies Act, giving loans or extending guarantee or providing security in excess of the limits prescribed under Section 372A(1) of the Companies Act, is required to obtain the resolution passed by means of a postal ballot instead of transacting such business in the company's general meeting. A notice to all the shareholders is required to be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Such postal ballot includes procedure for voting by electronic mode.

Voting Rights

Every member present in person and entitled to vote shall have one vote on a show of hand unless a poll is demanded in accordance with Section 179 of the Companies Act. In case of joint-holders the vote of the first named of such joint holders who tenders a vote shall be accepted to the exclusion of votes of other joint holders.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles. The instrument appointing a proxy is required to be deposited at the registered office of the Company at least 48 hours before the time of the meeting or in case of a poll, not less than 24 hours before the time appointed for the taking of the poll. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death or insanity of the principal, or revocation of the proxy or of the authority under which the proxy was executed or the shares in respect of revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used. Further no member shall be entitled to exercise any voting right personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid in regard to which the Company has exercised any right of lien.

Register of Members

The Company is required to maintain a register of members wherein the particulars of the members of the Company are entered. For the purpose of determining the shareholders the register may be closed for such period not exceeding 45 days in any one year or 30 days at any one time at such times, as the board of directors may deem expedient.

Annual Report and Financial Results

The annual report must be laid before the annual general meeting of the shareholders of a company. This includes financial information about the company such as the audited financial statements as of the date of closing of the financial year, directors' report, management's discussion and analysis and a corporate governance section, and is sent to the shareholders of the company.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI, which provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. The Company has entered into an agreement for such depository services with NSDL and CDSL.

Under the Equity Listing Agreements, in respect of transfer of Equity Shares, in the event the Company does not effect transfer of Equity Shares within 15 days or where the Company fails to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares of the Company are freely transferable. Further, in terms of the Articles, any person, being a nominee, who becomes entitled to shares by reason of death of a member shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder, except that he shall not before being registered as holder of such shares, be entitled in respect of them to exercise any right conferred by membership in relation to the meetings of the Company.

Liquidation Rights

Subject to the provisions of the Companies Act, in the event of a company's winding-up, the holders of such shares are entitled to be repaid the amounts of capital paid-up or credited as paid-up on such shares or, in case of a shortfall, proportionately. All surplus assets after payments due to employees, statutory creditors, secured and unsecured creditors and preference shareholders belong to the holders of the equity shares in proportion to the amount paid-up or credited as paid-up on such shares respectively at the commencement of the winding-up.

Under the Articles of the Company, the liquidator on any winding-up (whether voluntary under supervision or compulsory) may, with the sanction of a special resolution, divide among the contributors in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator shall think fit.

TAXATION

I. Statement of possible tax benefits available to the Company and its shareholders under applicable laws in India

Note on Tax Benefits

The Board of Directors
Puravankara Projects Limited
Bengaluru

Dear Sirs,

Note on possible direct tax benefits

We hereby enclose a Note (refer Annexure) that states the possible direct tax benefits available to Puravankara Projects Limited (the "Company") and its shareholders under the provisions of the Income-tax Act, 1961 (the "IT Act") and Wealth Tax Act, 1957 ("WT Act") 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 the 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 annexure are not exhaustive. This note 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 and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been or 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.

Our views expressed herein are based on the facts and assumptions indicated by the Company. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

The Government of India introduced the Direct Taxes Code Bill 2010 ("DTC") in Parliament on 30 August 2010. The DTC is under the legislative process and is expected to be enacted soon. We are unable to express any opinion on the effect of the same on the Company and its shareholders pending enactment.

This note is intended solely in connection with the offering of equity shares by the Company through an Institutional Placement Programme under the Securities and Exchange Board of India Regulations 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
Firm Regn. No: 001076N

Pallavi Joshi Bakhru
Partner
Membership No: 090029

Place : Mumbai
Date : 2 May, 2013

Annexure

NOTE ON POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

UNDER THE INCOME TAX ACT, 1961 ("IT Act")

Puravankara Projects Limited (herein referred to as "PPL") is an Indian Company, subject to tax in India. PPL is taxed on its profits,computed after allowing business expenditures including depreciation in accordance with the provisions of the IT Act.

Considering the activities and the business of PPL, the following benefits may be available to PPL.

1 BENEFITS AVAILABLE TO THE COMPANY

Special Tax Benefits

1.1. Under section 35AD of the IT Act, deduction of 150 percent of the expenditure in capital nature incurred, wholly and exclusively for the purposes of the specified business in the nature of developing and building a housing project under a scheme for affordable housing framed by the Central / State Government and notified in accordance with the prescribed guidelines commenced operations on or after 01 April 2012 subject to the expenditures incurred prior to the commencement of operation and the said amount is capitalised in the books of accounts on the date of commencement of operations. For this purpose, 'specified business' would include developing and building a housing project under a scheme for affordable housing framed by the Central / State Government and notified in accordance with the prescribed guidelines.

1.2. In accordance with and subject to the conditions specified under Section 80-IB (10) of the IT Act, the Company is eligible for 100 percent deduction of the profits derived from development and building of housing projects approved on or before 31 March 2008 by a local authority.

1.3. Under section 80-IAB of the IT Act, 100 percent of the profits derived by a developer, from the business of developing a special economic zone, notified on or after 01 April 2005, is deductible for a period of 10 consecutive assessment years. For this purpose, 'Developer' would have the same meaning as mentioned under clause (g) of section 2 of the Special Economic Zones Act, 2005.

General Tax Benefits

1.4. The company will be entitled for exemption under section 10(2A) of the IT Act for the share of profits received from the partnership firm in which the company become a partner.

1.5. Under Section 10(33) of the IT Act, any income arising from the transfer of a capital asset, being a unit of the Unit Scheme, 1964 referred to in Schedule I to the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 (58 of 2002) and where the transfer of such asset takes place on or after the 01April 2002 is exempt.

1.6. As per the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115–O of the IT Act (i.e. dividends declared, distributed or paid on or after 01 April 2003) received from domestic company is exempt from income-tax. However, no deduction is permitted in respect of expenditures incurred in relation to income which is not chargeable to tax. The expenditures relatable to "exempt income" need to be determined in accordance with the provisions specified in Section 14A of the IT Act read with Rule 8D of the Income Tax Rules, 1962 ("Rules").

1.7. As per Section 10(35) of the IT Act, the following incomes will be exempt from income-tax in the hands of the Company:

a. Income received in respect of the units of a Mutual Fund specified under clause (23D) of Section 10 of the IT Act; or
b. Income received in respect of units from the Administrator of the specified undertaking; or
c. Income received in respect of units from the specified company.

However, this exemption does not apply to any income arising from the transfer of such units by the unit holder. For this purpose (i) "Administrator" means the Administrator as referred to in Section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) "Specified Company" means a Company as referred to in Section 2(h) of the said Act.

1.8. As per Section 10(38) of the IT Act, long-term capital gain arising on transfer of long-term capital asset, being an equity share in a company or a unit of an equity oriented fund will be exempt in the hands of the Company, provided such transaction is chargeable to securities transaction tax.

For this purpose, "equity oriented fund" means a fund –

a. where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty-five percent of the total proceeds of such fund; and
b. which has been set up under a scheme of a Mutual Fund specified under Section 10(23D) of the IT Act.

Further, the income arising by way of long-term capital gain of a company exempt under Section 10(38) of the IT Act shall be liable to minimum alternate tax ("MAT") under Section 115JB of the IT Act.

1.9. 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).

1.10. 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 5 equal installments beginning with the year of acquisition or construction.

1.11. Subject to compliance of certain conditions laid down in Section 32 of the IT Act, the Company will be entitled to a deduction for depreciation in respect of tangible assets and intangible assets being in the nature of know-how, patents, copyrights, trademarks, licenses, franchises or any other business or commercial rights of similar nature acquired on or after 01 April 1998 at the rates prescribed under the Income Tax Rules 1962. Further, an additional depreciation of 20% can be claimed on new machinery or plant subject to fulfillment of certain stipulated conditions. The unabsorbed depreciation shall be carried forward for set off in subsequent years indefinitely.

1.12. Under Section 32(2) of the IT Act, where full effect cannot be given to any depreciation allowance under Section 32(1) of the IT Act in any financial year ("FY"), owing to there being no profits or gains chargeable for that FY, or owing to the profits or gains chargeable being less than depreciation allowance, then, subject to the provisions of Section 72(2) of the IT Act, depreciation allowance or the part of depreciation allowance to which effect has not been given, as the case may be, shall be added to the amount of the depreciation allowance for the following FY and deemed to be part of that depreciation allowance, or if there is no such depreciation allowance for that FY, be deemed to be the depreciation allowance for that FY, and so on for the succeeding FYs.

1.13. The company will be entitled to amortise preliminary expenses being the expenditure incurred on public issue of shares under Section 35D(2)(c)(iv) of the IT Act subject to the nature of expenses and the limit specified in Section 35D(3) of the IT Act.

1.14. Under section 35DD of the IT Act, for any expenditure incurred wholly and exclusively for the purposes of amalgamation or demerger, the Company is eligible for deduction of an amount equal to one-fifth of such expenditure for each of the five successive years beginning with the year in which amalgamation or demerger takes place.

1.15. The Company will be entitled to claim expenditure incurred in respect of voluntary retirement scheme under scheme 35DDA of the IT Act in five equal annual installments.

1.16. Under Second Proviso to Section 48 of the IT Act, long-term capital gains of a company arising on the transfer of capital assets other than bonds and debentures (not being capital indexed bonds) will be computed after applying the relevant indexation on the cost of acquisition and cost of improvement. The resulting long-term capital gains would be charged @ 20% (plus applicable surcharge and education cess) as per Section 112 of the IT Act. Alternatively, at the option of the company, in respect of long-term capital gain from the sale of listed securities or units or zero coupon bonds where the tax payable in respect of any such long-term capital gain exceeds 10% of the amount of capital gain arrived at without indexing the cost, the capital gain is charged at a concessional rate of 10% (plus applicable surcharge and education cess).

1.17. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gain (in cases not covered under Section 10(38) of the IT Act) arising on the transfer of a long-term capital asset will be exempt from capital gain tax if the capital gains are invested in a "long-term specified asset" within a period of 6 months after the date of such transfer. If only part of the capital gain is so reinvested, 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, if the assessee transfers or converts the long-term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gain exempted earlier would become chargeable to tax as long-term capital gain in the year in which the long-term specified asset is transferred or converted into money.

"Long-term specified asset" for the purpose of making investment under Section 54EC of the IT Act, means any bond, redeemable after three years and issued on or after the 01April 2007:

a. by the National Highways Authority of India constituted under Section 3 of the National Highways Authority of India Act, 1988 or;
b. by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

The investment in the long-term specified asset made by the shareholder on or after 01 April 2007 during a financial year should not exceed INR 5 million.

The cost of the long-term specified asset, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction under Section 80C of the IT Act for any assessment year beginning on or after 01 April 2006.

1.18. Under Section 71 of the IT Act, business loss suffered by a company during the year is allowed to be set-off against income from any other head.

1.19. Under Section 72 of the IT Act, the shareholder is entitled to carry forward business losses that cannot be set off against permitted sources of income in the relevant assessment year for a period of 8 consecutive assessment years immediately succeeding the assessment year when the losses were first computed, and set off such losses against income chargeable under the head "Profits and gains form business or profession" in such assessment year. The set off is permissible even if the business in which the loss was sustained is not carried on in the year of set off. The unabsorbed depreciation shall be carried forward for set off in subsequent years indefinitely.

Short-term capital loss suffered by the Company during the year is allowed to be set off against short-term as well as long-term capital gain of the said year. Balance loss, if any, could be carried forward for 8 years for claiming set off against subsequent years' long-term/short term capital gains.

Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

1.20. Under section 79 of the IT Act, the carry forward and set off of business losses of a listed company would not be impacted on a change in shareholding pattern of the company.

1.21. Under Section 111A of the IT Act, short-term capital gain arising to a company from the sale of a short-term capital asset, being an equity share or an unit of an equity oriented fund will be taxable at the rate of 15% (plus applicable surcharge and education cess) where such transaction is chargeable to securities transaction tax. Short-term capital gain 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.

For this purpose, 'equity oriented fund' would have the same meaning as specified in section 10(38) of the IT Act above.

1.22. Under Section 115JAA(1A) of the IT Act, where any tax is paid under the MAT provisions for any assessment year[1] commencing on 01 April 2006 and any subsequent assessment year, credit in respect of tax so paid shall be allowed to the company in accordance with the provisions of the IT Act. Tax credit eligible to be carried forward will be the difference between the MAT paid and the tax computed as per the normal provisions of the IT Act for that assessment year. The tax credit can be utilized to extent of difference between the tax under the normal provisions of the IT Act and tax payable under MAT for the year in which credit is being utilised. Such MAT credit is allowed to be carried forward for set off purposes for up to 10 years succeeding the year in which the MAT credit is allowed.

1.23. Under Section 115-O of the IT Act, for the purpose of payment of dividend distribution tax ("DDT") on dividends, the dividends so declared, distributed or paid by domestic company shall be reduced by dividends received from its subsidiary provided the subsidiary has paid DDT on the same.

For the said purpose, a company shall be a subsidiary of another company, if such other company, holds more than half in nominal value of the equity share capital of the company.

2 GENERAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

2.1 As per the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115–O (i.e. dividends declared, distributed or paid on or after 01 April, 2003) received from domestic company is exempt from income-tax in the hands of shareholder.

2.2 As per the provisions of Section 10(38) of the IT Act, long-term capital gain arising on sale of equity shares in the company would be exempt from tax where the sale transaction has been subjected to securities transaction tax.

2.3 Under second proviso to Section 48 of the IT Act, long-term capital gain of the shareholder arising on the transfer of capital asset other than bonds and debentures (not being capital indexed bonds) will be computed after applying the relevant indexation on the cost of acquisition and cost of improvement. The resulting long-term capital gain would be charged @ 20% (plus applicable surcharge and education cess) as per Section 112 of the IT Act. Alternatively, at the option of the shareholder, in respect of long-term capital gain from the sale of listed securities or units or zero coupon bonds where the tax payable in respect of any such long-term capital gain exceed 10% of the amount of capital gain arrived at without indexing the cost, the capital gain is charged at a concessional rate of 10% (plus applicable surcharge and education cess).

[1] Assessment year means the period of twelve months commencing on the 1st day of April every year succeeding the financial year.

2.4 As per the provisions of Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gain (which are not exempt under Section 10(38) of the IT Act) would be exempt from tax to the extent such capital gain is invested in long-term specified assets within 6 months from the date of such transfer in the bonds 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, a company formed and registered under the Companies Act, 1956;

If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long-term specified asset 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 into money takes place. The investment in the long-term specified asset made by the shareholder on or after 01 April 2007 during the financial year should not exceed INR 5 million.

The cost of the long-term specified asset, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction under Section 80C of the IT Act for any assessment year beginning on or after 01 April 2006.

2.5 As per the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gain (which are not exempt 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 gain tax if the sale proceeds 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.

2.6 As per section 70(2) of the IT Act, short-term capital loss suffered during the year is allowed to be set off against short-term as well as long-term capital gain of the said year. Balance short-term loss, if any, could be carried forward under Section 74 of the IT Act for 8 years for claiming set off against subsequent years' long-term / short-term capital gains.

Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gain. Balance loss, if any, could be carried forward for 8 years for claiming set off against subsequent years' long-term capital gain.

2.7 Where the resident shareholder is a corporate assessee, then, to the extent its business consists of purchase and sale of shares of other companies, the provisions of Explanation to Section 73 of the IT Act may be attracted. In other words, the losses arising on the purchase and sale of such shares shall be allowed to be set off only against the profits arising on the sale of such shares. The unabsorbed loss, if any, shall be allowed to be carried forward for a period not exceeding 4 assessment years immediately succeeding the assessment year in which the loss is first computed and set off against the profit arising from the sale of such shares.

2.8 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 during 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.

No deduction under this section shall be allowed in, or after, AY 2009-2010. However, in such a case, the said securities transaction tax would be allowed as deduction in computing the profits & gains from business or profession under section 36(1)(xv) of the IT Act.

2.9 As per the provisions of Section 111A of the IT Act, short-term capital gains from the sale of an equity share of a company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognised stock exchange in India and is liable to securities transaction tax. Short-term capital gain 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.

2.10 Business Profits

- Where the equity shares form part of stock-in-trade, any income realised from disposition of the equity shares will be chargeable under the head "Profits and gains of business or profession" as per the provisions of the IT Act.

- The nature of the equity shares (i.e whether held as "stock-in-trade" or as "investment") is usually determined inter-alia on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases and sales and the ratio between purchases and sales and the holding.

- As per Section 36(1)(xv) of the IT Act, an amount equal to the STT paid by the assessee in respect of the taxable securities transactions entered into during the course of his business during the previous year will be allowable as deduction, if the income arising from such taxable securities transaction is included in the income computed under the head "Profits and gains of business or profession".

3 GENERAL TAX BENEFITS AVAILABLE TO NON-RESIDENTS / NON-RESIDENT INDIAN SHAREHOLDERS (OTHER THAN MUTUAL FUNDS & FIIs)

3.1 As per the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115-O of the IT Act (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received on the shares of any company is exempted from tax and are not subjected to any deduction of tax at source.

3.2 As per the provisions of Section 10(38) of the IT Act, long-term capital gain arising on transfer of equity shares in a company would be exempt from tax provided the transaction is chargeable to securities transaction tax.

3.3 Under Section 111A of the IT Act, short-term capital gain arising from the sale of an equity share, being a short-term capital asset in the company, would be taxable at a concessional rate of 15 percent (plus applicable surcharge and education cess) where such transaction is liable to securities transaction tax. Short-term capital gain arising from transfer of shares in the 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.

3.4 In terms of the first proviso to Section 48 of the IT Act, in case of a non-resident, while computing the capital gain arising from transfer of shares in or debentures of the company acquired in convertible foreign exchange (as per exchange control regulations), 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 gain / 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 same foreign currency which was utilised in the purchase of shares.

3.5 As per the provisions of Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gain (which are not exempt under Section 10(38) of the IT Act) would not be chargeable to tax to the extent such capital gains are invested in long-term specified assets within 6 months from the date of transfer and held for a period of 3 years, from the date of acquisition, in bonds 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, a company formed and registered under the Companies Act, 1956;

If only part of the capital gain is so reinvested, exemption available shall be in the same proportion as the cost of long-term specified asset bears to the whole of the capital gain. However, in case the long-term specified asset is transferred or converted into money within 3 years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion into money takes place. The investment in the long-term specified asset made by the shareholder on or after 01 April 2007 during the financial year should not exceed INR 5 million.

The cost of the long-term specified asset, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction under Section 80C of the IT Act for any assessment year beginning on or after 01 April 2006.

3.6 As per the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gain (which are not exempt under Section 10(38) of the IT Act) arising to an individual on transfer of shares of the company will be exempt from capital gain tax if the sale proceeds from 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.

3.7 Taxation of income from investment and long-term capital gain (other than those exempt under section 10(38) of the IT Act):

a) A non-resident Indian, i.e an individual being a citizen of India or person of Indian origin has an option to be governed by the special provisions contained in Chapter XIIA of the IT Act, i.e. "Special provisions relating to certain incomes of non-residents".

b) Under section 115E of the IT Act, where shares in a company are subscribed for in convertible foreign exchange by a non-resident Indian, capital gain arising to such non-resident Indian on transfer of shares held for a period exceeding 12 months shall (in case not covered under Section 10(38) of the IT Act) be concessionally taxed at a flat rate of 10% (plus applicable educational cess) without indexation benefit, but with protection against foreign exchange fluctuation under the first proviso to Section 48 of the IT Act.

c) Under section 115F of the IT Act, long-term capital gain (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 shall be exempt from income-tax if the entire net consideration is reinvested in specified new assets 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 new assets are transferred or converted into money within 3 years from the date of their acquisition.

d) Under section 115-G of the IT Act, non-resident Indians are not obliged to furnish a return of income if their only source of income is investment income or long term capital gain from specified investment or both arising out of specified investments acquired, purchased or subscribed in convertible foreign exchange, provided tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.

e) Under section 115-H of the IT Act, where a non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the IT Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from specified investments for that year and subsequent assessment years until such investments are transferred or converted into money.

f) Under section 115-I of the IT Act, a non-resident Indian may elect not to be governed by the provisions of Chapter XII-A of the IT Act for any assessment year by furnishing his return of income under section 139 of the IT Act declaring therein that the provisions of this Chapter shall not apply to him for that assessment year. In such a case, the tax on investment income and long-term capital gain would be computed as per normal provisions of the IT Act.

3.8 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 during 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.

No deduction under this section shall be allowed in, or after, AY 2009-2010. However, in such a case, the said securities transaction tax would be allowed as deduction in computing the profits & gains from business or profession under section 36(1)(xv) of the IT Act.

3.9 Business Profits

- Where the equity shares form part of stock-in-trade, any income realised from disposition of the equity shares will be chargeable under the head "Profit and gains of business or profession" as per the provisions of the IT Act.

- The nature of the equity shares (i.e. whether held as "stock-in-trade" or as "investment") is usually determined inter-alia on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases and sales and the ratio between purchases and sales and the holding.

- As per Section 36(1)(xv) of the IT Act, an amount equal to the STT paid by the assessee in respect of the taxable securities transactions entered into during the course of his business during the previous year will be allowable as deduction, if the income arising from such taxable securities transaction is included in the income computed under the head "Profits and gains of business or profession".

3.10 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 Indian would prevail over the provisions of the IT Act to the extent they are more beneficial to the Non-Resident / Non-Resident Indian subject to Tax Residency Certificate being furnished as per prescribed format.

4 GENERAL TAX BENEFITS AVAILABLE TO MUTUAL FUNDS

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

5 GENERAL TAX BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ("FIIs")

5.1 As per the provisions of Section 10(34) of the IT Act, dividend income (referred to in Section 115-O of the IT Act) would be exempt from tax in the hands of the shareholders of the company and are not subject to deduction of tax at source.

5.2 As per the provisions of Section 10(38) of the IT Act, long-term capital gains arising on transfer of equity shares of the company would be exempt from tax where the sale transaction has been entered into on a recognised stock exchange of India and is liable to securities transaction tax.

5.3 As per the provisions of Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gain (which are not exempt under Section 10(38) of the IT Act) would not be chargeable to tax to the extent such capital gains are invested in long-term specified assets within 6 months from the date of transfer and held for a period of 3 years from the date of acquisition, in bonds 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, a company formed and registered under the Companies Act, 1956.

If only part of the capital gain is so reinvested, 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 3 years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion into money takes place. The investment in the long-term specified asset made by the shareholder on or after 01 April 2007 during the FY should not exceed INR 5 million.

5.4 Where the FII is a corporate assessee, to the extent its business consists of purchase and sale of shares of other companies, provisions of Explanation to Section 73 may be attracted. In other words, the losses arising on the purchase and sale of such shares shall be allowed to be set off only against the profits arising on the sale of such shares. The unabsorbed losses, if any, shall be allowed to be carried forward for a period not exceeding 4 assessment years immediately succeeding the assessment year in which the loss is first computed and set off against the profits arising from the sale of such shares.

5.5 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 subject to furnishing of the prescribed details in the Tax Residency Certificate.

5.6 Under the provisions of Section 111A of the IT Act, short-term capital gain arising from transfer of equity share in the company would be taxable at a concessional rate of 15 percent (plus applicable surcharge and education cess) where such transaction which has been subjected to securities transaction tax.

5.7 As per the provisions of Section 115AD of the IT Act, income (other than income by way of dividends referred to in Section 115-O of the IT Act) of FIIs arising from securities (other than the units purchased in foreign currency referred to Section 115AB of the IT Act) would be taxed at concessional rates, as follows:

Nature of income	**Rate of tax (%)**
Income in respect of securities	20
Long-term capital gains (other than long term capital gain referred to in section 10(38) of the IT Act	10
Short-term capital gains (other than short-term capital gain referred to in Section 111A of the IT Act)	30

The above tax rates would be increased by the applicable surcharge and education cess. The benefits of indexation and foreign currency fluctuation protection as provided under Section 48 of the IT Act are not available.

5.8 Generally, in case of non-residents, tax, (including surcharge and education cess) on the capital gain, if any, is withheld at source by the buyer in accordance with the relevant provisions of the IT Act. However, no deduction of tax is required to be made from any income by way of capital gain arising from the transfer of securities (referred to in Section 115AD of the IT Act) payable to FIIs.

6 NEW AMENDMENTS UNDER THE IT ACT

6.1 The General Anti-Avoidance Rules ("GAAR") had first been introduced in the DTC to curb "impermissible avoidance arrangement" entered into by a person to avoid taxes. The GAAR had been introduced to deal with aggressive tax planning involving use of sophisticated structures. Although originally forming part of DTC, now it is a part of the IT Act. Under the current provisions, Chapter X-A of the IT Act dealing with the provisions of GAAR would be effective from 01 April 2015 (i.e during FY 2015-16).

UNDER THE WEALTH TAX ACT, 1957

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

UNDER THE GIFT- TAX ACT

Gift tax is not leviable in respect of gifts made on or after 01 October 1998.

Notes:

a. The above note 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.

b. In respect of non-residents, the tax rates and the consequent taxation mentioned above may 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. An investor has the option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.

c. The stated benefits will be available only to the sole / first named holder in case the shares are held by joint holders.

d. The note of possible direct tax benefits enumerated above is as per the Income Tax Act, 1961 as amended by the Finance Act 2012. The direct tax proposals introduced by the Finance Bill 2013 is under legislative process & pending enactment has not been discussed in this note.

II. Certain U.S. Federal Income Tax Considerations

The discussion of U.S. tax matters in the Red Herring Prospectus and this Prospectus was written in connection with the promotion or marketing of the Equity Shares, and it was not intended to be, and cannot be used by any person for the purpose of avoiding penalties that may be asserted against the holder under U.S. federal, state and local tax law. Taxpayers should seek their own advice based on their particular circumstances from an independent tax adviser.

The following is a discussion of certain U.S. federal income tax consequences of the purchase, ownership and disposition of Equity Shares, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a particular person's decision to acquire such securities. The discussion applies only to U.S. Holders (as defined below) that hold Equity Shares as capital assets for U.S. federal income tax purposes.

The discussion does not address any aspect of U.S. federal taxation other than U.S. federal income taxation (such as the estate and gift tax or the Medicare tax on net investment income). In particular, this summary does not address all tax considerations applicable to investors that own (directly or by attribution) 10.0 per cent. or more of our voting stock, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, real estate investment trusts, regulated investment companies, investors liable for the alternative minimum tax, certain U.S. expatriates, individual retirement accounts and other tax deferred accounts, partnerships or other pass through entities for U.S. federal income tax purposes, tax exempt organizations, dealers in securities or currencies, securities traders that elect mark to market tax accounting, investors that will hold the Equity Shares as part of constructive sales, straddles, hedging, integrated or conversion transactions for U.S. federal income tax purposes or investors whose "functional currency" is not the U.S. dollar).

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) holds Equity Shares, the US federal income tax consequences to the partners of such partnership will depend on the activities of the partnership and the status of the partners. A partnership considering an investment in Equity Shares, and partners in such partnership, should consult their own tax advisers about the consequences of the investment.

As used herein, the term "**U.S. Holder**" means a beneficial owner of Equity Shares that is, for U.S. federal income tax purposes: (i) an individual that is a citizen or resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state or the District of Columbia; or (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "**Code**") and administrative pronouncements, judicial decisions, final, temporary and proposed Treasury regulations, all as of the date hereof. These authorities are subject to change, possibly on a retroactive basis. Prospective purchasers should consult their own tax advisers concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of Equity Shares in their particular circumstances.

Taxation of distributions

Subject to the discussion of PFIC considerations below, distributions received by a U.S. Holder of Equity Shares will constitute foreign source dividend income to the extent paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). The amount of the dividend a U.S. Holder will be required to include in income will equal the U.S. Dollar value of the distribution, regardless of whether the payment is converted into U.S. Dollars on the date of receipt. Corporate U.S. Holders will not be entitled to claim the dividends-received deduction with respect to dividends that we pay. U.S. Holders should consult their advisors with respect to how to account for dividends paid in a foreign currency.

Subject to certain limitations, a U.S. Holder may claim a credit for taxes it pays to a foreign government in connection with distributions on the Equity Shares, including withholding tax. In the alternative, such foreign tax may be taken as a deduction. Although we are liable for a dividend distribution tax on any dividends we pay on the Equity Shares, such tax is paid by us rather than by the U.S. Holder. The rules relating to the determination of the foreign tax credit are complex, and U.S. Holders should consult their tax advisors to determine whether a credit would be available in their particular circumstances.

Sale and other disposition of Equity Shares

Subject to the discussion of PFIC considerations below, for U.S. federal income tax purposes, gain or loss realized on the sale or other disposition of Equity Shares will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the Equity Shares for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the Equity Shares disposed of and the amount realized on the disposition, in each case as determined in U.S. Dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. U.S. holders should consult their tax advisors about how to account for sale or other disposition proceeds that are not paid in U.S. dollars.

Gain realized by a U.S. Holder on the sale or other disposition of the Equity Shares generally will be treated as U.S. source income. Consequently, if non-U.S. tax is imposed on such gain, the U.S. holder will not be able to use the corresponding foreign tax credit, unless the holder has other foreign source income of the appropriate type in respect of which the credit may be used. The U.S. foreign tax credit rules are very complex. U.S. Holders should consult their advisors with respect to the application of these rules to their particular circumstances.

Passive foreign investment company considerations

In general, a non-U.S. corporation will be considered a PFIC for any taxable year in which either (i) 75 per cent. or more of its gross income consists of passive income or (ii) 50 per cent. or more of the average quarterly value of its assets consists of assets that produce, or are held for the production of, passive income. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25 per cent. by value of the stock of another corporation is treated as if it held its proportionate share of the assets of such other corporation and received directly its proportionate share of the income of such other corporation. Passive income generally includes dividends, interest, rents, royalties and capital gains.

Based on the nature of our business, we do not expect to be classified as a PFIC. However, PFIC status depends on facts that generally are not determinable until after the close of the taxable year. Some of these facts may be out of our control. There can be no assurance that we will not be classified as a PFIC for any given year. If we are classified as a PFIC for any year during a U.S. Holder's holding period, the U.S. Holder may be subject to materially adverse U.S. tax consequences.

In addition, we hold direct and indirect equity interests in entities that may be PFICs ("**Lower-tier PFICs**"). If we are classified as a PFIC, U.S. Holders will be subject to the PFIC rules with respect to these Lower-tier PFICs as well. We do not intend to assess our PFIC status or that of any of our direct or indirect subsidiaries for any taxable year.

Unless a U.S. holder makes a valid and timely "mark-to-market" election, as described below, gain recognized upon a disposition (including, under certain circumstances, a pledge) of Equity Shares by such U.S. Holder, or upon an indirect disposition of shares of a Lower-tier PFIC, will be allocated rateably over the U.S. Holder's holding period for such shares. The amounts allocated to the taxable year of disposition and to years before we became a PFIC will be taxed as ordinary income. The amount allocated to each other taxable year will be subject to tax at the highest rate in effect for such taxable year for individuals or corporations, as appropriate, and an interest charge will be imposed on the tax attributable to such allocated amounts. Further, to the extent that any distribution received by a U.S. Holder on its Equity Shares (or a distribution by a Lower-tier PFIC to its shareholder that is deemed to be received by a U.S. Holder) exceeds 125 per cent. of the average of the annual distributions on such shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, such distribution will be subject to taxation as described above. If we were a PFIC for any year during which a U.S. Holder held Equity Shares, it generally would continue to be treated as a PFIC with respect to that holder for all succeeding years during which the U.S. Holder held Equity Shares, even if our income and assets ceased to cause us to be classified as a PFIC.

A U.S. Holder may make a mark-to-market election with respect to the Equity Shares (but not with respect to the shares of any Lower-tier PFICs) if the Equity Shares are “regularly traded” on a “qualified exchange.” In general, the Equity Shares will be treated as “regularly traded” in any calendar year in which more than a *de minimis* quantity of Equity Shares are traded on a qualified exchange on at least 15 days during each calendar quarter.

If a U.S. Holder makes the mark-to-market election, for the first year in which we are a PFIC during the U.S. Holder's holding period, the U.S. Holder will generally include as ordinary income the excess, if any, of the fair market value of the Equity Shares at the end of the taxable year over their adjusted tax basis, and will be permitted an ordinary loss in respect of the excess, if any, of the adjusted tax basis of the Equity Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). If a U.S. Holder makes the election, the holder's tax basis in the Equity Shares will be adjusted to reflect any such income or loss amounts. Any gain recognized on the sale or other disposition of Equity Shares will be treated as ordinary income. U.S. Holders should consult their own tax advisers regarding the availability and advisability of making a mark-to-market election in their particular circumstances.

U.S. Holders should consult their own tax advisors about the consequences of holding the Equity Shares if we are considered a PFIC in any taxable year, including any additional reporting requirements that may apply.

Backup withholding and information reporting

Information returns may be filed with the IRS in connection with distributions on the Equity Shares and the proceeds from their sale, exchange or redemption unless a U.S. Holder establishes that it is exempt from the information reporting rules, for example, because such U.S. Holder is a corporation. If the U.S. Holder does not establish this, it may be subject to backup withholding on these payments if the U.S. Holder fails to provide its taxpayer identification number or comply with certain certification procedures. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against its U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

U.S. Holders should consult their own tax advisers regarding any additional tax reporting or filing requirements they may have as a result of acquiring, owning or disposing of the Equity Shares.

LEGAL PROCEEDINGS

We are involved in legal proceedings including, among others, litigation involving land such as title disputes, consumer disputes, criminal proceedings and income tax proceedings. Except as described below, we believe that we are not involved in any material legal proceedings, and in our opinion, no proceedings are threatened, which may have, or have had during the 12 months preceding the date of this Prospectus, a material adverse effect on our business, financial position, profitability or results of operations.

Cases filed against our Company, certain individuals (with whom our Company has entered into agreements for purchase of land), our Promoter, Director and Subsidiaries

A summary of litigation which we consider material are as follows:

Civil litigation

There are 72 (seventy two) civil cases filed by individuals/entities before the High Court of Karnataka and other courts in and around Bengaluru, Ernakulam and Chennai against our Company, certain individuals (with whom our Company has entered into agreements for purchase of land), our Promoter, Director and Subsidiaries and against certain individuals who have entered into agreements to sell or sale deeds with our Company for purchase of land or for joint development. Out of the total 72 (seventy two) civil cases filed, 59 (fifty nine) cases relate to title suits which include suits for partition and separate possession, suits for specific performance, declaratory suits and injunction suits and 13 (thirteen) cases relate to miscellaneous civil cases filed before the High Court of Karnataka and other courts by individuals/entities. The matters are all currently pending. A brief description of the same is provided below.

Land cases/ Title disputes

There are 59 (fifty nine) title dispute cases filed before the Courts as stated above against our Company, certain individuals (with whom our Company has entered into agreements for purchase of land), our Promoters. Director and Subsidiaries and certain individuals who have entered into agreements to sell and sale deeds with our Company for purchase of land or joint development. Out of the above mentioned title disputes, there are certain partition suits filed against the previous owners in relation to lands sold to our Company and/or the said individuals wherein the plaintiffs to the suits have alleged that the suit properties form part of their joint family property and are thereby subject to partition and separate possession. Certain specific performance suits have also been filed against the previous owners in relation to lands sold to our Company wherein the plaintiffs have sought for specific performance of certain agreements alleged to have been executed by our predecessors in title in their favour and demanding the execution of conveyance. The plaintiffs in the aforementioned partition and specific performance suits have also sought injunctive relief to restrain our Company from alienating the properties and undertaking construction on the disputed properties. Some of them have also sought for declaratory reliefs in relation to certain properties owned by our Company, claiming title over the property by virtue of adverse possession, earlier sale deeds or agreements to sell. Further, out of the abovementioned 59 (fifty nine) title dispute cases, 7 (seven) cases have been filed against Ravi Puravankara in relation to lands which do not form part of any Ongoing/Upcoming/Completed project or Land bank of our Company. The amounts involved in these litigations are not quantifiable. One of the material litigation in this category is summarized below:

1. Union of India (“**UoI**”) has filed a W.P. No. 14387 of 2013 before the High Court of Karnataka challenging the sanction of plan no. Addl. Director/T.P. (JD(N))/LP No. 29/2006-07 dated November 3, 2011 (“**Sanction Plan**”) sanctioned by Bruhath Bengaluru Mahanagara Palike (“**BBMP**”) in favour of our Company for construction of multi-storied residential apartments of 16 floors with 660 flats Ward No. 83, CV Raman Nagar, Kaggadasapura Main Road, Bengaluru (pertaining to project Purva Season) just adjacent to Defence Research Laboratories established by Defence Research Development Organization (“**DRDO**”). UoI has contended that construction of high rise buildings by our Company in the vicinity of DRDO and its laboratories would seriously affect the national security as defence installations would be exposed to potential dangers of terrorism and security risks. Further, UoI has argued that the parties with whom the Company has entered into a joint development agreement are not the owners of the plot in respect of which

the sanction plan has been given. UoI has also argued that the plan for construction of high rise building in favour of our Company is in contravention of the Bengaluru Mahanagara Palike Building Bye–Laws, 2003 and revised Master Plan, 2015. UoI has also sought interim relief seeking to restrain our Company from constructing any high rise building as per the sanction plan mentioned above during the pendency of the matter. Our Company has contended that the writ petition is not maintainable in law or on facts as the UoI had prior knowledge about the construction of multi-storied apartments in and around the DRDO complex and there are atleast 2 (two) major residential complexes in the vicinity of DRDO. Further, our Company has contended that the development is not in contravention of any law or enactment. The matter is pending.

Miscellaneous civil cases

There are 13 (thirteen) matters filed against our Company and Subsidiaries for payment of stamp duty and registration charges, improvement charges or infrastructure charges or basic amenities charges, among others.

Consumer cases

There are 23 (twenty three) consumer complaints filed against our Company by various parties under the Consumer Protection Act, 1986 before various District Disputes Redressal Forums and State Disputes Redressal Commissions in Karnataka, Kerala and Tamilnadu alleging deficiency of service. The parties have filed consumer complaints alleging delay in handing over possession of the apartments purchased by the complainants from our Company as per the terms contained in the agreement entered into between our Company and the complainants.

Arbitration matters

Our Company is involved in 3(three) arbitration matters. In 2 (two) such matters, an arbitration award was passed against our Company and our Company has challenged the awards under Section 34 of the Indian Arbitration and Conciliation Act, 1996. The disputes relate to specific performance of a Joint Development Agreement and a MoU relating to the title of disputed properties and an agreement to sell entered into where the title of the sellers of the property to the Company is contested. In 1 (one) such matter the plaintiff has filed a Section 9 application to restrain our Company from alienating the property. The matters are pending and the amounts involved in these arbitration proceedings are not quantifiable.

Tax matters – Direct taxes

There are 6 (six) tax matters filed against our Company by the Income Tax Department. These matters relate to a claim of deduction sought by our Company under Section 80IB(10) of the I. T. Act for sale of several flats in one of our Company's projects "Purva Riviera". Our Company has claimed deductions under Section 80IB(10) of the I.T. Act from the profits generated from Purva Riviera project. Our Company has claimed a total deduction of ₹ 1,067.40 milion in respect of the assessment years 2004-2005 to 2009-2010.

The Assessing Officer, Bengaluru ("**AO**") had disallowed all the aforementioned claims of our Company. The matter went in appeal to Commissioner of Income Tax, Appeals ("**CIT(A)**") where CIT(A) reversed the order of the AO and allowed all the claims of our Company.

The Income tax department preferred an appeal to Income Tax Appellate Tribunal ("**ITAT**") against the order of the CIT(A). For the first five assessment years i.e. (2004–05, 2005–06, 2006–07, 2007–08 and 2008–09), the ITAT by common order dated November 7, 2012 ruled that the AO and the CIT(A) both have violated the principles of natural justice and therefore the entire matter was restored back to AO, directing the AO to take up the assessment proceedings de novo so far as the claim of deduction under Section 80IB(10) of the I.T. Act is concerned. The matters are currently pending.

For the assessment year (2009–10) the Income tax department has now preferred an appeal to ITAT and the matter is currently pending before ITAT.

Criminal Cases

There is only 1 (one) criminal case filed against Prudential Housing and Infrastructure Development Limited ("**Prudential**") (a wholly owned subsidiary of our Company), which is summarised below:

1. Criminal complaints, namely PCR 10 and 11 of 2012 have been filed by Abraham T.J. and Kabbalegowda (the "**Complainants**"), respectively against D.K. Shivakumar ("**Defendant No. 1**") and others (collectively the "**Defendants**") in the Court of the XXIII Additional District and Sessions Judge under Prevention of Corruption Act at Bengaluru City which was later converted as Special C.C. No. 137/2012. Prudential has been arrayed as Defendant No. 6 in the above complaint. The Defendants have been charged under the Prevention of Corruption Act, 1988, Karnataka Land (Restriction on Transfer) Act, 1991 and Sections 120B, 169, 177 and 465 of the Indian Penal Code, 1860. The Complainants have alleged impropriety in de-notification and sale of residentially converted land with structures standing thereon being part of Survey No. 50/2, Benaganahalli (or Benniganahalli) Village, Krishnarajapura Hobli, Bengaluru East Taluk, Bengaluru District measuring 4 Acres 20 Guntas. Prudential had earlier entered into a joint development agreement with the Defendant No. 1 on May 10, 2004. Thereafter, our Company along with Prudential (as a confirming party) entered into a new joint development agreement dated March 29, 2011 with the Defendant No. 1 for development of the property. The Special Judge in the Special CC No. 137/2012 granted bail to Defendant No. 1 in the matter subject to a condition restricting the Accused No. 1 from alienating or going ahead with any construction on the abovementioned property. On an appeal by the Defendant No.1, the High Court of Karnataka in petition No.5399/2012 set aside the said condition. Further, Prudential has filed a petition bearing No. 4380/2012 before the High Court of Karnataka seeking to quash the criminal proceedings against it in Special C.C. No. 137/2012, along with an interim application for stay of the proceedings. Accordingly, the proceedings were stayed by the High Court of Karnataka as prayed. The matter is currently pending.

Cases filed by our Company, certain individuals (with whom our Company has entered into agreement for purchase of land), our Promoter, Director and Subsidiaries

Civil litigation

There are 42 (forty two) civil cases filed by our Company, certain individuals (with whom our Company has entered into agreements for purchase of land), Director or our Promoter and certain individuals who have entered into sale agreements or joint development agreements with our Company against various parties and entities before various courts in Karnataka, Andhra Pradesh, Kerala and Delhi. These include disputes in relation to title of lands, suits for specific performance, land acquisition matters, revenue matters and matters for recovery of rent. The matters are all currently pending. A brief description of the same is provided below.

Land cases/ Title disputes

There are 29 (twenty nine) title disputes cases filed against various parties before various courts in Karnataka by our Company, certain individuals (with whom our Company has entered into agreements for purchase of land) and our Promoter and certain individuals who have entered into sale agreements or joint development agreements with our Company. The suits filed by our Company primarily include, amongst others, suits for specific performance of agreements to sell and applications for injunction. Out of the abovementioned 29 (twenty nine) title disputes, 5 (five) cases have been filed by Ravi Puravankara in relation to lands which do not form part of any ongoing/upcoming/completed project or Land Bank of our Company. The amounts involved in these matters are not quantifiable. One of the material litigation in this category is summarized below:

1. Our Company has filed O.S. No. 4788 of 2011 against P. Dayananda Pai and Manipal Academy of Higher Education ("**MAHE**") (collectively the "**Defendants**") seeking for a decree of specific performance of the joint development agreement dated March 5, 2005 ("**JDA**") entered into with P. Dayananda Pai. Further, in the said O.S. No. 4788 of 2011, MAHE moved an application under Order VII Rule 11 of the Civil Procedure Code, 1908 for rejecting the plaint as against MAHE. The JDA is in relation to a property measuring approximately 34 acres 23.75 guntas situated in Yelahanka and Yelahanka Ammanikere Village, Bengaluru North Taluk (the "**Property**"). Our Company has also sought for alternate relief in the form of damages amounting to Rs. 1,750.00 million. Our Company has also sought to restrain the Defendants from alienating the Property by filing an interlocutory application under Order 39 Rule 1 and 2 of the Civil Procedure Code. In response to our

interlocutory application, MAHE contended that P. Dayananda Pai had not paid the sale consideration under the agreement of sale and hence he had cancelled both the agreement of sale and declaratory affidavit executed previously. MAHE also averred that it had sold the land to third parties. However, the interlocutory application filed by our Company was rejected by the Additional City Civil Judge, Bengaluru by an order dated March 21, 2012. Our Company thereafter filed a Miscellaneous First Appeal (MFA) No. 3509/2012 before the High Court of Karnataka challenging the said order dated March 21, 2012 which rejected our Company's interlocutory application to restrain the Defendants from alienating the Property. Further, the Additional City Civil Judge, Bengaluru pursuant to another order dated March 21, 2012 accepted the application made by MAHE for rejecting the plaint as against MAHE in O.S. No. 4788 of 2011. In both the orders dated March 21, 2012 of the Additional City Civil Judge, Bengaluru, it was noted that P. Dayananda Pai was claiming that the Company had not paid the amount as required under the JDA. Our Company has filed a writ petition bearing No. 47408/2012 before the High Court of Karnataka challenging the order dated March 21, 2012 passed by the Additional City Civil Judge, Bengaluru which stated that MAHE should not be made a party to the suit in O.S. No. 4788 of 2011 and the High Court of Karnataka has presently stayed the suit bearing O.S. No. 4788 of 2011. The matters are currently pending.

Miscellaneous civil cases

There are 5(five) matters filed by our Company, Director in relation to building permits, execution petitions and tenders among others. One of the material litigation in this category is summarized below:

1. A writ appeal in W.A. No.1407 of 2012 has been filed by our Company and Director against State of Andhra Pradesh and others (the "**Respondents**") before the High Court of Andhra Pradesh challenging the order dated March 12, 2012 passed by the single judge in W.P. No. 21733 of 2009 refusing the relief sought by our Company by dismissing the petition. Our Company had filed W.P. No. 21733 of 2009 before the High Court of Andhra Pradesh for issuance of an appropriate writ directing the Respondents to restitute/refund the amount of ₹ 4,030.00 million (alongwith interest) paid by our Company pursuant to tender notification dated November 5, 2007 in respect of Plot No. 15, in Survey No. 83/1 of Raidurg (known as Hyderabad Knowledge City). Our Company has alleged that it has paid a sum of ₹ 4030.00 million to the Respondents in January 2008 based on the assurance provided by the Respondents (in particular second respondent i.e. Andhra Pradesh Industrial Infrastructure Corporation Limited. ("**APIIC**") that our Company would be able to build up to the height of 44 to 49 mts on the property. Our Company alleged that the Respondents also promised our Company that in case our Company is not able to obtain a height of 44 to 49 mts., the road level being 600 to 605 mts. AMSL, from the Airport Authority of India ("**AAI**'), the Respondents would provide alternate land within the same survey number. Our Company has alleged that the AAI vide certificates dated February 11-13, 2009 confirmed that the road level was 605, 610, 611 and 620 mts AMSL, thereby reducing the buildable height from between 44 – 49 sq. mts. to 29 – 44 sq. mts.. Our Company has alleged that since the buildable height was reduced from 44 – 49 sq. mts. to 29 – 44 sq. mts., the project size was greatly reduced and therefore the amount of ₹ 4030.00 million paid to the Respondents was exorbitant. Our Company has alleged that it also approached the Respondents for allotment of alternate land within the same survey number but despite repeated requests no alternate land was made available. In light of the above facts, our Company in W.P. 21733 of 2009 had asked for refund of ₹ 4030.00 million along with interest. The Andhra Pradesh High Court dismissed the writ petition bearing W.P. 21733 of 2009 filed by our Company by order dated March 12, 2012. Our Company has filed this writ appeal challenging the order dated March 12, 2012 which has been dismissed by order dated March 5, 2013. Our Company is contemplating to move the Hon'ble Supreme Court of India.

Land acquisition cases

There are 8 (eight) matters filed by our Company, our Promoter, Director and our Subsidiaries in relation to land acquisition proceedings initiated by the government. The suits filed by us *inter alia* are in relation to demand of compensation for acquisition of land under the Land Acquisition Act, 1894 and challenging the acquisition of land on grounds of public purpose. Further, out of the aforementioned 8 (eight) cases, 4 (four) cases have been filed by Ravi Puravankara along with our Subsidiary Company, Prudential Housing and Infrastructure Limited ("**PHIL**") as one of the petitioner in relation to lands which do not form part of any Ongoing/Upcoming/Completed project or

Land Bank of our Company. The amounts involved in these litigations are not quantifiable. One of the material litigation in this category is summarized below:

1. Our Company has filed M.F.A No. 10269/ 2012 against the Deputy Commissioner, Land Acquisition and others ("**Respondents**") before the High Court of Karnataka. The appeal has been filed against the order dated January 31, 2012 passed by the Civil Judge (Senior Division) Doddaballapur in L.A.C No. 1/2005. Our Company was the owner of the Scheduled Property (i.e. (i) Sy. No. 29/1 measuring 4 acres 30 guntas; (ii) Sy. No. 39/2 measuring 4 acres 8 guntas; (iii) Sy. No. 36/4 measuring 1 acre 35 guntas; (iv) Sy. No. 35 measuring 4 acres 8 guntas; (v) Sy. No. 34 measuring 2 acres 16 guntas; (vi) Sy. No. 22 measuring 3 acres 34 guntas, all situated in Arehalli Guddadahalli and (vii) Sy. No. 35 measuring 1 acre 18 guntas; (viii) Sy. No. 28/2B measuring 39 guntas; (ix) Sy. No. 26/2 measuring 2 acres 15 guntas; (x) Sy. No. 28/1 measuring 3 acres 10 guntas all situated in Dargapura Village, Doddaballapura Taluk, Bengaluru). Our Company had purchased the suit schedule properties for the construction of an industrial park. The Project of the industrial park was approved by Karnataka Udyog Mitra (a state level single window agency of the Government of Karnataka) and Karnataka Industrial Area Development Board ("**KIADB**"). However, the Government of Karnataka subjected the suit schedule properties to land acquisition by notification dated September 18, 2002. The Special Land Acquisition Officer passed an award on April 5, 2004 and awarded compensation which did not include solatium, conversion, betterment charges and interest. Our Company filed L.A.C No. 1/2005 before the Civil Judge (Senior Division) Doddaballapur challenging the award dated April 5, 2004 and prayed for a compensation of ₹ 5.00 million per acre. The Civil Judge (Senior Division) Doddaballapur passed an order dated January 31, 2012 in L.A.C 1/2005 awarding compensation of only ₹ 0.80 million per acre. Our Company has filed M.F.A No. 10269/2012 before the High Court of Karnataka against this order for further enhancement of compensation. The matter is pending.

Arbitration matters

There are 2 (two) arbitration matters referred by our Company. Our Company has filed a section 9 application under the Indian Arbitration and Conciliation Act, 1996 and has claimed damages for breach of contract. The other material arbitration proceeding is summarized below:

1. Our Company has initiated arbitration proceedings against Simplex Infrastructures Limited ("**Respondents**") claiming damages to the extent of ₹ 950.62 million along with interest. Our Company had purchased 1,12,977 sq. ft. of land in Marine Drive, Kochi under a registered sale deed and had conceived a Project for putting up a multi-storied residential apartment complex known as "Purva Grand Bay". Our Company invited bids for laying the pile foundation under the Bored Cast-in-Situ Pile Foundation technology ("**DMC**"), the Respondent while submitting its bid proposed and alternate technology called the RCC driven Pre Cast Segmental Pile ("**Precast**"). Our Company awarded the bid for laying the pile foundation to the Respondent. Subsequently, our Company noticed defects in the design, method and technology adopted in driving piles. Our Company has contended that it has suffered losses due to the defective piling carried out by the Respondents and has incurred significant costs for rectification of the piling and supportive works. The Respondent has contended that our Company has failed to make certain payments under the contract and has also alleged that the claim of our Company is devoid of any basis. The Respondent in its counterclaim has claimed a sum of ₹ 14 million from our Company along with interest. The matter is pending.

Criminal matters

There are 4 (four) criminal matters filed by our Company against various individuals and entities. In 2 (two) such cases our Company has alleged that the accused have fraudulently transferred property owned by our Company. In 1 (one) case our Company has alleged that the accused was illegally using the trade name of a Ongoing project, Purva Seasons. Our Company has also filed a Criminal Petition bearing No. 4380/2012 before the High Court of Karnataka seeking to quash the criminal proceedings in Special C.C. No. 137/2012.

Summary of Cases by and against Independent Director

There are 2 criminal cases filed against Pradeep Guha, one of the independent directors of our Company (except cases filed by and against our Promoter discussed above). A brief description of the cases is set forth below.

1. A criminal revision application no. 11 of 2013 has been filed by Santosh Upadhyay ("**Applicant**") before the Sessions Court Dindoshi against Govind Swarup and others ("**Repondents**"). Mr. Pradeep Guha is the eighth respondent in the matter. The Applicant had lodged a complaint with Aarey Police Station, Mumbai for investigating the allotment of land to Whistling Woods International Limited a company in which Pradeep Guha is one of the directors. Allegedly, due to inaction of police, the Applicant approached Borivali Court seeking a direction to the Aarey Police Station to initiate investigation in the matter. The Borivali Court passed orders directing the applicant to produce document of two public interest litigations filed in Bombay High Court vide Writ Petition No. 1826/2003 and 219/2009. Aggrieved by this order of the Borivali Court the Applicant has filed this revision application. The Applicant has sought for a direction to the Borivali Court to the proceed in the matter without calling for the papers of Writ Petition No. 1826/2003 and 219/2009 from the Bombay High Court. The matter is pending.

2. A criminal complaint CC No. 28/SS/12 has been filed by D.B. Gore, Inspector, Legal Metrology ("**Complainant**") before the Court of Additional Chief Metropolitan Magistrate against Raymond Limited and its directors ("**Respondents**"). Pradeep Guha is an independent director of Raymond Limited and is therefore a party to the proceedings. The Complainant has alleged that the Accused are responsible for offences under The Standards of Weights & Measures Act, 1976 and Packaged Commodities Rules for alleged non-declaration of certain information on a packaged commodity offered for sale at 'The Raymond Shop' at Mulund, Mumbai. The Complainant has alleged that the Respondents are liable to pay a fine of Rs. 0.03 million. The Respondents have filed an application before the Bombay High Court seeking quashing of the said proceedings vide Criminal Appeal No.1075 of 2012 and have obtained interim stay of all further proceedings before the trial court in CC No. 28/SS/12, as there were no specific allegations against the directors in the complaint. The matter is pending.

INDEPENDENT ACCOUNTANTS

Walker, Chandiok & Co, Chartered Accountants, Auditor of the Company have audited the (i) audited consolidated summary financial statements of the Company as of and for the fiscal years ended March 31, 2013, 2012 and 2011.Walker, Chandiok & Co., are independent auditors with respect to the Company as required by the Companies Act and in accordance with the guidelines issued by the ICAI.

GENERAL INFORMATION

1. The Company was originally incorporated as Puravankara Constructions Private Limited on June 3, 1986 as a private limited company in Mumbai, Maharashtra. The name of the Company was changed to Puravankara Projects Limited and the status of the Company was changed to a public limited company by a special resolution of the members passed at an extraordinary general meeting held on July 10, 1992. The fresh certificate of incorporation consequent on change of name and status was granted to the Company on August 19, 1992 by the Registrar of Companies, Maharashtra, Mumbai. The shareholders on June 18, 2009 vide postal ballot, have approved the shift of the registered office from Mumbai to Bengaluru. The registered office of the Company is situated at No. 130/1, Ulsoor Road, Bengaluru 560 042, Karnataka, India.

2. The Issue is being made to Eligible QIBs in reliance upon Chapter VIII-A of the SEBI Regulations.

3. The Issue has been authorised and approved by the Board of Directors through resolution dated February 14, 2013, and by the Company's shareholders through a special resolution dated March 15, 2013 and a resolution of the IPP Committee dated May 15, 2013.

4. The Company has received in-principle approvals under Clause 24(a) of the Equity Listing Agreement to list the Equity Shares being offered in the Issue on the BSE and the NSE on May 15, 2013.

5. The Company has obtained and will obtain necessary consents, approvals and authorisations required in connection with the Issue.

6. Except as disclosed in this Prospectus, there has been no material change in the Company's financial condition since March 31, 2013, the date of its latest audited financial statements, prepared in accordance with Indian GAAP, included herein.

7. Except as disclosed in this Prospectus, there are no legal or arbitration proceedings against or affecting the Company or its assets or revenues, nor is the Company aware of any pending or threatened legal or arbitration proceedings, which are, or might be, material in the context of the Issue.

8. The Company's Auditor, Walker, Chandiok & Co, Chartered Accountants have audited (i) the consolidated summary financial statements of the Company as of and for the fiscal years ended March 31, 2013, 2012, and 2011. The Auditor of the Company indicated in Section "*Independent Accountants*" have consented to include in this Prospectus and the Red Herring Prospectus, their audit reports in relation to the respective financial statements referred above.

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

10. **Consents**

Consents in writing of: (a) the Directors and the legal advisors; (b) Venkataramanan Associates, Architects; and (c) the Legal Counsels in relation to land title and (d) the BRLMs, the Public Issue Account Bank and the Registrar to the Issue to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus with the RoC and such consents will not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC.

Walker, Chandiok & Co, Chartered Accountants, the Company's Auditor, have given their written consent to the inclusion of their Note dated May 2, 2013 relating to the possible Direct tax benefits accruing to the Company and its shareholders in the form and context in which it appears in this Prospectus and the Red Herring Prospectus.

11. **Experts**

The Auditor of the Company, Walker, Chandiok & Co., Chartered Accountants, have furnished a Note dated May 2, 2013 relating to the possible Direct tax benefits accruing to the Company and its shareholders in the form and context in which it appears in this Prospectus and the Red Herring Prospectus. Walker, Chandiok & Co., Chartered Accountants have been named as an expert pursuant to Section 58 of the Companies Act.

Except for the opinions provided by:

1. G.S. Srinivas, Advocate, Bengaluru;
2. S. Venkatesh Shastry, Advocate, Bengaluru;
3. Jayshree Sridhar, Advocate, Bengaluru;
4. H.K. Ramachandra, Advocate, Bengaluru;
5. Gee Dee Associates, Bengaluru;
6. Guru Prasad, Advocate, Bengaluru;
7. Sreeja, Advocate, Bengaluru;
8. Sudharshan Reddy, Advocate, Bengaluru;
9. Renuka Priyadarshini, Advocate, Bengaluru; and
10. B. J. Veerendra Kumar, Advocate, Bengaluru.

the Legal Counsel in relation to land title, the Architect's certificate dated May 3, 2013 provided by Venkataramanan Associates and the Note on possible Direct tax benefits dated May 2, 2013 provided by Walker, Chandiok & Co., Chartered Accountants, the Company has not obtained any expert opinion.

12. Company Secretary and Compliance Officer

The Company Secretary and Compliance Officer of the Company is V.P. Raguram His contact details are as follows:

No. 130/2, Ulsoor Road,
Bengaluru 560 042, Karnataka, India
Tel: (91 80) 4343 9999
Fax: (91 80) 2559 9350
Email: investors@puravankara.com
Company website : www.puravankara.com

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems related to Allotment, credit of Allotted Equity Shares in the respective beneficiary account or unblocking of funds in the ASBA Accounts.

13. Price Information of Past Issues handled by BRLMs

Axis Capital Limited

(a) Price information of past issues handled by Axis Capital Limited:

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1	Bharti Infratel Limited(2)	4,172.76	220.00	December 28, 2012	200.00	191.65	-12.89%	5908.35	207.4	5988.4	204.65	6039.2	208.8	6055.75
2	Tara Jewels Limited	220.00	230.00	December 6, 2012	242.00	229.9	-0.04%	5930.90	230.25	5857.9	223.75	5905.6	234.15	5988.4
3	MT Educare Limited	99.00	80.00	April 12, 2012	86.05	90.35	12.94%	5276.85	107.9	5200.6	107.1	5239.15	91.35	4907.8

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
4	NBCC Limited(1)	124.93	106.00	April 12, 2012	101.00	96.95	-8.54%	5276.85	96.35	5200.6	94.75	5239.15	85.5	4907.8
5	TD POWER SYSTEMS LTD.	227.00	256.00	September 8, 2011	260.00	275.25	7.52%	5153.25	287.30	5031.95	260.75	4945.90	256.05	4979.60
6	FUTURE VENTURES INDIA LTD.	750.00	10.00	May 10, 2011	9.00	8.20	-18.00%	5541.25	8.30	5486.35	8.10	5473.10	9.30	5521.05

Source: www.bseindia.com

Price information for the above issues, is that on NSE (source: www.nseindia.com) and Benchmark Index considered is NIFTY

Note: Wherever 10th, 20th, 30th calendar day from listing day is a holiday, the closing data of the next trading date / day has been considered.

1. Price for retail individual bidders and eligible employees was Rs. 100.70 per equity share.
2. Price for retail individual bidders was Rs. 210 per equity share.

(b) Summary statement of price information of past issues handled by Axis Capital Limited:

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ Cr.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
FY2014	-	0.00	-	-	-	-	-	-	-	-	-	-	-	-
FY2013	2	4392.76	0	0	2	0	0	0	0	0	1	0	0	1
FY2012	4	1200.93	0	0	2	0	0	2	0	0	2	0	0	2

Source: www.bseindia.com

Note: Wherever 30th calendar day from listing day is a holiday, the closing data of the next trading date / day has been considered

JPM

(a) Price information of past issues handled by JPM

Sr. No.	Issue Name	Issue size (₹ Cr.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index[(a)] on listing date (Closing)	Closing price as on 10th calendar day from listing day (₹)[(b)(c)]	Benchmark index as on 10th calendar day from listing day (Closing)[(b)(c)]	Closing price as on 20th calendar day from listing day (₹)[(b)(d)]	Benchmark index as on 20th calendar day from listing day (Closing)[(b)(d)]	Closing price as on 30th calendar day from listing day (₹)[(b)(e)]	Benchmark index as on 30th calendar day from listing day (Closing)[(b)(e)]
1	Bharti Infratel Limited	4,172.76	220.00[1]	December 28,12	200.00	191.65	(12.89%)	5,908.35	207.40	5,988.40	204.40	6,001.85	210.30	6,074.80

Source: www.bseindia.com

(b) Summary statement of price information of past issues handled by JPM

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ Cr.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%

2011-2012	0	0.00	0	0	0	0	0	0	0	0	0	0	0
2012-2013	1	41,727.6	0	0	1	0	0	0	0	0	1	0	0	0
2013-2014	0	0.00	0	0	0	0	0	0	0	0	0	0	0	0

Source: www.bseindia.com

1. Issue price for non-institutional investors, QIB category: ₹ 220.00 per equity share; issue price for retail individual investors: ₹ 210.00; issue price for anchor investors: ₹ 230.00

Notes*:*

a. Benchmark index is CNX Nifty..
b. In case 10th day, 20th day or 30th day is not a trading day, closing price on NSE of next trading day is considered
c. 10th listing day has been taken as listing date plus 9 calendar days.
d. 20th listing day has been taken as listing date plus 19 calendar days.
e. 30th listing day has been taken as listing date plus 29 calendar days.

Kotak

(a) Price information of past issues handled by Kotak:

Sr. No.	Issue Name	Issue size (₹. million)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1.	Bharti Infratel Limited[1]	41,727.60	220.00	December 28, 2012	200.00	191.65	-12.89%	5,908.35	207.40	5,988.40	204.40	6,001.85	210.30	6,074.80
2.	PC Jeweller Limited[2]	6,013.08	135.00	December 27, 2012	137.00	149.20	10.52%	5,870.10	181.65	5,988.40	168.90	6,056.60	157.55	6,074.65
3.	Credit Analysis & Research Limited	5,399.78	750.00	December 26, 2012	940.00	922.55	23.01%	5,905.60	934.75	6,016.15	923.45	6,024.05	920.85	6,019.35
4.	Speciality Restaurants Limited	1,760.91	150.00	May 30, 2012	152.00	159.60	6.40%	4,950.75	182.45	5,068.35	206.65	5,064.25	213.05	5,149.15
5.	Future Ventures India Limited	7,500.00	10.00	May 10, 2011	9.00	8.20	(18.00)%	5,541.25	8.15	5,428.10	8.10	5,473.10	8.75	5,526.85
6.	Muthoot Finance Limited	9,012.50	175.00	May 6, 2011	196.60	175.90	0.51%	5,551.45	160.50	5,499.00	155.45	5,348.95	175.25	5,532.05
7.	Coal India Limited[3]	151,994.40	245.00	November 4, 2010	291.00	342.55	39.82%	6,281.80	317.20	6,121.60	320.15	5,934.75	321.95	5,992.80
8.	Prestige Estates Projects Limited	12,000.00	183.00	October 27, 2010	190.00	193.15	5.55%	6,012.65	205.85	6,312.45	197.10	6,121.60	162.95	5,799.75
9.	Oberoi Realty Limited	10,286.12	260.00	October 20, 2010	271.10	282.90	8.81%	5,982.10	279.05	6,017.70	289.60	6,273.20	266.00	5,998.80
10.	Tecpro Systems Limited[4]	2,676.85	355.00	October 12, 2010	380.00	405.70	14.28%	6,090.90	399.90	6,101.50	424.55	6,117.55	417.70	6,275.70

Source: www.nseindia.com

[1] In Bharti Infratel Limited, the anchor investor issue price was ₹ 230 per equity share and the issue price after discount to Retail Individual Bidders was ₹ 210 per equity share

[2] In PC Jeweller Limited, the issue price after discount to Retail Individual Bidders and Eligible Employees was ₹ 130 per equity share

[3] In Coal India Limited, the issue price after discount to the retail individual bidders and the eligible employees was ₹ 232.75 per equity share.

[4] In Tecpro Systems Limited, the issue price after discount to the eligible employees was ₹ 338 per equity share.

Notes: a. In the event any day falls on a holiday, the price/ index of the immediately succeeding working day has been considered;
b. S&P CNX Nifty has been considered as the benchmark index.

(a) Summary statement of price information of past issues handled by Kotak:

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
April 1, 2012 – January 29, 2013	4	54,901.36	-	-	1	-	-	3	-	-	1	-	1	2
2012	2	16,512.50	-	-	1	-	-	1	-	-	1	-	-	1
2011	11	234,579.83	-	-	2	-	1	8	-	1	2	-	3	5

Source: www.nseindia.com

Notes: a. In the event any day falls on a holiday, the price/ index of the immediately succeeding working day has been considered;
b. S&P CNX Nifty has been considered as the benchmark index.

14. **Track record of past issues handled by BRLMs**

In terms of the circular dated January 10, 2012 issued by SEBI, the track record for issues handled by Axis in the past three years has been made available on the websites, www.enam.com or www.axiscapital.com.

In terms of the circular dated January 10, 2012 issued by SEBI, the track record for issues handled by JPM in the past three years has been made available on the website of JPM at http://www.jpmipl.com/indiaipo/dtr.html.

In terms of the circular dated January 10, 2012 issued by SEBI, the track record for issues handled by Kotak in the past three years has been made available on the website of Kotak at http://investmentbank.kotak.com/track-record/Disclaimer.html.

FINANCIAL STATEMENTS

Report of the Independent Auditor on the Consolidated Summary Financial Statements to the Board of Directors of Puravankara Projects Limited

1. The accompanying consolidated summary financial statements of **Puravankara Projects Limited** (the "Company"), its subsidiaries and associates (collectively referred to as 'the Group'), which comprise the Consolidated Summary Balance Sheets as at March 31, 2013, 2012 and 2011 and the Consolidated Summary Statements of Profit and Loss and the Consolidated Summary Statements of Cash Flows for the years ended March 31, 2013, 2012 and 2011; together with the related Schedules and explanatory notes referred to herein as the "Consolidated Summary Financial Statements" derived from the audited consolidated financial statements (the "Audited Consolidated Financial Statements") of the Group for the respective years audited by us as detailed in paragraph 2 below.

2. We expressed our opinions on the Audited Consolidated Financial Statements of the Group as at and for the years ended March 31, 2013, 2012 and 2011 vide our reports dated April 17, 2013, May 8, 2012, and May 13, 2011, respectively. Our reports on the Audited Consolidated Financial Statements of the Group for periods referred to above state that :

   i. we did not audit the financial statements of certain subsidiaries of the Company, whose financial statements reflect the total assets (after eliminating intra-group transactions) of Rs. 1,985.43 million, Rs. 2,141.91 million, and Rs. 2,139.81 million as at March 31, 2013, March 31, 2012, and 2011 respectively, total revenues (after eliminating intra-group transactions) of Rs. 158.58 million, Rs. 267.09 million, and Rs. 0.22 million for the respective years then ended and net cash flows aggregating to Rs. 4.95 million, Rs. (0.42) million and Rs. 1.63 million for the respective years then ended. These financial statements and other financial information were audited by other auditors whose reports were furnished to us, and our audit opinions on the Audited Consolidated Financial Statements of the Group for the years then ended, in so far as it relates to the amounts included in respect of these subsidiaries, are solely based on the reports of the other auditors.

   ii. we did not audit the financial statements of certain associates of the Company, whose financial statements reflects the Company's share of profit/(loss) of Rs. 3.68 million, Rs. (17.13) million, and Rs. (0.32) million as at March 31, 2013, 2012 and 2011 respectively included in the Consolidated Financial Statements of the respective years then ended. These financial statements have not been audited by other auditors. Our opinions were not qualified in respect of this matter.

3. The figures included in the Consolidated Summary Financial Statements, do not reflect the effect of events that occurred subsequent to the date of our reports on the respective periods referred to in paragraph 2 above.

Management's Responsibility for the Consolidated Summary Financial Statements

4. Management is responsible for the preparation of the Consolidated Summary Financial Statements from the Audited Consolidated Financial Statements, which were prepared in accordance with accounting principles generally accepted in India, of the respective years ended March 31, 2013, 2012 and 2011 on the basis described in Note 1(a) to the Consolidated Summary Financial Statements.

Auditor's Responsibility

5. Our responsibility is to express an opinion on the Consolidated Summary Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

6. In our opinion, the Consolidated Summary Financial Statements derived from the Audited Consolidated Financial Statements, which were prepared in accordance with accounting principles generally accepted in India, of the Group for the respective years are a fair summary of those Audited Consolidated Financial Statements on the basis described in Note 1(a) to the Consolidated Summary Financial Statements.

Other Matters

7. 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.
8. This report is intended solely for your information and for inclusion in the Red Herring Prospectus and this Prospectus in connection with the offer of equity shares of the Company by way of an Institutional Placement Programme 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
Firm Registration No: 001076N

per **Aasheesh Arjun Singh**
Partner
Membership No. 210122

Bengaluru
8 May 2013

Puravankara Projects Limited

Consolidated Summary Balance Sheets as at

(All amounts in Rs. millions, unless otherwise stated)	Note	31 Mar 2013	31 Mar 2012	31 Mar 2011
Equity and Liabilities				
Shareholders' Funds				
Share capital	4	1,067.12	1,067.12	1,067.12
Reserves and surplus	5	17,927.95	15,805.96	14,696.70
		18,995.07	**16,873.08**	**15,763.82**
Non-Current Liabilities				
Long-term borrowings	6	8,977.93	3,039.46	2,949.58
Deferred tax liability (net)	7	-	-	3.22
Other long-term liabilities	8	10.23	2.70	2.30
Long-term provisions	9	60.59	59.08	44.93
		9,048.75	**3,101.24**	**3,000.03**
Current Liabilities				
Short-term borrowings	10	7,256.76	9,359.80	8,170.53
Trade payables	11	1,651.44	1,381.92	924.73
Other current liabilities	11	3,412.13	2,903.42	3,253.11
Short-term provisions	9	335.53	289.44	250.23
		12,655.86	**13,934.58**	**12,598.60**
Total		**40,699.68**	**33,908.90**	**31,362.45**
Assets				
Non-Current Assets				
Fixed assets, net				
Tangible assets	12	837.74	690.43	417.99
Intangible assets	13	25.65	15.80	9.26
Capital work-in-progress		5.51	20.15	34.12
		868.90	**726.38**	**461.37**
Non-current investments	14	1,384.76	1,232.56	1,189.41
Properties held for development	15	7,977.06	8,281.44	11,453.76
Deferred tax assets (net)	7	1.64	1.24	-
Long-term loans and advances	16	2,052.68	2,570.20	2,586.20
Other non-current assets	18	215.17	72.17	24.62
		12,500.21	**12,883.99**	**15,715.36**
Current Assets				
Current investments	14	57.17	-	-
Inventories	19			
Raw materials		389.23	315.93	283.84
Properties under development		18,765.80	16,460.07	10,867.57
Properties held for sale		2,021.26	543.24	706.25
		21,176.29	**17,319.24**	**11,857.66**
Trade receivables	17	3,073.05	1,919.79	1,271.63
Cash and bank balances	20	2,333.58	730.78	974.33
Short-term loans and advances	16	747.86	649.67	858.39
Other current assets	18	811.52	405.43	685.08
		28,142.30	**21,024.91**	**15,647.09**
Total		**40,699.68**	**33,908.90**	**31,362.45**

Significant accounting policies 2

The notes referred to above form an integral part of the financial statements

Puravankara Projects Limited

Consolidated Summary Statements of Profit and Loss for the year ended

	Note	31 Mar 2013	31 Mar 2012	31 Mar 2011
(All amounts in Rs. millions, unless otherwise stated)				
Income				
Revenue from operations				
Revenue from projects	**21**	12,319.55	8,096.54	5,934.45
Other operating revenues	**21**	139.35	44.91	66.34
Other income		25.90	14.23	0.89
Total		**12,484.80**	**8,155.68**	**6,001.68**
Expenses				
Material and contract cost	**22**	5,918.04	4,537.47	3,346.79
Land cost		2,478.39	3,901.95	2,702.29
Decrease / (increase) in inventory of properties under development and properties held for sale	**23**	(3,859.83)	(5,600.59)	(3,919.55)
Employee benefit expense	**24**	737.63	526.70	403.23
Finance expense, net	**25**	2,317.91	1,930.76	1,317.48
Depreciation and amortization	**26**	70.28	54.33	37.59
Other expenses	**27**	1,416.22	886.66	646.38
Total		**9,078.64**	**6,237.28**	**4,534.21**
Profit before tax and share of profit / (loss) in associates, net		**3,406.16**	**1,918.40**	**1,467.47**
Share of profit / (loss) in associates, net		152.20	43.15	(11.61)
Profit before tax		**3,558.36**	**1,961.55**	**1,455.86**
Tax expense				
Current tax	**28**	1,124.41	629.95	282.24
Deferred tax		(0.40)	(4.46)	(5.44)
Profit after tax and before prior period items		**2,434.35**	**1,336.06**	**1,179.06**
Prior period income (net of tax expense)		-	21.24	-
Net profit for the year		**2,434.35**	**1,357.30**	**1,179.06**
Earnings per share (Nominal value Rs. 5 per share)				
Basic (Rs.)	**29**	11.41	6.36	5.52
Diluted (Rs.)		11.41	6.36	5.52
Significant accounting policies	**2**			

The notes referred to above form an integral part of the financial statements

Notes to the Consolidated Summary Financial Statements

1 Basis of preparation of the Consolidated Summary Financial Statements

a. These Consolidated Summary Financial Statements of the Company comprise the Consolidated Summary Balance Sheets as at 31 March 2013, 31 March 2012 and 31 March 2011; the Consolidated Summary Statements of Profit and Loss and the Consolidated Summary Statements of Cash Flows for the years then ended, the related schedules and explanatory notes; together referred to herein as the "Consolidated Summary Financial Statements".

These Consolidated Summary Financial Statements have been derived from the audited Consolidated Financial Statements of the Company, its subsidiaries and associates (collectively referred to as 'the Group') for the respective years which were approved by the Board of Directors of the Company on the following dates as detailed below :

Consolidated Financial Statements for the	Date adopted by the Board of Directors of the Company
Year ended 31 March 2013	17 April 2013
Year ended 31 March 2012	08 May 2012
Year ended 31 March 2011	13 May 2011

These Consolidated Summary Financial Statements do not consider facts or circumstances which arose subsequent to date of approval of the Consolidated Financial Statements of the Group as detailed above.

The Consolidated Financial Statements for the year ended 31 March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the Consolidated Summary Financial Statements for the year ended 31 March 2011 have been prepared as per Revised Schedule VI. Accordingly, these figures have also been reclassified to conform to presentation for the years ended 31 March 2012 and 31 March 2013. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for the preparation of financial statements.

b. The significant accounting policies used in the preparation of audited Consolidated Financial Statements of the Group are given in note 2 below.

2 Significant accounting policies

a. Basis of preparation of audited Consolidated Financial Statements

The financial statements have been prepared on accrual basis under the historical cost convention and in accordance with the applicable accounting standards prescribed by Companies (Accounting Standards), Rules 2006. The accounting policies have been consistently applied unless otherwise stated.

b. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Group to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from those estimates. Significant estimates used by management in the preparation of these financial statements include the percentage completion for projects in progress, estimates of the economic useful lives of the fixed assets, provisions for bad and doubtful debts and accruals for employee benefits.

c. Basis of consolidation

Subsidiaries are all entities over which the Company has the power to control the financial and operating policies. The Company obtains and exercises control through voting rights. The Consolidated Financial Statements of the Group incorporate the financial statements of the Company as well as those entities controlled by the Company. The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting unrealized profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the consolidated entity.

Associates are those entities over which the Company is able to exercise significant influence but which are neither subsidiaries nor interests in a joint venture. Investments in associates are initially recognized at cost and subsequently accounted for using the equity method.

Consolidated Financial Statements are prepared using uniform accounting policies across the Group.

d. Revenue recognition

Revenues from projects

Revenue from the sale of properties is recognized when significant risks and rewards of ownership have been transferred to the customer, which coincides with entering into a legally binding agreement.

Revenue from sale of undivided share of land (UDS) in qualifying projects where the risks and rewards on the sale of the UDS are separable from the risks and rewards on the construction contract is recognized upon the transfer of all significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with the buyers, which coincides with the firming of the sales contracts/ agreements and a minimum level of collection of dues from the customer.

Revenue from the sale of UDS on other projects where the risk and rewards on the sale of the UDS are not separable from the construction contracts and therefore do not qualify above are recognized on the percentage of completion method.

Effective 1 April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance note) all projects commencing on or after the said date or projects where revenue is recognised for the first time on or after the above date, construction revenue on such projects have been recognised on percentage of completion method provided the following thresholds have been met:

(a) all critical approvals necessary for the commencement have been obtained;

(b) the expenditure incurred on construction and development costs is not less than 25 percent of the total estimated construction and development costs;

(c) at least 25 percent. of the saleable project area is secured by agreements with buyers; and

(d) at least 10 percent. of the agreements are realised at the reporting date in respect of such contracts.

Contract revenues represent the aggregate amounts of sale price for agreements entered into and are accrued based on the percentage that the actual construction costs incurred until the reporting date bears to the total estimated construction costs to completion. Land costs are not included for the purpose of computing the percentage of completion.

Contract costs include the estimated construction, development, proportionate land cost and other directly attributable costs of the projects under construction. Losses expected to be incurred on projects in progress, are charged to the Statement of Profit and Loss in the period in which these losses are known.

For projects executed through joint development arrangements prior to 1 April 2012, which represent barter transactions, whereby the company gives up a defined percentage of constructed area in lieu of payment for its share in the land, the company accounts for such transactions on net basis and does not ascribe any value to the share of land acquired on such basis. Effective 1 April 2012, in accordance with the Guidance Note, developmental rights acquired through joint development arrangement are recorded on a gross basis on the estimated amount to be spent on development or construction of builtup area to be surrendered in lieu of the above rights.

The estimates for saleable area and contract costs are reviewed by management periodically and the cumulative effect of the changes in these estimates, if any, are recognized in the period in which these changes may be reliably measured.

Unbilled revenue disclosed under other assets represents revenue recognized over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized profits to date on projects under construction, the same is disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables and is net of any provisions for amounts doubtful of recovery.

The application of the Guidance note did not have a material impact on the Statement of Profit & Loss for the year ended 31 March 2013. However, properties under development is higher by Rs. 308.50 and advance received from customers is also higher by the same amount.

Revenue from the sale of land is recognized in the period in which the agreement to sell is entered into. Where there is a remaining substantial obligation under the agreement, revenue is recognized on the fulfilment of such obligation.

Rental income

Income from rentals is recognized on a straight line basis over the primary, non-cancellable, period of the arrangement.

Interior income

Interior income is recognized as and when the services are rendered, at rates agreed upon with the customers.

e. Properties under development

Properties under development represents construction work in progress which are stated at the lower of cost and net realizable value. This comprises of cost of land, construction related overhead expenditure, borrowing costs and other net costs incurred during the period of development.

f. Properties held for sale

Completed properties held for sale are stated at the lower of cost and net realizable value. Cost includes cost of land, construction related overhead expenditure, borrowing costs and other costs incurred during the period of development.

g. Properties held for development

Properties held for development represents land acquired for future development and construction, and is stated at cost including the cost of land, the related costs of acquisition, borrowing cost and other costs incurred to get the properties ready for their intended use.

h. Fixed assets

Fixed assets are stated at cost less accumulated depreciation/amortization and impairment losses. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Advances paid towards acquisition of fixed assets before the period end are classified as capital work in progress. Fixed assets purchased in foreign currency are recorded at the actual rupee cost incurred.

Expenditure directly relating to expansion is capitalized only if it increases the life or functionality of an asset beyond its original standard of performance.

i. Depreciation/amortization

Depreciation/amortization on fixed assets is provided on the straight-line method, using the rates specified in Schedule XIV to the Companies Act, 1956, except in the case of shuttering and scaffolding items where the estimated useful life has been determined as seven years. Assets individually costing less than Rs. 5,000 are fully depreciated in the period of purchase.

j. Borrowing costs

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with Accounting Standard 16 - “Borrowing Costs”. 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 Statement of Profit and Loss as incurred.

k. Advertisement and promotional expenses

Advertisement and promotional expenses in respect of projects currently being developed and for general corporate purposes are expensed to the Statement of Profit and Loss as incurred.

l. 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. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that 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.

m. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity of three months or less.

n. Inventory

Inventory includes raw materials used for the construction activity of the Company. Raw materials are valued at the lower of cost and net realizable value with the cost being determined on a 'First In First Out' basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs required to make the sale.

o. Foreign currency transactions

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the respective transaction.

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on a monetary item that, in substance, form part of Company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized as income or as expenses.

p. Leases

Finance leases

Assets acquired on lease which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the assets, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straightline basis over the lease term unless other systematic basis is more representative of the time pattern of the benefit.

q. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standard 15- "Employee Benefits".

Provident fund

The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services.

Gratuity

Gratuity is a post employment benefit and is a defined benefit plan. The liability recognized in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets (if any), together with adjustments for unrecognized past service costs. Independent actuaries use the projected unit credit method to calculate the defined benefit obligation.

Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the period in which such gain or loss arise.

Vacation pay

Liability in respect of vacation pay becoming 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 estimated value of benefit expected to be availed by the employees. Liability in respect of earned leave becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of actuarial valuation in a manner similar to gratuity liability.

Other short-term benefits

Expense in respect of other short-term benefits including performance bonus is recognized on the basis of amount paid or payable for the period during which the employees render service.

r. Stock based compensation

The Company accounts for stock based compensation based on the intrinsic value method. Option discount representing the excess of the fair value or the market value of the underlying shares at the date of the grant over the exercise price of the option is amortized on a straight-line basis over the vesting period of the shares issued under the Company's Employee Stock Option Plan (ESOP).

s. Tax expense

Tax expense comprises both current and deferred taxes. The current charge for income taxes is calculated in accordance with the relevant tax regulations. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted as at the Balance Sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

t. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential equity shares.

u. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

3 Group structure

The operational subsidiaries and associates consolidated under the Group comprise the entities listed below:

Name of the entity	Country of incorporation	Effective shareholding
Overseas subsidiary companies		
Welworth Lanka Holding Private Limited *(formerly known as Puravankara Lanka Holding Private Limited)*	Sri Lanka	100%
Welworth Lanka Private Limited *(formerly known as Puravankara Projects Lanka Private Limited)*	Sri Lanka	100%
Purva Corporation	British Virgin Islands	100%
Indian subsidiary companies		
Prudential Housing and Infrastructure Development Limited	India	100%
Centurions Housing and Constructions Private Limited	India	100%
Melmont Construction Private Limited	India	100%
Purva Realities Private Limited	India	100%
Purva Marine Properties Private Limited	India	100%
Nile Developers Private Limited	India	100%
Vaigai Developers Private Limited	India	100%
Starworth Infrastructure and Construction Limited	India	100%
Provident Housing Limited	India	100%
Associate companies		
Keppel Puravankara Development Private Limited	India	49%
Propmart Technologies Limited	India	32.83%
Keppel Magus Development Private Limited	India	36.26%
Sobha Puravankara Aviation Private Limited *(with effect from 13 November 2010)*	India	49.75%

There has been no change in the shareholding in the periods presented other than those disclosed above.

	31 Mar 2013	31 Mar 2012	31 Mar 2011
4 Share capital			
Authorized shares			
320.00 million equity shares of Rs. 5 each	1,600.00	1,600.00	1,600.00
Issued, subscribed and fully paid up shares			
213.42 million equity shares of Rs. 5 each	1,067.12	1,067.12	1,067.12
	1,067.12	**1,067.12**	**1,067.12**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	31 Mar 2013		31 Mar 2012		31 Mar 2011	
	No. in million	Rs. million	No. in million	Rs. million	No. in million	Rs. million
Balance at the beginning of the year	213.42	1,067.12	213.42	1,067.12	213.42	1,067.12
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	**213.42**	**1,067.12**	**213.42**	**1,067.12**	**213.42**	**1,067.12**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board has declared interim dividend amounting to Rs. 2.50 (31 March 2012 - nil, 31 March 2011 - nil) as distribution to shareholders excluding promoter (including promoters group) shareholders. Additionally, the Board has also proposed an annual dividend for all shareholders of the Company amounting to Rs. 1 per equity share (31 March 2012- Rs. 1, 31 March 2011- Rs. 1).

c. Details of shareholders holding more than 5% shares in the company

	31 Mar 2013		31 Mar 2012		31 Mar 2011	
	No. in million	% holding in the class	No. in million	% holding in the class	No. in million	% holding in the class
Equity shares of Rs. 5 each fully paid up						
Ravi Puravankara	191.99	89.96%	191.99	89.96%	191.99	89.96%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d. Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

The Company has issued 176.00 million equity shares of face value of Rs. 5 each during the year ended 31 March 2006. There were no buy back of shares during the last 5 years immediately preceding the reporting dates.

Puravankara Projects Limited

e. Shares reserved for issue under options

On 1 July 2006, the members of the Company approved the Puravankara Projects Limited 2006 Employee Stock Option Scheme ('ESOS' or 'the Plan') of the Company. The plan provides for the issuance of stock options to eligible employees (including directors of the Company) with the total options issuable under the plan not to exceed 1,366,080 options and includes a limit for the maximum and minimum number of options that may be granted to each employee. Under the plan, these options vest over a period of four years and can be exercised for a period of one year from vesting.

The disclosures for the year ended have been provided below:

The weighted average exercise price for options movement during the year ended are as follows:

	31 Mar 2013	31 Mar 2012		31 Mar 2011	
	Shares arising out of options	Shares arising out of options	Weighted average exercise price	Shares arising out of options	Weighted average exercise price
	(Numbers)	(Numbers)	(Rs.)	(Numbers)	(Rs.)
At the beginning of the year	-	193,200	465.86	483,000	465.86
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	(289,800)	-
Lapsed during the year	-	(193,200)	-	-	-
Cancelled during the year	-	-	-	-	-
Exercised during the year	-	-	-	-	-
At the closing of the year	**-**	**-**	**-**	**193,200**	**-**
Exercisable at the end of the year	**-**	**-**	**-**	**193,200**	**-**

Had compensation cost been determined in a manner consistent with the fair value approach as prescribed under the fair value method, the Group's net profit and earnings per share as reported would have been adjusted to the pro-forma amounts indicated below:

	31 Mar 2013	31 Mar 2012	31 Mar 2011
Net profit, as reported	2,434.35	1,357.30	1,179.06
Add: Stock-based employee compensation expense included in the Profit and loss account	-	-	-
Less: Stock based employee compensation expense determined under the fair value method	-	-	5.73
Proforma net income	2,434.35	1,357.30	1,173.33
Earnings per share - Basic			
As reported	11.41	6.36	5.52
Pro forma	11.41	6.36	5.50
Earnings per share - Diluted			
As reported	11.41	6.36	5.52
Pro forma	11.41	6.36	5.49

The fair value of the options granted is determined on the date of the grant using the Black-Scholes option pricing model with the following assumptions:

Dividend yield %	1.58%
Expected life	33 to 63 months
Risk free interest rate	7.41% to 7.50%
Volatility	1.58%

	31 Mar 2013	31 Mar 2012	31 Mar 2011
5 Reserves and surplus			
Securities premium reserve	**7,988.81**	**7,988.81**	**7,988.81**
Debenture redemption reserve			
Balance at the beginning of the year	214.12	12.95	96.30
Less: Premium paid on redemption of debentures	-	-	18.70
Less: Written back to the Statement of Profit and Loss during the year	325.62	-	77.60
Add: Transfer from the Statement of Profit and Loss	310.01	201.17	12.95
Balance at the end of the year	**198.51**	**214.12**	**12.95**
General Reserve			
Balance at the beginning of the year	499.00	463.40	400.50
Add: Transfer during the year	112.30	35.60	62.90
Balance at the end of the year	**611.30**	**499.00**	**463.40**
Surplus in the Statement of Profit and Loss			
Balance at the beginning of the year	7,104.03	6,231.54	5,299.60
Add: Net profit for the year	2,434.35	1,357.30	1,179.06
Add: Debenture redemption reserve written back	325.62	-	77.60
Less: Transfer to debenture redemption reserve	310.01	201.17	12.95
Profit available for appropriation	**9,553.99**	**7,387.67**	**6,543.31**
Appropriations			
Less: Dividend			
- Interim	53.57	-	-
- Proposed	213.42	213.42	213.42
Less: Tax on distribution of dividend			
- Interim	9.10	-	-
- Proposed	36.27	34.62	35.45
Less: Transfer to general reserve	112.30	35.60	62.90
Balance at the end of the year	**9,129.33**	**7,104.03**	**6,231.54**
	17,927.95	**15,805.96**	**14,696.70**

6 Long-term borrowings	Non-current			Current		
	31 Mar 2013	31 Mar 2012	31 Mar 2011	31 Mar 2013	31 Mar 2012	31 Mar 2011
Secured						
Debentures						
40 Non-convertible redeemable debentures of Rs. 5 each	114.32	200.00	-	21.68	-	-
150 Non-convertible redeemable debentures of Rs. 10 each	-	1,000.00	1,500.00	-	500.00	-
Term loans						
From banks	2,945.95	1,510.67	15.50	563.44	5.93	3.77
From financial institutions	-	142.86	714.29	-	571.43	571.43
From others	5,723.31	185.93	719.79	1,024.09	14.07	147.11
	8,783.58	**3,039.46**	**2,949.58**	**1,609.21**	**1,091.43**	**722.31**
Unsecured						
Term loans						
From others	194.35	-	-	15.35	-	-
	8,977.93	**3,039.46**	**2,949.58**	**1,624.56**	**1,091.43**	**722.31**
Amount disclosed under "Other current liabilities"	-	-	-	(1,624.56)	(1,091.43)	(722.31)
	8,977.93	**3,039.46**	**2,949.58**	**-**	**-**	**-**

Sl.No	Particulars	Nature of Security	Repayment details	As at 31 Mar 2013	As at 31 Mar 2012	As at 31 Mar 2011
Debentures						
i.	40 secured redeemable non convertible debentures of Rs. 5 each	Mortgage of a land parcel at Uganvadi Village, Kasaba Hobli, Devanahalli Taluk, proportionate undivided share of land with respect to unsold units of Purva Venezia and Purva Highland project, receivables of sold and unsold units of these projects and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Redeemable in 7 quarterly installments starting from Jul 2013.	136.00	200.00	-
ii.	150 secured redeemable non convertible debentures of Rs. 10 each	Mortgage of land & building constructed/to be constructed thereon situated at Medavakkam & Pallikaranai village, Tamilnadu, receivables of sold and unsold units and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Redemption at Rs. 250 every quarter starting from 01 Nov 2012.	-	1,500.00	1,500.00
				136.00	**1,700.00**	**1,500.00**
	The interest on above debentures are linked to the base rate of a bank which is floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			16.75%	17.00% to 17.25%	16.00%
Term Loans from banks (Secured)						
i.	Term loan facility from ICICI Bank Limited - Rs. 1,500	Mortgage of a land (with building and structure thereon both present and future) located at Plot no. D4, Sy. no. 843 Ernakulam, receivables of Purva Season project and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 30 installments starting from Aug 2013.	1,489.70	1,500.00	-
ii.	Term loan facility of Rs.1,300 from ICICI Bank Limited	This facility is secured by pari passu charge by way of equitable Mortgage of unsold area admeasuring about 2,024,605 sqft in welworth City Project together with underlying land, Sunworth Project, hypothecation of receivables of these projects and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 30 monthly installments commencing from 15 Jan 2015	1,000.00	-	-
iii.	Term loan facility of Rs.1,000 from ICICI Bank Limited	This facility is secured by an exclusive charge by way of equitable mortgage of 87,000 sq.ft land situated at Maduvankari village, Chennai together with all buildings and structures thereon both present and future, undivided share of land of Purva Bluemont Project Phase I (excluding the proportionate share of sold area of 498,072 sq.ft approx) together with all bulidings & structures thereof both present and future and hypothecation of scheduled receivables, Escrow account and DSR account of Purva Bluemont Project Phase I, extension of charge by way of equitable motgage on undivided share of land of Purva Swanlake Project (excluding the proportionate share of sold area of 550,134 sq.ft approx) together with all buildings & structures thereof both present and future, extension of charge by hypothecation of scheduled receivables, Escrow account and DSR account and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 30 monthly installments commencing from 15 Sep 2013.	1,000.00	-	-
iv.	Other loans (Vehicle Loans)	Secured by a charge against respective vehicles.	Repayable in 36 to 60 monthly installments.	19.69	16.60	19.27
				3,509.39	**1,516.60**	**19.27**
	The interest on above term loans from banks are linked to the respective banks base rates which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			8.35% to 14.75%	8.35% to 15.00%	8.34% to 9.28%
Term loans from financial institution (Secured)						
i.	Life Insurance Corporation of India- Rs. 2,000	Mortgage of land at Marine Drive, Kochi, hypothecation of receivables and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 14 equal quarterly installments starting from Jan 2010.	-	714.29	1,285.72
				-	**714.29**	**1,285.72**
	The interest per annum on the above term loan from financial institution on the Balance Sheet date is			-	14.50%	14.50%

Sl.No	Particulars	Nature of Security	Repayment details	As at 31 Mar 2013	As at 31 Mar 2012	As at 31 Mar 2011
Term loans from others (Secured)						
i.	Term loan facility of Rs. 1,765 from J.P Morgan Advisors India Private Limited	This facility is secured by a first ranking mortgage and charge pari passu with the other Project lenders in the form of an English/registered mortgage (without possession) over Purva Windermere project with all collections & receivables and also backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 16 quarterly installments commencing from Mar 2015.	1,765.00	-	-
ii.	Term loan facility of Rs. 1,100 from J.P Morgan Securities India Private Limited	This facility is secured by a first ranking mortgage and charge pari passu with the other Project lenders in the form of an English/registered mortgage (without possession) over Purva Windermere project with all collections & receivables and also backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 16 quarterly installments commencing from Mar 2015.	1,100.00	-	-
iii.	Karvy Financial Services Limited- Rs. 200	Mortgage of three residential flats at Purva Grande Project, Lavelle Road Bangalore and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 24 monthly installments starting from Feb 2013.	185.93	200.00	-
iv.	Sammy's Dream Land Co. (P) Limited- Rs. 350	Mortgage of land parcel at Edapally, Ernakulam owned by the Company and Melmont Construction (P) Limited.	Repayable in 2 equal installments in Mar 2014 and Jun 2014 respectively.	350.00	-	-
v.	Sammy's Dream Land Co. (P) Limited- Rs. 400	Secured by undivided right, title and interest in Purva Bluemont project to the extent of 3,37,427 sqft attributable to Phase II development of the project.	Repayable in 4 monthly equal installments in Mar 2014	400.00	-	-
vi.	Reliance Capital Limited- Rs. 284.30	Mortgage of property together with all buildings and structures thereon, both present and future at Marine Drive, Kochi, present and future scheduled receivables of the project and the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 15 equated monthly installment starting from Aug 2012.	140.04	-	-
vii.	Kotak Mahindra Prime Limited- Rs. 250	Mortgage of land parcel at Chengalpet Taluk, Kancheepuram District, hypothecation of receivables and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 20 monthly installments starting from Dec 2013.	250.00	-	-
viii.	Credit facility of Rs. 230 from Reliance Home Finance Limited	Mortgage of property together with all buildings and structures thereon, both present and future at Marine Drive, Kochi, present and future scheduled receivables of the project and the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 18 monthly installments commencing from Feb 2013.	207.15	-	-
ix.	Credit Facility of Rs. 100 from Reliance Home Finance Limited	Mortgage of property together with all buildings and structures thereon, both present and future at Marine Drive, Kochi, present and future scheduled receivables of the project and the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 18 monthly installments commencing from Feb 2013.	90.06	-	-
x.	Credit facility of Rs. 1,500 from HDFC Limited	This facility is secured by mortgage of land admeasuring 8.41 acres (366339.6 sqft) located at Ernakulam Village, Kanayannur Taluk, Marine Drive Kochi, mortgage of property land admeasuring 04 acres 26 Guntas located at Kudlu Village, Sarjapura Hobli, anekal Taluk Bangalore, extension of mortgage of unsold developer's share BUA and undivided land of Purva Grandbay , Kochi, extension of mortgage of unsold developer's share of BUA and undivided land of Purva Eternity, Kochi and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 24 monthly installments commencing from Jun 2014.	1,250.00	-	-

Sl.No	Particulars	Nature of Security	Repayment details	As at 31 Mar 2013	As at 31 Mar 2012	As at 31 Mar 2011
xi.	Credit Facility of Rs. 1,200 from ICICI Home Finance Limited	This facility is secured by pari passu charge by way of equitable Mortgage of unsold area admeasuring about 2,024,605 sqft in Welworth City Project together with underlying land, Sunworth Project, hypothecation of receivables of these projects and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 27 monthly installments commencing from 15 Oct 2013.	1,000.00	-	-
xii.	Vehicle Loan from Kotak Mahindra Prime Ltd- Rs. 1.16	Secured by a charge against respective vehicle.	Repayable in 36 monthly installments commencing from Dec 2012.	9.22	-	-
xiii.	India Bulls Financial Services Limited- Rs. 900	Mortgage of land at Marine Drive Kochi.	Repayable in 54 equated monthly installments commencing from Jan 2011.	-	-	866.90
				6,747.40	**200.00**	**866.90**
Term loan from others (Unsecured)						
i.	HDFC Limited- Rs. 220	Mortgage of non residential property, Purva Premier owned by Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 108 equated monthly installments starting from Jul 2012.	209.70	-	-
				209.70	**-**	**-**
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			9.78% to 19.00%	18.00%	18.75%

	31 Mar 2013	31 Mar 2012	31 Mar 2011
7 Deferred tax liability/(asset), net			
Deferred tax liability arising on account of depreciation	36.04	18.39	4.72
Less: Deferred tax asset arising on account of:			
Expenses allowable on payment basis			
Gratuity	(16.14)	(6.44)	(0.52)
Vacation pay	(2.00)	(5.89)	(0.46)
Bonus	(11.13)	(5.62)	(0.52)
Lease rent	(8.41)	(1.68)	-
	(1.64)	**(1.24)**	**3.22**
8 Other long-term liabilities			
Security deposits	10.23	2.70	2.30
	10.23	**2.70**	**2.30**

9 Provisions

	Non-current			Current		
	31 Mar 2013	31 Mar 2012	31 Mar 2011	31 Mar 2013	31 Mar 2012	31 Mar 2011
Provision for employee benefits						
Gratuity	54.34	32.03	22.41	0.34	0.74	-
Vacation pay	6.25	27.05	22.52	0.48	1.64	1.36
Provision for tax (net of advance tax)	-	-	-	85.02	39.02	-
Other provisions						
Proposed dividend	-	-	-	213.42	213.42	213.42
Tax on proposed dividend	-	-	-	36.27	34.62	35.45
	60.59	**59.08**	**44.93**	**335.53**	**289.44**	**250.23**

	31 Mar 2013	31 Mar 2012	31 Mar 2011
10 Short-term borrowings			
Secured			
Debentures*	843.60	1,240.00	-
Term loans from banks*	2,854.68	3,183.19	2,745.83
Term loans from others*	300.20	1,181.87	2,529.82
Cash credit and other loan from banks	2,488.08	2,889.64	2,261.03
	6,486.56	**8,494.70**	**7,536.68**
Unsecured			
From bank	574.31	626.98	369.50
Interest free loan from related parties repayable on demand	195.89	238.12	264.35
	770.20	865.10	633.85
	7,256.76	**9,359.80**	**8,170.53**

* Classified based on the operating cycle of the Company. The amount repayable within twelve months:

Debentures	134.82	-	-
Term loans from banks	1,706.53	1,554.20	1,200.83
Term loans from others	300.20	881.67	1,852.08

Sl.No	Particulars	Nature of Security	Repayment details	As at 31 Mar 2013	As at 31 Mar 2012	As at 31 Mar 2011
Debentures						
i.	248 secured redeemable non convertible debentures of Rs. 5 each	Mortgage of a land parcel at Uganvadi Village,Kasaba Hobli, Devanahalli Taluk, proportionate undivided share of land with respect to unsold units of Purva Venezia and Purva Highland project, receivables of sold and unsold units of these projects and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Redeemable in 7 quarterly installments starting from Jul 2013.	843.60	1,240.00	-
				843.60	**1,240.00**	**-**
	The interest on above debentures are linked to the base rate of a bank which is floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			16.75%	17.00%	-
Term Loans from banks (Secured)						
i.	Term loan facility from Standard Chartered Bank- Rs. 2,000	As on 31 Mar 2011, this facility was secured by exclusive charge on land, structures and receivables of Moonreach project, Eternity project, Grandbay project and Skywood project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company. As on 31 Mar 2012, this facility was secured by exclusive charge on land & buildings and receivables of Midtown project, Cosmocity project and Skywood project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company. As on 31 Mar 2013, this facility was secured by exclusive charge on 5 acres, land at Coimbatore and land & buildings and receivables of Midtown project, Cosmo City project, Skywood project and Company's share in Harmony project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 18 monthly installments commencing from Sep 2012.	1,270.00	1,640.69	1,200.00
ii.	Term loan facility from Standard Chartered Bank- Rs. 600	As on 31 Mar 2012, this facility was secured by exclusive charge on land & buildings and receivables of Midtown project, Cosmocity project and Skywood project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 4 quarterly installments starting from Jun 2012.	-	600.00	-
iii.	Term loan facility from Standard Chartered Bank- Rs. 350	As on 31 Mar 2012, this facility was secured by exclusive charge on land & buildings and receivables of Midtown project, Cosmocity project and Skywood project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company. As on 31 Mar 2013, this facility was secured by exclusive charge on 5 acres, land at Coimbatore and land & building and receivables of Midtown project, Cosmo City project, Skywood project and Company's share in Harmony project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 4 quarterly installments starting from Sep 2012.	120.00	150.00	-
iv.	Term loan facility from ICICI Bank Limited-Rs. 500	Mortgage of a land (with building and structure thereon both present and future) located at Plot no. D4, Sy. no. 843 Ernakulam, receivables of Purva Season project and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 30 installments starting from Aug 2013.	100.00	100.00	-
v.	Term loan facility from ICICI Bank Limited- Rs. 1,250	Mortgage of a land (with building and structure thereon both present and future) located at Paddur, Keelambakkam village, Chennai, equitable mortgage on Plot no. D4, Survey no. 843 Ernakulam (together with all buildings and structure thereon, present and future), receivables of Purva Seasons project and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 24 installments starting from Aug 2013.	980.68	-	-
vi.	Credit facility of Rs. 200 from Standard Chartered Bank	This facility is secured by exclusive charge over land & buildings and receivables of Purva Gainz , Purva Primus and Magadi Road Project. First and pari passu charge over land & buildings and receivables of Project Harmony. All these securities are cross collateralised with each other.	Repayable in the form of bullet repayment at the end of the tenor which is Oct 2015.	79.00	-	-

Sl.No	Particulars	Nature of Security	Repayment details	As at 31 Mar 2013	As at 31 Mar 2012	As at 31 Mar 2011
vii.	Credit facility of Rs. 450 from Standard Chartered Bank	This facility is secured by exclusive charge over land & buildings and receivables of Purva Gainz , Purva Primus and Magadi Road Project. First and pari passu charge over land & buildings and receivables of Project Harmony. All these securities are cross collateralised with each other.	Repayable in the form of bullet repayment at the end of the tenor which is Oct 2015.	305.00	-	-
viii.	Term Loan facility of Rs. 300 from Standard Chartered Bank	Exclusive charge on land & buildings and receivables of Midtown Project, Cosmo City Project and Skywood project on cross collateralized basis and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara Joint Managing Director of the Company.	Repayable in 5 quarterly installments starting from Jun 2011.	-	22.50	-
ix.	Term loan facility from Dhanlaxmi Bank Limited- Rs. 750	Charge on land and building together with receivables of Purva Swanlake project and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 15 monthly installments starting from Jul 2012.	-	670.00	-
x.	Term loan facility from ICICI Bank- Rs. 1,250	Mortgage of properties together with all buildings and structures thereon, both present and future, scheduled receivables of Purva Venezia and Purva Highland, land parcel at Uganavadi village and Kaikondanahalli village and is also backed by the personal guarantee of Mr. Ravi Puravankara, the Chairman and Managing Director, Mr. Nani R Choksey and Mr. Ashish Puravankara, Directors of the Company.	Repayable in 12 monthly installments starting from 15 Mar 2011.	-	-	1,145.83
xi.	Term loan facility from ICICI Bank Ltd- Rs. 750	Mortgage of properties together with all buildings and structures thereon, both present and future, scheduled receivables of Purva Venezia and Purva Highlands, land parcel at Uganavadi village and Kaikondanahalli village and is also backed by the personal guarantee of Mr. Ravi Puravankara, the Chairman and Managing Director, Mr. Nani R Choksey and Mr. Ashish Puravankara, Directors of the Company.	Repayable in 16 monthly installments starting from Mar 2012.	-	-	400.00
				2,854.68	**3,183.19**	**2,745.83**
	The interest on above term loans from banks are linked to the respective banks base rates which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			13.50% to 14.75%	13.50% to 15.25%	11.50% to 16.25%
Term Loans from others (Secured)						
i.	Reliance Home Finance Private Limited- Rs. 450 and top-up of Rs. 240	Mortgage of property together with all buildings and structures thereon, both present and future at Marine Drive, Kochi, present and future scheduled receivables of the project and the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 18 and 15 equated monthly installments commencing from Feb 2011 and Nov 2011 respectively	-	304.12	400.00
ii.	Reliance Consumer Finance Private Limited- Rs. 300	Mortgage of property together with all buildings and structures thereon, both present and future at Marine Drive, Kochi, present and future scheduled receivables of the project and the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	Repayable in 21 equated monthly installments commencing from Nov 2010.	-	57.15	228.57
iii.	Kotak Mahindra Prime Limited- Rs. 250	Mortgage of land at Chengalpet Taluk, Kancheepuram District, hypothecation of receivables and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 27 monthly installments commencing from Sep 2011.	75.20	185.60	250.00
iv.	HDFC Limited- Rs. 350	Mortgages of land at Kakanad, Kochi with building constructed thereupon, present and future receivable of sold and unsold units and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 21 monthly installments starting from Oct 2011.	100.00	320.00	220.00
v.	HDFC Limited- Rs. 340	Mortgages of land at Ernakulam Marine Drive with building constructed thereupon, present and future receivables of sold and unsold units and backed by personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	Repayable in 21 monthly installments starting from Nov 2011.	125.00	315.00	170.00
vi.	Term loan facility from LIC Housing Finance Limited- Rs. 1,150	Mortgage of property at Pudupakkam Chennai, negative lien of unsold flats being constructed thereon, hypothecation of receivables of Cosmocity project, corporate guarantee of Puravankara Projects Limited and personal guarantees of Mr. Ravi Puravankara, Mr. Nani R Choksey and Mr. Ashish Puravankara, Directors of the Company.	Repayable in 15 monthly installments starting from Feb 2011.	-	-	480.00
vii.	Term loan facility from ICICI Home Finance Company Limited- Rs. 1,250	Mortgage of properties together with all buildings and structures thereon, both present and future and scheduled receivables of Purva Venezia and Purva Highlands and is also backed by the personal guarantee of Mr. Ravi Puravankara, the Chairman and Managing Director, Mr. Nani R Choksey and Mr. Ashish Puravankara, Directors of the Company,	Repayable in 16 monthly installments commencing from 15 Oct 2010.	-	-	781.25
				300.20	**1,181.87**	**2,529.82**
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			14.75% to 18.75%	13.00% to 19.00%	13.00% to 17.75%

Cash credit and other loan from banks (Secured)

Sl.No	Nature of Borrowings	Particulars	As at 31 Mar 2013	As at 31 Mar 2012	As at 31 Mar 2011
i.	Cash credit facility of Rs. 500 from Andhra bank. Enhanced to Rs. 1,180 during the year ended 31 Mar 2012.	Secured against the properties of the Company.	1,238.46	1,143.07	500.70
ii.	Working capital facility of Rs. 1,000 from IDBI bank. Enhanced to Rs. 1,100 during the year ended 31 Mar 2012.	Secured against the properties of the Company and personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	985.77	1,090.90	944.03
iii.	Overdraft facility of Rs. 800 from Andhra bank	Secured against the land together with the buildings and structure thereon at Geddalahalli, Bangalore and is also backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Managing Director, Mr. Nani R Choksey, Deputy Managing Director and Mr. Ashish Puravankara, Joint Managing Director of the Company.	263.85	555.67	801.18
iv.	Overdraft facility of Rs. 100 from Dhanlaxmi Bank Limited	Security against fixed deposit of the Company.	-	100.00	-
v.	Overdraft facility from HSBC- Rs. 832.50	The term loan from HSBC for Rs. 1,350 which was originally payable in quarterly installments from Oct 2008 till Oct 2009 and Rs. 350 was payable in quarterly installments, from Jan 2009 till Oct 2009. However, this loan was restructured in June 2009 such that the instalments due as of 29 Jun 2009 and also remaining amounts were migrated into overdraft on the due dates of the instalments as per the earlier repayment schedule. The resultant overdraft is repayable in 13 monthly instalments after a moratorium of 14 months. From Jun 2009 to Dec 2009, an amount of Rs. 832.5 has been migrated from term loan to overdraft which is secured by mortgage of the land and building of Purva Swanlake project and receivables of Purva Swanlake and Purva Moneto.	-	-	15.12
			2,488.08	**2,889.64**	**2,261.03**

From banks (Unsecured)

Sl.No	Nature of Borrowings	Particulars	As at 31 Mar 2013	As at 31 Mar 2012	As at 31 Mar 2011
i.	Working Capital facility of Rs. 400 from Deutsche Bank. Enhanced to Rs. 650 during the year ended 31 Mar 2012.	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman and Managing Director of the Company.	403.31	626.98	369.50
ii.	Short Term Loan of Rs. 650 from Barclays PLC	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman and Managing Director of the Company. This facility is repayable on demand.	171.00	-	-
			574.31	**626.98**	**369.50**
	The interest on above loans are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between		9.63% to 15.75%	10.25% to 15.25%	8.25% to 15.25%

11 Trade payables

	31 Mar 2013	31 Mar 2012	31 Mar 2011
Trade payables	1,649.18	1,363.15	923.11
Due to related parties	2.26	18.77	1.62
	1,651.44	**1,381.92**	**924.73**

Other current liabilities

	31 Mar 2013	31 Mar 2012	31 Mar 2011
Current portion of long term borrowings (note 6)	1,624.56	1,091.43	722.31
Advances received from customers	1,335.15	1,519.50	2,322.31
Interest accrued but not due on borrowings	88.48	127.65	58.00
Duties and taxes payable	90.48	47.87	43.80
Security deposits	-	-	17.88
Other payables	210.30	116.63	88.56
Interim dividend payable	53.57	-	-
Tax payable on interim dividend	9.10	-	-
Unpaid dividend	0.49	0.34	0.25
	3,412.13	**2,903.42**	**3,253.11**

12 Tangible assets

	Land *	Buildings	Plant and machinery	Office equipments	Computers	Furniture and fixtures	Vehicles	Shuttering material	Leasehold improvements	Total
Cost										
At 1 Apr 2010	-	37.07	267.14	13.27	23.02	13.26	69.98	198.12	-	621.86
Additions	-	-	0.11	0.94	8.86	0.96	21.06	69.20	-	101.13
Disposals	-	-	-	-	-	-	(1.27)	-	-	(1.27)
At 31 Mar 2011	-	**37.07**	**267.25**	**14.21**	**31.88**	**14.22**	**89.77**	**267.32**	-	**721.72**
Additions	71.65	99.45	6.32	15.20	7.49	19.12	6.71	13.05	84.71	323.70
Disposals	-	-	-	(0.23)	(3.64)	-	(1.45)	-	-	(5.32)
At 31 Mar 2012	**71.65**	**136.52**	**273.57**	**29.18**	**35.73**	**33.34**	**95.03**	**280.37**	**84.71**	**1,040.10**
Additions	-	35.21	19.84	14.29	32.14	17.09	19.59	25.94	52.15	216.25
Disposals	-	-	-	(0.54)	(0.81)	(1.90)	(10.66)	-	-	(13.91)
At 31 Mar 2013	**71.65**	**171.73**	**293.41**	**42.93**	**67.06**	**48.53**	**103.96**	**306.31**	**136.86**	**1,242.44**
Depreciation										
At 01 April 2010	-	2.22	72.03	3.37	13.08	5.05	28.01	146.01	-	269.77
Charge for the year	-	0.57	10.82	0.71	3.42	1.04	7.09	11.04	-	34.69
Disposals	-	-	-	-	-	-	(0.73)	-	-	(0.73)
At 31 Mar 2011	-	**2.79**	**82.85**	**4.08**	**16.50**	**6.09**	**34.37**	**157.05**	-	**303.73**
Charge for the year	-	1.73	10.98	0.89	4.55	1.61	7.80	21.35	1.60	50.51
Disposals	-	-	-	(0.10)	(3.50)	-	(0.97)	-	-	(4.57)
At 31 Mar 2012	-	**4.52**	**93.83**	**4.87**	**17.55**	**7.70**	**41.20**	**178.40**	**1.60**	**349.67**
Charge for the year	-	2.37	11.69	1.72	7.06	3.33	8.25	24.04	6.88	65.34
Disposals	-	-	-	(0.01)	(0.78)	(0.92)	(8.60)	-	-	(10.31)
At 31 Mar 2013	-	**6.89**	**105.52**	**6.58**	**23.83**	**10.11**	**40.85**	**202.44**	**8.48**	**404.70**
Net block										
At 31 Mar 2011	-	**34.28**	**184.40**	**10.13**	**15.38**	**8.13**	**55.40**	**110.27**	-	**417.99**
At 31 Mar 2012	**71.65**	**132.00**	**179.74**	**24.31**	**18.18**	**25.64**	**53.83**	**101.97**	**83.11**	**690.43**
At 31 Mar 2013	**71.65**	**164.84**	**187.89**	**36.35**	**43.23**	**38.42**	**63.11**	**103.87**	**128.38**	**837.74**

* Represents the undivided share of land in a jointly developed commercial property

Puravankara Projects Limited

13 Intangible assets

	Computer software	Total
Cost		
At 1 Apr 2010	20.17	20.17
Additions	1.90	1.90
Disposals	-	-
At 31 Mar 2011	**22.07**	**22.07**
Additions	10.36	10.36
Disposals	-	-
At 31 Mar 2012	**32.43**	**32.43**
Additions	14.79	14.79
Disposals	-	-
At 31 Mar 2013	**47.22**	**47.22**
Amortization		
At 01 April 2010	9.91	9.91
Charge for the year	2.90	2.90
Disposals	-	-
At 31 Mar 2011	**12.81**	**12.81**
Charge for the year	3.82	3.82
Disposals	-	-
At 31 Mar 2012	**16.63**	**16.63**
Charge for the year	4.94	4.94
Disposals	-	-
At 31 Mar 2013	**21.57**	**21.57**
Net block		
At 31 Mar 2011	**9.26**	**9.26**
At 31 Mar 2012	**15.80**	**15.80**
At 31 Mar 2013	**25.65**	**25.65**

14 Investments

	31 Mar 2013	31 Mar 2012	31 Mar 2011
Non-current investments - valued at cost unless stated otherwise			
Trade investments (unquoted)			
Equity instruments			
Investment in associates (fully paid up)			
Propmart Technologies Limited 2.34 million equity shares of Rs.10 each	-	-	-
Keppel Puravankara Development Private Limited - equity shares 4.41 million equity shares of Rs.10 each at par	988.33	839.81	779.46
Keppel Magus Development Private Limited 0.36 million equity shares of Rs.610 each	220.03	210.71	223.60
Sobha Puravankara Aviation Private Limited 0.99 million equity shares of Rs.10 each	-	5.64	9.95
Preference shares			
Investment in associates (fully paid up)			
Keppel Puravankara Development Private Limited - preference shares 17.64 million 13.25% cumulative, redeemable, convertible preference shares of Rs.10 each at par	176.40	176.40	176.40
	1,384.76	**1,232.56**	**1,189.41**
Current investments - at the lower of cost and fair value			
Non-trade (unquoted)			
In units of liquid mutual funds of Birla Sun Life Savings Fund Scheme	57.17	-	-
	57.17	**-**	**-**

	Non-current			Current		
	31 Mar 2013	31 Mar 2012	31 Mar 2011	31 Mar 2013	31 Mar 2012	31 Mar 2011
15 Properties held for development						
At the beginning of the year	8,281.44	11,453.76	13,351.30	-	-	-
Add : Additions during the year	66.20	600.01	883.11	-	-	-
Add: Transferred from properties under development	76.08	-	-	-	-	-
Less: Deletions during the year	-	-	104.11	-	-	-
Less: Transferred to properties under development	446.66	3,772.33	2,676.54	-	-	-
	7,977.06	**8,281.44**	**11,453.76**	**-**	**-**	**-**
16 Loans and advances						
Security deposits						
Unsecured, considered good	938.85	779.27	736.14	-	-	-
	938.85	**779.27**	**736.14**	**-**	**-**	**-**
Loans and advances to related parties						
(Unsecured, considered good)						
Loans to associates *	304.44	262.04	241.23	31.08	28.57	-
	304.44	**262.04**	**241.23**	**31.08**	**28.57**	-
Other loans and advances						
(Unsecured, considered good)						
Advances to suppliers *	-	-	-	446.04	384.59	657.18
Advances for land contracts *	634.53	1,043.78	1,187.57	-	-	-
Advance income tax (net of provision for taxation)	59.53	28.75	104.54	-	-	-
Prepaid expenses *	0.92	145.68	16.04	102.83	87.56	8.93
Taxes and duties recoverable	70.79	290.78	280.78	98.51	122.31	100.28
Other advances *	43.62	19.90	19.90	69.40	26.64	92.00
	809.39	**1,528.89**	**1,608.83**	**716.78**	**621.10**	**858.39**
Total loans and advances	**2,052.68**	**2,570.20**	**2,586.20**	**747.86**	**649.67**	**858.39**

* Advances recoverable in cash or kind or for value to be received.

	Non-current			Current		
17 Trade receivables						
(Unsecured, considered good)						
Outstanding for a period exceeding six months	-	-	-	652.18	520.08	616.11
Other receivables	-	-	-	2,420.87	1,399.71	655.52
	-	**-**	**-**	**3,073.05**	**1,919.79**	**1,271.63**
18 Other assets						
Non-current bank balances (Note 20)	204.07	68.03	22.82	-	-	-
Unbilled revenue	-	-	-	809.07	400.98	669.14
Interest accrued but not due on fixed deposits	11.10	4.14	1.80	2.45	4.45	15.94
	215.17	**72.17**	**24.62**	**811.52**	**405.43**	**685.08**

	31 Mar 2013	31 Mar 2012	31 Mar 2011
19 Inventories			
Raw materials	389.23	315.93	283.84
	389.23	**315.93**	**283.84**
Properties under development			
Land cost	8,320.51	7,195.67	4,179.61
Material and construction cost	10,445.29	9,264.40	6,687.96
	18,765.80	**16,460.07**	**10,867.57**
Properties held for sale			
At the beginning of the year	543.24	706.25	852.45
Add : Additions during the year	2,591.75	15.48	52.58
Less: Sales during the year	1,113.73	7.39	194.52
Less: Write downs during the year	-	-	4.26
Less: Transfer to tangible assets	-	171.10	-
	2,021.26	**543.24**	**706.25**
	21,176.29	**17,319.24**	**11,857.66**

	Non-current			Current		
	31 Mar 2013	**31 Mar 2012**	**31 Mar 2011**	**31 Mar 2013**	**31 Mar 2012**	**31 Mar 2011**
20 Cash and bank balances						
Cash and cash equivalents						
Cash on hand	-	-	-	4.18	3.81	3.94
Balances with banks:						
On current accounts	-	-	-	1,981.59	588.57	591.46
Cheques on hand	-	-	-	9.60	-	-
Deposits with original maturity of less than three months	-	-	-	280.00	105.43	250.00
	-	**-**	**-**	**2,275.37**	**697.81**	**845.40**
Other bank balances						
Deposits with maturity for more than 12 months *	204.07	68.03	22.82	-	-	-
Deposits with maturity for less than 12 months *	-	-	-	57.62	32.53	128.58
Margin money deposit	-	-	-	0.10	0.10	0.10
Unpaid dividend account	-	-	-	0.49	0.34	0.25
	204.07	**68.03**	**22.82**	**58.21**	**32.97**	**128.93**
Amount disclosed under non-current assets (Note 18)	(204.07)	(68.03)	(22.82)	-	-	-
	-	**-**	**-**	**2,333.58**	**730.78**	**974.33**

* Represents amounts restricted for use

	31 Mar 2013	31 Mar 2012	31 Mar 2011
21 Revenue from operations			
Revenue from projects			
Sale of properties*	12,262.85	8,056.47	5,922.87
Interior	56.70	40.07	11.58
	12,319.55	**8,096.54**	**5,934.45**
Other operating revenue			
Rental income	8.00	6.74	10.78
Scrap sales	8.22	9.68	7.18
Others	123.13	28.49	48.38
	139.35	**44.91**	**66.34**

As disclosed in note 2(d) to the Consolidated Summary Financial Statements, effective 1 April 2011, the Company has adopted an accounting policy for revenue recognition for the sale of undivided share of land (UDS) for new housing projects. The revenue from these qualifying projects where the risks and rewards on the sale of the UDS are separable from the risks and rewards on the construction contract are recognized upon transfer of all significant risks and rewards of ownership of such real estate, in accordance with the terms of the contracts entered into with the buyers, which coincides with the firming of the sales contracts/agreements and a minimum level of collection of dues from the customer. Consequently, the Company has recorded revenue and receivables of Rs. 2,141.73 and Rs. 852.53 respectively for the year ended 31 March 2012. Revenue from the sale of UDS on other housing projects where the risks and rewards on the sale of the UDS are not separable from the construction contracts and therefore do not qualify above, continue to be recognized on the percentage of completion method.

* Revenue from sale of properties includes Rs. 181.35 and Rs. 1,632.15 for the year ended 31 March 2012 and 31 March 2011 respectively, being the consideration for sale of land.

	31 Mar 2013	31 Mar 2012	31 Mar 2011
22 Material and contract cost			
Inventory of building material at the beginning of the year	315.93	283.84	226.81
Add : Incurred during the year			
Material and contract costs	5,991.34	4,569.56	3,403.82
	6,307.27	**4,853.40**	**3,630.63**
Less : Inventory of building material at the end of the year	389.23	315.93	283.84
	5,918.04	**4,537.47**	**3,346.79**
23 Decrease / (increase) in inventory of properties under development and properties held for sale			
Inventory at the beginning of the year			
Properties under development *	16,383.99	10,867.57	6,801.82
Properties held for sale **	543.24	535.15	852.45
Inventory at the end of the year			
Properties under development	18,765.80	16,460.07	10,867.57
Properties held for sale	2,021.26	543.24	706.25
	(3,859.83)	**(5,600.59)**	**(3,919.55)**

*Excluding the transfer of property to Properties held for development during the year ended 31 March 2013.
**Excluding the transfer of property to tangible assets during the year ended 31 March 2012.

	31 Mar 2013	31 Mar 2012	31 Mar 2011
24 Employee benefit expense			
Salaries, wages and bonus	674.55	491.18	375.86
Contribution to provident fund and other funds	25.28	13.05	11.90
Gratuity expenses	21.91	10.36	6.70
Staff welfare	15.89	12.11	8.77
	737.63	**526.70**	**403.23**
25 Finance expense, net *			
Interest			
- Term loans	1,327.20	1,061.33	928.47
- Cash credits	406.43	462.64	381.60
- Debentures	410.66	303.73	89.21
Discount on issue of debentures	16.04	8.75	1.46
Loan and other processing charges	217.14	161.34	156.83
Bank charges	4.59	3.42	4.34
Others	21.31	8.65	5.57
	2,403.37	**2,009.86**	**1,567.48**
Less:			
Capitalized and included in properties held for development	-	-	154.64
	2,403.37	**2,009.86**	**1,412.84**
Finance income:			
Bank deposits	15.38	25.45	19.38
Interest on loan to associates	28.90	26.30	13.48
Interest received from customers	38.30	27.26	21.70
Income from units of mutual funds	2.88	0.09	-
Others	-	-	40.80
	85.46	**79.10**	**95.36**
Finance expenses, net	**2,317.91**	**1,930.76**	**1,317.48**
* Includes finance expense capitalized and included in properties under development	1,447.78	1,234.93	942.03

	31 Mar 2013	31 Mar 2012	31 Mar 2011
26 Depreciation and amortization			
Depreciation of tangible assets	65.34	50.51	34.69
Amortization of intangible assets	4.94	3.82	2.90
	70.28	**54.33**	**37.59**
27 Other expenses			
Travel and conveyance	43.96	30.71	30.09
Repairs and maintenance	112.73	69.57	44.26
Legal and professional charges	251.77	165.77	117.79
Rent	128.13	57.63	32.35
Rates and taxes	129.62	54.00	163.82
Security charges	78.82	50.32	35.78
Communication costs	16.03	11.99	10.22
Printing and stationery	21.00	16.74	7.88
Advertising and sales promotion	572.84	362.75	157.65
Brokerage and referral charges	43.53	45.60	30.85
Foreign exchange loss/(gain)	2.07	0.17	(1.26)
Miscellaneous expenses	15.72	21.41	16.95
	1,416.22	**886.66**	**646.38**
28 Current tax			
Domestic tax	1,124.41	628.83	264.54
Tax of earlier years	-	1.12	17.70
	1,124.41	**629.95**	**282.24**

The Company has claimed a tax deduction of Rs. 679.63, Rs. 679.63 and Rs. 213 untill 31 March 2013, 31 March 2012 and 31 March 2011 respectively under Section 80-IB of the Income - tax Act, 1961 resulting in tax benefit of Rs. 229.57, Rs. 229.57 and Rs. 78 untill 31 March 2013, 31 March 2012 and 31 March 2011 respectively in certain projects which were due for completion by 31 March 2011 and 2012. Management has applied for the completion certificates with the local authorities and the same are currently pending. However, based on the architect's certificate obtained in lieu of the completion certificate, management believes that the deduction under the said section would be allowed and these financial statements do not include any adjustments for the same.

	31 Mar 2013	31 Mar 2012	31 Mar 2011
29 Earnings per share (EPS)			
Weighted average number of shares outstanding during the year (million)	213.42	213.42	213.42
Add: Dilutive effect of stock options (Number in million)	-	-	0.19
Weighted average number of shares used to compute diluted EPS (million)	213.42	213.42	213.61
Net profit after tax attributable to equity shareholders	2,434.35	1,357.30	1,179.06
Earnings per share (Rs.) :			
Basic	11.41	6.36	5.52
Diluted	11.41	6.36	5.52
Nominal value - Rupees per equity share	5.00	5.00	5.00

Puravankara Projects Limited

30 Leases

Particulars	31 Mar 2013	31 Mar 2012	31 Mar 2011
The lease expense for cancellable and non-cancellable operating leases	128.13	57.63	32.35
Lease commitments under the non-cancellable operating leases as at the Balance Sheet date			
a) Within one year	193.65	31.84	1.93
b) One to five years	671.69	127.30	1.21
c) More than five years	251.56	409.82	-
Total	**1,116.90**	**568.96**	**3.14**

Sublease

The Company has sub let one of the properties under a non cancellable operating lease agreement.

Lease income for the year	8.00	6.74	10.78

31 Other commitments and contingencies

a) Demand from Service Tax Department	68.08	46.43	46.43
b) Demand from Commercial Tax Department	23.26	5.44	22.32
c) Deduction under Section 80-IB of the Income - tax Act, 1961	140.67	147.16	132.17
d) Company's share of contractual commitments to an associate	546.87	-	-
e) Company's share in claims not acknowledged as debts of an associate	46.94	46.94	56.35

The Company has claimed deduction under Section 80-IB of the Income - tax Act, 1961 on two projects based out at Cochin. The time limit specified by the cited section above for completing the two projects was 31 March 2011. However, the Company was not able to complete the same within the prescribed time limit primarily on account of a court stay in one of the projects and the poor state of reclamation of the land in the other. Based on a legal opinion obtained on the above, the management believe that the deduction under the cited section above will not be denied and these financial statements do not include any adjustments on account of the same.

During the year ended 31 March 2013, the Company has also received an order from ITAT directing the Assessing officer to carryout the denovo assessment of income for A.Y 2004-05-2009-10 reconsidering the claim under Section 80-IB for a project of the Company. Additionally the Company has also received a demand for A.Y 2010-11 on the aforementioned issue. Management believes that the above will not have any impact on these financial statements.

The Company is also involved in certain litigation for lands acquired by it for construction purposes, either through a Joint Development Agreement or through outright purchases. These cases are pending with the Civil Courts and scheduled for hearings shortly. After considering the circumstances and legal advice received, management believes that these cases will not adversely effect its financial statements. Further the company has given certain advances for purchase of land under agreements executed wherein it is required to make further payments based on terms/milestones subject to fulfilment of certain conditions by other party.

32. Related party information

(i) Parties where control exists

Mr. Ravi Puravankara

(ii) Key management personnel

Mr. Ravi Puravankara

(iii) Relatives of key management personnel:

Ms. Geeta S Vhatkar
Ms. Aarti Panjabi
Mr. Ashish Puravankara
Mr. Suresh Puravankara
Ms. Amanda Puravankara
Ms. Tanya Puravankara
Ms. Vishalakshi Puravankara

(iv) Entities controlled by key management personnel (other related parties):

Purva Developments
Uniquepark Constructions Private Limited
Unique Constructions
Welworth
Puravankara Investments
Handiman Services Limited
Dealwel - Proprietorship
Dealwel Finance Corporation
Tanya Trust
Amanda Trust
Purva Properties and Resorts Private Limited
Dealwel Estates Private Limited

(v) Associate companies

Keppel Puravankara Development Private Limited
Propmart Technologies Limited
Keppel Magus Development Private Limited
Sobha Puravankara Aviation Private Limited

Puravankara Projects Limited

The transactions with related parties

Nature of transaction	31 Mar 2013	31 Mar 2012	31 Mar 2011
Transactions during the year:			
Interest income on loans			
Associates			
Keppel Puravankara Development Private Limited	2.51	2.41	2.27
Keppel Magus Development Private Limited	9.10	8.78	7.08
Propmart Technologies Limited	17.30	14.70	-
Loans given to			
Associates			
Propmart Technologies Limited	21.73	34.60	159.45
Other related parties			
Dealwel Estates Private Limited	0.01	-	0.02
Deposits made			
Associates			
Sobha Puravankara Aviation Private Limited	14.58	64.76	-
Loans taken from			
Associates			
Sobha Puravankara Aviation Private Limited	-	-	9.00
Key management personnel			
Ravi Puravankara	-	-	192.04
Loans repaid to			
Associates			
Sobha Puravankara Aviation Private Limited	-	9.00	-
Key management personnel			
Ravi Puravankara	42.16	16.27	389.27
Other related parties			
Puravankara Investments	0.19	0.78	-
Loans repaid by			
Associates			
Keppel Puravankara Development Private Limited	-	3.35	-
Propmart Technologies Limited	0.45		101.63
Keppel Magus Development Private Limited	5.28	-	-
Advance paid to			
Associates			
Sobha Puravankara Aviation Private Limited	45.37	-	-
Land acquired			
Relatives of key management personnel			
Geeta S Vhatkar	-	34.25	-
Security and maintenance expenses			
Other related parties			
Handiman Services Limited	76.59	76.66	62.33
Rental expenses			
Other related parties			
Sobha Puravankara Aviation Private Limited	43.26	-	-
Puravankara Investments	32.05	13.23	0.17
Brokerage expenses			
Associates			
Propmart Technologies Limited	-	7.42	0.73
Sale value of flats			
Other related parties			
Tanya Trust	11.18	-	-
Amanda Trust	11.50	-	-
Remuneration			
Key management personnel			
Ravi Puravankara	22.44	19.50	17.95
Relatives of key management personnel			
Amanda Puravankara	-	0.42	-
Ashish Puravankara	12.53	10.09	10.03

Puravankara Projects Limited

Balances with related parties

Nature of transaction	31 Mar 2013	31 Mar 2012	31 Mar 2011
Balances at the year end:			
Loans given to			
Associates			
Propmart Technologies Limited	206.22	167.64	126.10
Keppel Puravankara Development Private Limited	31.08	28.57	29.51
Keppel Magus Development Private Limited	98.22	94.40	85.62
Other related parties			
Dealwel Estates Private Limited	0.03	0.02	0.02
Loans taken from			
Associates			
Sobha Puravankara Aviation Private Limited	-	-	9.00
Deposits			
Associates			
Sobha Puravankara Aviation Private Limited	65.78	64.76	-
Other related parties			
Dealwel	1.50	1.50	1.50
Puravankara Investments	4.50	4.50	4.50
Advance paid to Associates			
Sobha Puravankara Aviation Private Limited	40.11		
Advances for land contracts paid to			
Relatives of key management personnel			
Geeta S Vhatkar	179.30	179.30	142.30
Security deposits paid to			
Guarantees given by			
Key management personnel			
Ravi Puravankara	16,500.83	13,135.97	10,176.07
Relatives of key management personnel			
Ashish Puravankara	9,262.18	9,472.53	6,948.26
Dues from			
Relatives of key management personnel			
Tanya Trust	8.39	-	-
Amanda Trust	8.62	-	-
Dues to			
Key management personnel			
Ravi Puravankara	175.29	217.45	233.72
Other related parties			
Handiman Services Limited	2.55	7.03	1.62
Puravankara Investments	18.81	30.74	19.78
Purva Development	1.79	1.78	1.78
Purva Properties and Resorts Private Limited	0.02	0.02	0.02

Puravankara Projects Limited

33 Employee benefits

A. Defined benefit plan

The Company has gratuity and vacation pay as defined benefit retirement plans for its employees.

Disclosures as required by AS 15 for the respective years are as under:

		31 Mar 2013		31 Mar 2012		31 Mar 2011	
		Gratuity	Vacation Pay	Gratuity	Vacation Pay	Gratuity	Vacation Pay
1	The amounts recognized in the Balance Sheet are as follows:						
	Present value of the obligation as at the end of the year	77.93	6.73	59.59	28.69	52.46	23.88
	Fair value of plan assets as at the end of the year	(23.25)	-	(26.82)	-	(30.05)	-
	Net liability/(asset) recognized in the Balance Sheet	**54.68**	**6.73**	**32.77**	**28.69**	**22.41**	**23.88**
2	The amounts recognized in the Statements of Profit and Loss are as follows:						
	Defined benefit obligation as at beginning of the year	59.59	28.69	52.46	23.88	44.81	15.95
	Service cost	19.04	6.98	10.95	10.65	7.37	9.33
	Interest cost	4.66	0.45	4.22	1.71	3.39	1.11
	Past service cost	-	-	-	-	-	-
	Actuarial losses/(gains)	0.89	15.99	(2.33)	0.63	(2.05)	(0.19)
	Benefits paid	(6.25)	(44.72)	(5.71)	(8.18)	(1.06)	(2.32)
	Curtailment losses/(gains)	-	(0.66)	-	-	-	-
	Defined benefit obligation as at the end of the year	**77.93**	**6.73**	**59.59**	**28.69**	**52.46**	**23.88**
3	Changes in the fair value of plan assets						
	Fair value as at the beginning of the year	26.82	-	30.05	-	29.10	-
	Expected return on plan assets	2.40	-	2.31	-	4.39	-
	Actuarial (loss)/gains	0.28	-	0.17	-	(2.38)	-
	Contributions	-	44.72	-	8.18	-	2.32
	Benefits paid	(6.25)	(44.72)	(5.71)	(8.18)	(1.06)	(2.32)
	Fair value as at the end of the year	**23.25**	**-**	**26.82**	**-**	**30.05**	**-**
	Non-current	54.34	6.25	32.03	27.05	22.41	22.52
	Current	0.34	0.48	0.74	1.64	-	1.36
	Assumptions used in the above valuations are as under:						
	Interest rate	8.25%	8.25%	8.00%	8.00%	8.00%	8.00%
	Discount rate	8.25%	8.25%	8.00%	8.00%	8.00%	8.00%
	Expected return on plan assets	8.00%	-	8.00%	-	8.00%	-
	Future salary increase	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
	Attrition rate	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
	Retirement age	60 years	60 years	60 years	60 years	60 years	60 years

4 Net gratuity and vacation pay cost for the respective year comprises of following components:

	31 Mar 2013		31 Mar 2012		31 Mar 2011	
	Gratuity	Vacation				
Service cost	19.04	6.98	10.95	10.65	7.37	9.33
Interest cost	4.66	0.45	4.22	1.71	3.39	1.11
Actuarial losses/(gains)	0.61	15.99	(2.50)	0.63	0.33	(0.19)
Expected return on plan assets	(2.40)	-	(2.31)	-	(4.39)	-
Curtailment losses/(gains)	-	(0.66)	-	-	-	-
Net cost	**21.91**	**22.76**	**10.36**	**12.99**	**6.70**	**10.25**

During the year ended 31 Mar 2013, the Company has modified its policy for vacation pay to its employees whereby there has been a reduction under number of leaves eligible for carry forward with a lump sum amount due for the past balances as on the date of transition. Consequently, this has been accounted for as a curtailment in accordance with AS 15.

B. Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952. This is a defined contribution plan as per AS 15. Contribution made was Rs. 24.60, Rs. 11.67 and Rs. 7.91 for the year ended 31 March 2013, 31 March 2012 and 31 March 2011 respectively.

34 Segmental information

The Company is engaged in the development and construction of residential and commercial properties which is considered to be the only reportable business segment as per Accounting Standard 17 on Segment Reporting. The Company operates primarily in India and there is no other significant geographical segment.

35 Transfer pricing

The Finance Act, 2012 has made the detailed Transfer Pricing regulations applicable to 'specific domestic transactions'. Accordingly, the income and / or expenditure arising from such 'specific domestic transactions' have to be computed having regard to the arm's length price. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant within the due date of filing the return of income.

The Company has undertaken necessary steps to comply with the Transfer Pricing regulations and the prescribed report from the Accountant will be obtained for the year ended 31 March 2013. The Management is of the opinion that the above referred transactions are at arm's length, and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

36 Comparatives

Prior period figures included in the Consolidated Summary Financial Statements for the year ended 31 March 2012 and 31 March 2011 have been regrouped/reclassified in accordance with the classification criteria followed for the year ended 31 March 2013.

Puravankara Projects Limited

Consolidated Summary Statements of Cash Flow

	Year ended 31 Mar 2013	Year ended 31 Mar 2012	Year ended 31 Mar 2011
A. Cash flow from operating activities			
Profit before tax and prior period items	**3,558.36**	**1,961.55**	**1,455.86**
Adjustments for:			
Depreciation and amortization	70.28	54.33	37.59
(Profit) / loss on sale of fixed assets	1.39	0.26	(0.01)
Finance expenses , net	2,317.91	1,930.76	1,317.48
Share of (profit) / loss in associates	(152.20)	(43.15)	11.61
Operating profit before working capital changes	**5,795.74**	**3,903.75**	**2,822.53**
Movements in working capital :			
(Increase) / Decrease in trade receivables	(1,153.26)	(648.16)	(137.16)
(Increase) / Decrease in inventories of raw materials	(73.30)	(32.09)	(57.03)
(Increase) / Decrease in loans and advances & other current assets	(395.24)	362.07	(918.28)
(Increase) / Decrease in properties under development	(1,319.35)	(1,820.17)	(1,364.21)
(Increase) / Decrease in properties held for sale	(1,478.02)	(8.09)	146.20
Increase / (Decrease) in current liabilities and provisions	(79.42)	(303.84)	202.78
Cash (used in) / received from operations	**1,297.15**	**1,453.47**	**694.83**
Direct taxes paid	(898.06)	(533.62)	(277.52)
Net cash from / (used in) operating activities before prior period items	**399.09**	**919.85**	**417.31**
B. Cash flows from investing activities			
Purchase of fixed assets	(216.40)	(148.99)	(137.15)
Proceeds from sale of fixed assets	2.22	0.50	0.55
Loans to associates	(21.73)	(34.60)	(159.45)
Loans repaid by associates	5.73	11.11	101.63
Investment in Associates	-	-	(9.95)
Purchase of units of liquid mutual funds	(534.28)	-	-
Proceeds from sale of units of liquid mutual funds	477.11	-	-
Properties held for development	(66.20)	(600.01)	(624.36)
Deposits and advances	(55.12)	100.66	(149.23)
Net investment in bank deposits and margin monies	(161.28)	50.75	4.77
Interest received	51.59	62.36	79.55
Net cash from / (used in) investing activities	**(518.36)**	**(558.22)**	**(893.64)**
C. Cash flows from financing activities			
Proceeds from term loans	10,727.37	4,851.71	4,341.73
Repayment of term loans	(4,211.64)	(5,503.30)	(1,880.70)
Proceeds from debentures	-	1,440.00	1,500.00
Repayment of debentures	(1960.40)	-	(550.00)
Premium on Redemption of debentures	-	-	(18.70)
Proceeds from / (repayments of) unsecured loan	209.70	257.48	284.50
Proceeds from / (repayments of) cash credit and working capital loan	(396.46)	628.76	(928.12)
Loans from related parties	-	-	196.58
Loans repaid to related parties	-	(26.23)	(389.27)
Dividends paid including taxes	(248.04)	(248.87)	(249.69)
Interest paid	(2,423.70)	(1,908.77)	(1,610.23)
Net cash generated from/(used in) financing activities	**1,696.83**	**(509.22)**	**696.10**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**1,577.56**	**(147.59)**	**219.77**
Cash and cash equivalents at the beginning of the year	**697.81**	**845.40**	**625.63**
Cash and cash equivalents at the end of the year	**2,275.37**	**697.81**	**845.40**
Components of cash and cash equivalents			
Cash and bank balances (as per Note 20 to the Consolidated Summary Financial Statements)	2,333.58	730.78	974.33
Less: Bank deposits and margin monies considered separately	58.21	32.97	128.93
	2,275.37	**697.81**	**845.40**

DECLARATION

We hereby declare and certify that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We certify that this Prospectus contains all information specified under Schedule XVIII of the SEBI Regulations and such other information as is material and appropriate to enable the investors to make a well informed decision as to investment in the proposed Issue and further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

NAME	SIGNATURE
Ravi Puravankara *Chairman and Managing Director*	
Ashish Puravankara *Executive Director*	
Nani R. Choksey *Executive Director*	
Anup S. Shah *Independent Director*	
R.V.S. Rao *Independent Director*	
Pradeep Guha *Independent Director*	

Anil Kumar A.
Chief Financial Officer

Date: May 15, 2013
Place: Bengaluru

Registered Office of the Company

Puravankara Projects Limited
No. 130/1, Ulsoor Road
Bengaluru 560 042
Karnataka, India

Statutory Auditor to the Company

Walker Chandiok & Co.
Wings, First Floor, 16/1
Cambridge Road, Ulsoor
Bengaluru 560 008
Karnataka, India

Book Running Lead Managers

Axis Capital Limited
Axis House
1st Floor, C-2
Wadia International Center
P. B. Marg, Worli
Mumbai 400 025
Maharashtra, India

J.P. Morgan India Private Limited
J.P. Morgan Tower
Off. C.S.T. Road
Kalina, Santacruz - East
Mumbai 400 098
Maharashtra, India

Kotak Mahindra Capital Company Limited
1st Floor, Bakhtawar
229 Nariman Point
Mumbai 400 021
Maharashtra, India

Registrar to the Issue

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

Public Issue Account Bank

Standard Chartered Bank
'Serenity', Ground floor, #112, Koramangala Industrial Area, 5th Block, Koramangala,
Bengaluru-560 095
Karnataka, India

Domestic Legal Counsel to the Company

Amarchand & Mangaldas & Suresh A. Shroff & Co.
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Karnataka, India

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1403, Tower 2, B Wing
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