IMPORTANT NOTICE

THIS OFFERING OF THE SECURITIES DESCRIBED IN THE ATTACHED PLACEMENT DOCUMENT IS AVAILABLE ONLY TO ELIGIBLE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED UNDER REGULATION 2(1)(ZD) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI REGULATIONS").

IMPORTANT: This e-mail is intended for the named recipient(s) only. If you are not an intended recipient, please delete this e-mail from your system immediately. You must read the following before continuing. The following terms apply to the attached Placement Document dated August 8, 2014 (the **"Placement Document"**) of Prestige Estates Projects Limited (the **"Company"**) attached to this e-mail. You are therefore advised to read this page carefully before reading, accessing or making any other use of the attached Placement Document. In accessing the attached Placement Document, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access. None of CLSA India Limited or J.P. Morgan India Private Limited (the "**Lead Managers**"), or any person who controls any of them or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers accepts any liability whatsoever for any loss howsoever arising from any use of this e-mail or the attached Placement Document or their respective contents or otherwise arising in connection therewith. You acknowledge that the access to the attached Placement Document is intended for use by you only and you agree you will not forward or otherwise provide access to any other person.

The Issue (as defined herein) and distribution of this Placement Document is being done in reliance on Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, Section 42 of the Companies Act, 2013 and the rules made thereunder.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

Confirmation of Your Representation: You are accessing the attached Placement Document on the basis that you have confirmed your representation, agreement and acknowledgment to the Lead Managers that: (1) you are the intended recipient of the attached Placement Document; (2) you are an eligible "qualified institutional buyer" as defined under Regulation 2(1)(zd) of the SEBI Regulations and not excluded pursuant to Regulations 86(1)(b) of the SEBI Regulations (3) (i) you are neither resident in the United States nor a U.S. person, as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the **"U.S. Securities Act")**, nor acting on behalf of a U.S. person, the electronic mail address to which this e-mail has been delivered is not located in the United States, its territories or possessions, and, to the extent that you eventually purchase the equity shares described in the attached Placement Document, you will be doing so pursuant to Regulation S under the U.S. Securities Act OR (ii) you are a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act; and (4) you consent to delivery of the attached Placement Document and any amendments or supplements thereto by electronic transmission.

The attached Placement Document has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission. Consequently, none of the Lead Managers, or any of their respective affiliates or any person who controls any of them, or any of their respective directors, officers, employees or agents or any affiliates of any such person, accepts any liability or responsibility whatsoever in respect of any discrepancies between the attached Placement Document distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

You are reminded that no representation or warranty, expressed or implied, is made or given by or on behalf of any underwriter named herein, nor any person who controls it or any director, officer, employee or agent of it, or affiliate of any such person as to the accuracy, completeness or fairness of the information or opinions contained in this document and such persons do not accept responsibility or liability for any such information or opinions.

Restrictions: The attached Placement Document and notice are being furnished in connection with an offering exempt from registration under the U.S. Securities Act solely for the purpose of enabling a prospective investor to consider the purchase and subscription of the Equity Shares described in the attached Placement Document. In making an investment decision, investors must rely on their own examination of the merits and risks involved.

THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM OR IN A TRANSACTION NOT SUBJECT TO REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE ATTACHED PLACEMENT DOCUMENT HAS NOT BEEN AND WILL NOT BE REGISTERED AS A PROSPECTUS WITH ANY REGISTRAR OF COMPANIES IN INDIA UNDER THE COMPANIES ACT, 2013. THIS PLACEMENT DOCUMENT IS EXCLUSIVE TO THE RECIPIENT AND DOES NOT CONSTITUTE AN OFFER TO THE GENERAL PUBLIC TO SUBSCRIBE TO THE SECURITIES DESCRIBED IN THE ATTACHED PLACEMENT DOCUMENT. THE ATTACHED PLACEMENT DOCUMENT IS NOT AND SHOULD NOT BE CONSTRUED AS AN INVITATION, OFFER OR SALE OF ANY SECURITIES TO THE PUBLIC IN INDIA. THE ATTACHED PLACEMENT DOCUMENT HAS NOT BEEN AND WILL NOT BE REVIEWED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE RESERVE BANK OF INDIA, ANY REGISTRAR OF COMPANIES IN INDIA OR ANY STOCK EXCHANGE IN INDIA.

The attached pre-numbered Placement Document presented is not intended to constitute an offer or a solicitation or invitation of an offer to subscribe to the securities to any person or class of investors other than qualified institutional buyers (as defined under Regulation 2(1)(zd) of the SEBI Regulations).

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation or a solicitation by or on behalf of either the issuer of the Equity Shares or the Lead Managers to subscribe for or purchase any of the Equity Shares described therein, and access has been limited so that it shall not constitute a "general solicitation" or "general advertising" (each as defined in Regulation D under the U.S. Securities Act) or "directed selling efforts" (as defined in Regulation S under the U.S. Securities Act) in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Lead Managers or any of their eligible affiliates on behalf of the issuer in such jurisdiction. **Recipients of this e-mail and the attached Placement Document who intend to subscribe for or purchase the Equity Shares are reminded that any subscription or purchase of the Equity Shares may only be made on the basis of the information contained in the final Placement Document.**

You are reminded that you have accessed the attached Placement Document on the basis that you are a person into whose possession this Placement Document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorized to download, deliver or forward this document, electronically or otherwise, to any other person or distribute, in whole or in part, electronically or otherwise. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the Equity Shares described therein.

Actions That You May Not Take: You should not reply by e-mail to this transmission, and you may not purchase any Equity Shares by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (I) FORWARD OR DELIVER THE ATTACHED PLACEMENT DOCUMENT, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR (II) REPRODUCE SUCH PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DISCLAIMER AND THE ATTACHED PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Neither the Company nor any of its affiliates, directors, officers, employees, agents, representatives or advisers accepts any liability whatsoever for any loss howsoever arising from any use of this e-mail or the attached Placement Document or their respective contents or otherwise arising in connection therewith.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Placement Document
Not for Circulation
Serial Number:[●]
Strictly Confidential

PRESTIGE ESTATES PROJECTS LIMITED

(Incorporated in the Republic of India with limited liability with Company Identification Number L07010KA1997PLC022322 under the Companies Act, 1956)

Our Company is issuing 25,000,000 equity shares of face value of ₹ 10 each (the "**Equity Shares**") at a price of ₹ 245.00 per Equity Share (the "**Issue Price**"), including a premium of ₹ 235.00 per Equity Share, aggregating to ₹ 6,125.00 million (the "**Issue**").

ISSUE IN RELIANCE UPON CHAPTER VIII OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

ISSUE ONLY TO ELIGIBLE QUALIFIED INSTITUTIONAL BUYERS

The Equity Shares are listed on BSE Limited (the "**BSE**") and National Stock Exchange of India Limited (the "**NSE**" together with the BSE, the "**Stock Exchanges**"). The closing price of the outstanding Equity Shares on the BSE and NSE on August 7, 2014 was ₹ 248.40 and ₹ 249.80, per Equity Share, respectively. In-principle approvals under Clause 24(a) of the Listing Agreement for listing of the Equity Shares have been received from the BSE on August 4, 2014 and the NSE on August 4, 2014. Applications shall be made for obtaining the listing and trading approvals for the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

A copy of the Preliminary Placement Document (which included disclosures prescribed under Form PAS-4 (as defined hereinafter)) has been delivered to the Stock Exchanges and a copy of this Placement Document (which includes disclosures prescribed under Form PAS-4) has been filed with the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Bengaluru, Karnataka ("**RoC**") and the Securities and Exchange Board of India (the "**SEBI**") within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014. This Placement Document has not been reviewed by SEBI, the RoC, the Reserve Bank of India (the "**RBI**"), the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible Qualified Institutional Buyers ("**Eligible QIBs**"), as defined hereinafter. This Placement Document has not been and will not be registered as a prospectus with the RoC in India, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING DONE IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND CHAPTER VIII OF THE SEBI REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBS, AS DEFINED HEREINAFTER.

This Placement Document (which includes disclosures prescribed under Form PAS-4) will be circulated only to such Eligible QIBS whose names are recorded by the Company prior to making an invitation to subscribe to the Equity Shares.

YOU MAY NOT AND ARE NOT AUTHORISED TO (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISMENT OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "RISK FACTORS" ON PAGE 42 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE 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 THIS PLACEMENT DOCUMENT.

Invitations for subscription of Equity Shares shall only be made pursuant to the Preliminary Placement Document together with the respective Application Form (as defined hereinafter). For further information, see the section "**Issue Procedure**" on page 156. The distribution of this Placement Document or the disclosure of its contents without our Company's prior consent to any person, other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (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 ("**Regulation S**") under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are qualified institutional buyers (as defined in Rule 144A under the Securities Act ("**Rule 144A**") and referred to in this Placement Document as "**U.S. QIBs**"; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Placement Document as "**Eligible QIBs**"), and (b) outside the United States to non-U.S. persons in reliance on Regulation S. Prospective purchasers in the United States are hereby notified that we are relying on the exemption under Section 4(a)(2) of the Securities Act. The Equity Shares are transferable only in accordance with the restrictions described under "**Transfer Restrictions**" on page 173. For further details, see sections "**Sellers Restrictions**" on page 167 and "**Transfer Restrictions**" on page 173.

The information on our Company's website, any website directly or indirectly linked to our Company's website, or the website of the Lead Managers or their respective affiliates does not form part of this Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites.

This Placement Document is dated August 8, 2014.

BOOK RUNNING LEAD MANAGERS (in alphabetic order)	
CLSA A CITIC Securities Company	J.P.Morgan

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NOTICE TO INVESTORS

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

CLSA India Limited and J.P. Morgan India Private Limited, (collectively the "**Lead Managers**") have not separately verified the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the Lead Managers nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by any of the Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates as to the accuracy or completeness of the information contained in this Placement Document or any other information supplied in connection with our Company, its Subsidiaries, its Associates and the Equity Shares. Each person receiving this Placement Document acknowledges that such person has not relied on either the Lead Managers or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with its investigation of the accuracy of such information or its investment decision and each such person must rely on its own examination of our Company, its Subsidiaries, its Associates and the merits and risks involved in investing in the Equity Shares.

No person is authorised to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or by or on behalf of the Lead Managers. The delivery of this Placement Document 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 to be issued pursuant to the Issue have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offense in the United States and may be a criminal offense in other jurisdictions.

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 except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Within the United States, this Placement Document is being provided only to persons who are "qualified institutional buyers" as defined in Rule 144A, who are also Eligible QIBs. Distribution of this Placement Document to any person other than the offeree specified by the 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 the prior written consent of our Company, is prohibited. Any reproduction or distribution of this Placement Document in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe to this Issue (in consultation with the Lead Managers or their representatives) and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The distribution of this Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by law. As such, this Placement Document 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 our Company and the Lead Managers which would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering material 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. For further information, see the section "**Selling Restrictions**" on page 167.

In making an investment decision, prospective investors must rely on their own examination of our Company, its Subsidiaries, its Associates and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Placement Document as legal, business, 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, neither our Company nor the Lead Managers is making any representation to any offeree or subscriber of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable legal, investment or similar laws or regulations. Each subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company under Indian law, including Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013, and that it is not prohibited by SEBI or any other statutory authority from buying, selling or dealing in the securities including the Equity Shares. Each Eligible QIB subscribing to the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such document.

The information on our Company's website, www.prestigeconstructions.com, any website directly and indirectly linked to the website of our Company or on the website of the Lead Managers or affiliates, does not constitute nor form part of this Placement Document. The prospective investors should not rely on such information contained in, or available through, any such websites.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

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 TRANSACTIO MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE 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

All references herein to "you" or "your" is to the prospective investors in the Issue.

By Bidding for and/or subscribing to any Equity Shares in the Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company and the Lead Managers, as follows:

- You are a 'QIB' as defined in Regulation 2(1)(zd) of the SEBI Regulations and not excluded pursuant to Regulation 86(1)(b) of the SEBI Regulations, 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 that are Allocated to you in accordance with Chapter VIII of the SEBI Regulations and undertake to comply with the SEBI Regulations, the Companies Act and all other applicable laws, including any reporting obligations;

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

- If you are not a resident of India, but an Eligible QIB, you are an Eligible FPI (as defined hereinafter) or an FII (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 and are eligible to invest in India under applicable law, including FEMA 20 (as defined hereinafter), 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 Foreign Portfolio Investment Scheme or the Portfolio Investment Scheme, as applicable.

- You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws;

- If you are Allotted Equity Shares, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges (additional restrictions apply if you are within the United States or a U.S. Person, see the section "**Transfer Restrictions**" on page 173);

- You have made, or been deemed to have made, as applicable, the representations set forth under the section "**Transfer Restrictions**" and "**Selling Restrictions**" on pages 173 and 167, respectively;

- You are aware that the Equity Shares have not been and will not be registered through a prospectus under the Companies Act, 2013, the SEBI Regulations or under any other law in force in India. This Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;

- You are entitled to subscribe for, and acquire, the Equity Shares under the laws of all relevant jurisdictions that apply to you and you have: (i) fully observed such laws; (ii) the necessary capacity, and (iii) obtained all necessary consents, governmental or otherwise, and authorizations 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 authorizations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;

- Neither our Company nor the Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates is 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, be a client of any of the Lead Managers. Neither the Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates has any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents ("**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Lead Managers may not have knowledge of the statements that our 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 Lead Managers have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material information relating to our Company and the Issue that was not publicly available;

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information relating to the Company which is not set forth in this Placement Document;

- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law including but not limited to SEBI Prohibition of Insider Trading Regulations, the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 and the Companies Act, 2013, and the rules made thereunder;

- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our 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 our Company's present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Our Company assumes no responsibility to update any of the forward-looking statements contained in this Placement Document;

- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs and are not being offered to the general public, and the Allotment shall be on a discretionary basis;

- You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their websites and you consent to such disclosures. Further, if you are one of the top ten shareholders in the Company, the Company will be required to make a filing with the RoC within 15 days of the change, under Section 93 of the Companies Act, 2013;

- You have been provided a serially numbered copy of this Placement Document and have read it in its entirety, including in particular, the section "**Risk Factors**" on page 42;

- In making your investment decision, you have (i) relied on your own examination of our Company, its Subsidiaries, its Associates, the Other Development Entities and the terms of the Issue, including the merits and risks involved, (ii) made your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on the information contained in this Placement Document and no other disclosure or representation by our Company, its Directors, Promoters and affiliates or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws, (iv) relied solely on the information contained in this Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue. You will continue to make your own assessment of the Company and the Equity Shares based on such information as is publicly available;

- Neither the Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity

Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates when evaluating the tax consequences in relation to the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You waive, and agree not to assert any claim against our Company or the 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 or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares 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. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

- If you are acquiring the Equity Shares to be issued pursuant to 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 to make (and you hereby 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 not a 'Promoter' (as defined under the SEBI Regulations) of our Company or any of its affiliates and are not a person related to the Promoters, either directly or indirectly, and your Bid does not directly or indirectly represent the 'Promoter', or 'Promoter Group', (as defined under the SEBI Regulations) of our Company or persons related to the Promoters;

- You have no rights under a shareholders' agreement or voting agreement with the Promoters or persons related to the Promoters, no veto rights or right to appoint any nominee director on the Board of Directors of our Company other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares, which shall not be deemed to be a person related to the Promoters;

- You will have no right to withdraw your Bid after the Bid/Issue Closing Date;

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

- The Bid made by you would not result in triggering a tender offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Code**");

- To the best of your knowledge and belief, the number of Equity Shares Allotted to you pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

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

b. ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Code;

- You shall not undertake any trade in the Equity Shares credited to your beneficiary 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 Listing Agreements, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and an approval has been received from each of the Stock Exchanges, and (ii) the application for the final listing and trading approvals will be made only after Allotment. There can be no assurance that the final approvals for listing and trading in the Equity Shares will be obtained in time or at all. Our 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;

- You are aware and understand that the Lead Managers have entered into a placement agreement with our Company whereby the Lead Managers have severally (and not jointly or jointly and severally), subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts as placement agents, to seek to procure subscriptions for the Equity Shares;

- You understand that the contents of this Placement Document are exclusively the responsibility of our Company, and neither the Lead Managers nor any person acting on their behalf has or shall have any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Placement Document or otherwise. By participating in the Issue, you agree to the same and 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 is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Lead Managers or our Company or any of their respective affiliates or any other person, and neither the Lead Managers nor our Company nor any other person 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 understand that the Lead Managers do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue 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 us or any of our respective obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- You understand that the Equity Shares have not been and will not be registered under the 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 Securities Act;

- If you are within the United States, you are a “qualified institutional buyer” as defined in Rule 144A under the Securities Act, are acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the requirements of a “qualified institutional buyer”, for investment purposes only, and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part;

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws 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 Preliminary Placement Document and this Placement Document;

- 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;

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

- Our Company, the 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 Lead Managers on their own behalf and on behalf of our Company, and are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**"), Foreign Portfolio Investors (which include FIIs) other than Category III Foreign Portfolio Investors (as defined hereinafter) and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors (as defined under the SEBI FPI Regulations) by virtue of their investment manager being appropriately regulated, may issue, subscribe or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) (all such offshore derivative instruments are referred to herein as "**P-Notes**") directly or indirectly, 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 authorities in the countries of their incorporation, and are issued in compliance with 'know your client' requirements. An FPI shall also ensure that no further issue or transfer of any instrument referred to above is made to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to this Placement Document. This Placement Document does 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 our Company and do not constitute any obligation of, claims on or interests in our Company. Our 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 any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Lead Managers and do not constitute any obligations of or claims on the Lead Managers. Affiliates of the Lead Managers which are FPIs may purchase, to the extent permissible under law, the Equity Shares 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 OF THE STOCK EXCHANGES

As required, a copy of this Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

(i) warrant, certify or endorse the correctness or completeness of the contents of this Placement Document;

(ii) warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges; or

(iii) take any responsibility for the financial or other soundness of our Company, its Promoters, its management or any scheme or project of our Company;

and it should not for any reason be deemed or construed to mean that this Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares, may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges 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 Placement Document, unless otherwise specified or 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', 'Issuer' are to Prestige Estates Projects Limited and references to 'we', 'us' or 'our' are to our Company, our Subsidiaries and our Associates.

In this Placement Document, references to 'US$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America, and references to 'INR', '₹', "Rs.", 'Indian Rupees' and 'Rupees' are to the legal currency of India. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Placement Document in "million" units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Our fiscal year 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' or 'fiscal' or 'FY' are to the twelve month period ended on March 31st of that year. Our consolidated audited financial statements as of and for the years March 31, 2014, 2013 and 2012 prepared in accordance with Indian GAAP, the Companies Act, 1956 and the Companies Act, 2013, as applicable ("**Consolidated Financial Statements**") and the statement of standalone unaudited financial results for the 3 month period ended June 30, 2014 prepared in accordance with clause 41 of the Listing Agreement ("**Unaudited Financial Results**"), are included in this Placement Document and are collectively referred to herein as the "**Financial Statements**" in page F-pages.

Our Company publishes its financial statements in Indian Rupees. Unless otherwise indicated, all financial data in this Placement Document is derived from our Consolidated Financial Statements and Unaudited Financial Results prepared in accordance with Indian GAAP. Indian GAAP differs in certain respects significantly from International Financial Reporting Standards ("**IFRS**") and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor have we provided a reconciliation of our Consolidated Financial Statements to those of U.S. GAAP or IFRS. Accordingly, the degree to which the Consolidated Financial Statements prepared in accordance with Indian GAAP included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with the respective accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited. For further details please see risk factor "*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*" on page 67.

In this Placement Document, certain monetary thresholds 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 included in this Placement Document regarding market position, growth rates and other industry data pertaining to our Company's business 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 our Company competes. Unless otherwise stated, statistical information included in this Placement Document pertaining to the business in which our Company operates, has been reproduced from trade, industry and government publications and websites. Our Company confirms that such information and data has been accurately reproduced, and that as far as it is aware and is able to ascertain from information published by third parties, no material facts have been omitted that would render the reproduced information inaccurate or misleading.

This information is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. 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 our Company has relied on internally developed estimates.

Neither our Company nor the Lead Managers have independently verified this data, nor does it or the Lead Managers make any representation regarding the accuracy of such data. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor the Lead Managers can assure potential investors as to their accuracy.

AVAILABLE INFORMATION

Our Company has agreed that, for so long as any Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, our Company will, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934 nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical facts 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 our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by our 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 our 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 our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements 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 Promoters;
- 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, including with respect to competition law in India;
- 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 of our Company to differ materially include, but are not limited to, those discussed under the sections "**Risk Factors**", "**Industry Overview**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 42, 100, 112 and 78, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. The forward-looking statements contained in this Placement Document are based on the beliefs of management, as well as the assumptions made by, and information currently available to, management of our Company. Although our 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 Placement Document or the respective dates indicated in this Placement Document and neither our Company nor the Lead Managers undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. Our Directors and the key managerial personnel named herein are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may be difficult for investors outside India to effect service of process upon our 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, as amended (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 recognise 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 then 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 jurisdiction outside India which 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 district 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, Republic of Singapore and Hong Kong (among others) are some of the countries that have been declared by the Government 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 must be brought 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 of India. Additionally, any judgment or award in a foreign currency would be converted into Rupees at the applicable foreign exchange rate on the date such judgment or award becomes enforceable and not on the date of payment. 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 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 with respect to the exchange rates between the Rupee and the U.S. Dollar (in ₹ per US$), for the periods indicated. The 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 August 7, 2014, the exchange rate (RBI reference rate) was ₹ 61.41 to US$ 1. *(Source: www.rbi.org.in)*

	Period end	**Average[1]**	**High**	**Low**
Fiscal Year:				(₹ Per US$)
2014	60.10	60.50	68.36	53.74
2013	54.39	54.45	57.22	50.56
2012	51.16	47.95	54.24	43.95
Quarter ended:				
June 30, 2014	60.09	59.77	61.12	58.43
March 31, 2014	60.10	61.79	62.99	60.10
December 31, 2013	61.90	62.03	63.65	61.16
September 30, 2013	62.78	62.13	68.36	58.91
June 30, 2013	59.70	55.95	60.59	53.74
Month ended:				
July 31, 2014	60.25	60.06	60.33	59.72
June 30, 2014	60.09	59.73	60.37	59.06
May 31, 2014	59.03	59.31	60.23	58.43
April 30, 2014	60.34	60.36	61.12	59.65
March 31, 2014	60.10	61.01	61.90	60.10
February 28, 2014	62.07	62.25	62.69	61.94

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

DEFINITIONS AND ABBREVIATIONS

This Placement Document uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act or regulation shall be to such legislation, act or regulation as amended from time to time.

Company and Industry Related Terms

Term	Description
the Company or our Company	Prestige Estates Projects Limited, a public limited company incorporated under the Companies Act and having its registered office at The Falcon House, No. 1, Main Guard Cross Road, Bengaluru 560 001
Acre	43,560 sq. ft.
ARRs	Average Room Rates
Articles of Association or Articles	The Articles of Association of the Company, as amended from time to time
Associates	1. Prestige Garden Constructions Private Limited 2. Babji Realtors Private Limited 3. Prestige Projects Private Limited 4. City Properties Maintenance Company Bangalore Limited 5. Exora Business Parks Private Limited 6. CapitaLand Retail Prestige Mall Management Private Limited 7. Vijaya Productions Private Limited 8. Sai Chakra Hotels Private Limited 9. Prestige Property Management & Services 10. Prestige Interiors 11. Prestige Hi-tech Projects 12. Silverline Estates 13. PSN Property Management & Services 14. Prestige Nottinghill Investments 15. Prestige KRPL Techpark 16. Prestige Ozone Properties 17. Prestige Whitefield Developers 18. Eden Investments & Estates 19. Prestige Southcity Holdings 20. Prestige Realty Ventures 21. Albert Properties 22. Prestige Habitat Ventures 23. Prestige Kammmanhalli Investments 24. Prestige Rattha Holdings 25. The QS Company 26. Prestige Sunrise Investments 27. Prestige City Properties
Auditor	The statutory auditor of the Company, Deloitte Haskins & Sells, Chartered Accountants, Firm registration no. 008072S
Bengaluru Metropolitan Region	As defined under the Bengaluru Metropolitan Region Development Authority Act, 1985
BMA	Bengaluru Metropolitan Area
BMP	Bengaluru Mahanagar Palike
Board or Board of Directors	The board of directors of the Company or a committee thereof
BWSSB	Bengaluru Water Supply and Sewage Board
CapitaMalls India	CapitaMalls India Development Fund
CDP	Comprehensive Development Plan
Completed Projects	Projects which have been completed by the Company and/or the Subsidiaries and/or Associates
CMIDF	CapitaMalls India Development Fund
CRISIL	Credit Rating and Information Services of India Limited
CMCs	City Municipal Councils
Developable Area	Total area which we develop in each project, and includes carpet area, common area, service and storage area, as well as other open areas, including car parking
Directors	Directors on the Board, as may be appointed from time to time
Equity Shares	Equity shares of face value of ₹ 10 each of the Company
EGM	Extra ordinary general meeting
ERP	Enterprise Resource Planning
ICRA	ICRA Limited

Term	Description
Land Bank	Lands in which we hold interest, but on which there is no development as of the date hereof
Land Reserves	Our Land Reserves are lands to which our Company and/or our Subsidiaries and/or Associates and/or Other Development Entities have right, title or interest, or land from which such entities can derive economic benefit through a documented framework (such as with third party individuals or corporate entities), or where such entities have executed a joint development agreement or an agreement to sell/lease or a MoU or an agreement to transfer development rights. Our Land Reserves comprises of lands underlying our Ongoing Projects, Upcoming Projects and Land Bank but does not include lands over which our Completed Projects are situated.
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
MAHTI	Minimum Annual Household Threshold Income
Memorandum of Association or Memorandum	The Memorandum of Association of the Company, as amended from time to time
Ongoing Projects	Such projects of the Company for which (i) construction or development activities have commenced; (ii) all approvals for commencing construction and development have been obtained; and (iii) where any right and/or interest in the land is held directly by the Company and/or the Subsidiaries and/or Associates in which the Company has a stake
Other Development Entities	1. Thomsun Realtors Private Limited; and 2. Silver Oak Projects
Promoters	Irfan Razack, Rezwan Razack and Noaman Razack
Promoter Group	The promoter group of the Company as determined in terms of Regulation 2(1)(zb) of the SEBI Regulations
Registered Office	The Falcon House, No. 1, Main Guard Cross Road, Bengaluru 560 001
RevPAR	Revenue Per Available Room
Saleable Area	That part of the Developable Area relating to our economic interests whether directly or indirectly
sq. ft.	square feet
Subsidiaries	1. Downhills Holiday Resorts Private Limited 2. Prestige Amusments Private Limited 3. Foothills Resorts Private Limited 4. ICBI (India) Private Limited 5. Northland Holding Company Private Limited 6. Pennar Hotels and Resorts Private Limited 7. Prestige Bidadi Holdings Private Limited 8. Prestige Construction Ventures Private Limited 9. Prestige Leisure Resorts Private Limited 10. Prestige Mangalore Retail Ventures Private Limited 11. Prestige Mysore Retail Ventures Private Limited 12. Prestige Shantinikethan Leisures Private Limited 13. Cessna Garden Developers Private Limited 14. Prestige Valley View Estates Private Limited 15. Prestige Whitefield Investment and Developers Private Limited 16. K2K Infrastructure India Private Limited 17. Valdel Xtent Outsourcing Solutions Private Limited 18. Village De Nandi Private Limited 19. Villaland Developers Private Limited 20. West Palm Developments Private Limited 21. Prestige Garden Resorts Private Limited 22. Avyakth Cold Storages Private Limited
Upcoming Projects	Such projects for which (i) approvals for the conversion of the land (wherever applicable) have been obtained; (ii) all approvals for commencing construction and development have not been obtained as of the relevant date; and (iii) where any right and/or interest in the land is held directly by the Company and/or the Subsidiaries and/or Associates in which the Company has a stake
"we" or "us" or "our"	Prestige Estates Projects Limited, the Subsidiaries, Associates and Other Development Entities

Issue Related Terms

Term	Description
Allocated/ Allocation	The allocation of Equity Shares by our Company (in consultation with the Lead Managers) to successful Bidders on the basis of the Application Form submitted by such successful Bidders, and in compliance with Chapter VIII of the SEBI Regulations

Term	Description
Allot/ Allotment/ Allotted	The issue and allotment of Equity Shares to Eligible QIBs pursuant to the Issue
Allottees	Successful Bidders to whom Equity Shares Allotted pursuant to the Issue
Application Form	The form (including any revisions thereof) pursuant to which an Eligible QIB shall submit a Bid for the Equity Shares in the Issue
Bid(s)	Indication of interest of a Bidder, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares
Bid/Issue Closing Date	August 8, 2014, which is the last date up to which the Application Forms was accepted
Bid/Issue Opening Date	August 4, 2014
Bidder	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Placement Document and the Application Form
Bidding Period	The period between the Bid/Issue Opening Date and Bid/Issue Closing Date, inclusive of both dates, during which prospective Bidders can submit Bids, including any revision thereof
Book Running Lead Managers/Lead Managers	CLSA India Limited and J.P. Morgan India Private Limited
CAN or Confirmation of Allocation Note	Note or advice or intimation sent only to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price and requesting payment for the entire applicable Issue Price for all Equity Shares Allocated to such successful Bidders
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e. on or about August 8, 2014
Consolidated Financial Statements	The audited consolidated financial statements as of and for the years March 31, 2014, 2013 and 2012
Cut-off Price	The Issue Price of the Equity Shares to be issued pursuant to the Issue which shall be finalized by our Company in consultation with the Lead Managers
Designated Date	The date of credit of Equity Shares to the successful Bidders demat accounts, as applicable to the respective successful Bidders
Eligible QIBs	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
Escrow Agreement	Agreement dated August 6, 2014, entered into amongst our Company, the Escrow Bank and the Lead Managers for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	HDFC Bank Limited
Escrow Bank Account	The account entitled "PEPL-QIP Escrow Account" opened with the Escrow Bank for collection of the Bid Amounts and remitting refunds, if any, of the Bid Amounts to the Bidders, subject to the terms of the Escrow Agreement
Floor Price	The floor price of ₹ 247.70, which has been calculated in accordance with Chapter VIII of the SEBI Regulations
Financial Statements	The Consolidated Financial Statements and the Unaudited Financial Results
Issue	The issue and Allotment of 25,000,000 Equity Shares to Eligible QIBs pursuant to Chapter VIII of the SEBI Regulations and the provisions of the Companies Act, 2013
Issue Price	₹ 245.00 per Equity Share
Issue Size	The aggregate size of the Issue, which is ₹ 6,125.00 million
Unaudited Financial Results	The statement of standalone unaudited financial results for the 3 month period ended June 30, 2014 prepared in accordance with clause 41 of the Listing Agreement
Listing Agreement	The agreement entered into between our Company and each of the Stock Exchanges in relation to listing of the Equity Shares on each of the Stock Exchanges
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is available for Allocation to Mutual Funds
Pay-in Date	The last date specified in the CAN for payment of application monies by the successful Bidders
Placement Agreement	Placement agreement dated August 4, 2014 entered into between our Company and the Lead Managers
Placement Document	This placement document to be issued by our Company in accordance with Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013
Preliminary Placement Document	The preliminary placement document dated August 4, 2014 issued in accordance with Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013
Pricing Date	The date of determination of the number of Equity Shares to be placed through the Issue and the Issue Price for the same
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
QIP	Private placement to QIBs under Chapter VIII of the SEBI Regulations and Section 42 of the

Term	Description
	Companies Act, 2013
Relevant Date	August 4, 2014 which is the date of the meeting in which the Board of Directors or QIP Committee decided to open the Issue

Conventional and General Terms/Abbreviations

Term	Description
₹ / Rupees / INR	Indian Rupees
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment year
BSE	BSE Limited
Calendar Year	Year ending on December 31
Category III Foreign Portfolio Investors	An FPI registered as a category III foreign portfolio investor under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CEO	Chief executive officer
CII	Confederation of Indian Industry
CIN	Corporate identity number
Civil Procedure Code	The Code of Civil Procedure, 1908
CLSA	CLSA India Limited
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as applicable
Companies Act, 1956	The Companies Act, 1956 and the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013 and the rules made thereunder to the extent in force pursuant to the notification of the Notified Sections
Competition Act	The Competition Act, 2002
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended
Depository Participant	A depository participant as defined under the Depositories Act
DTC	Direct Taxes Code, 2013, proposed by the Ministry of Finance, Government of India
EBITDA	Earnings Before Interest Tax Depreciation and Amortisation
EGM	Extraordinary general meeting
Eligible FPIs	FPIs that are eligible to participate in the Issue and does not include Category III Foreign Portfolio Investors (who are not eligible to participate in the Issue)
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
FDI	Foreign Direct Investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified under Circular No. 1 of 2014, effective from April 17, 2014, as amended from time to time
FEMA 20	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FIIs	Foreign institutional investors as defined under Regulation 2(g) of the SEBI FPI Regulations and registered as such with the SEBI
FII Regulations	The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
Financial Year / Fiscal Year / Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investment Scheme	The foreign portfolio investment scheme of the RBI specified in Schedule 2A of FEMA 20
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations. Any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration is deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations,

Term	Description
	2000 registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
GoI / Government	Government of India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board
IND-AS	Indian accounting standards converged with IFRS, which has been proposed for implementation by the ICAI
Indian GAAP	Generally accepted accounting principles in India
IT Act	The Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
JPM	J.P. Morgan India Private Limited
KIADB Act	Karnataka Industrial Area Development Board Act, 1966
Land Acquisition Act	Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013
Mn / million	Million
MCA	Ministry of Corporate Affairs
MoU	Memorandum of Understanding
Notified Sections	Sections of Companies Act, 2013 that have been notified by the Government of India
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
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
RBI Act	The Reserve Bank of India Act, 1934
Regulation S	Regulations under the Securities Act
RoC	Registrar of Companies, Bengaluru, Karnataka
Rule 144A	Rule 144 A under the Securities Act
SCR (SECC) Rules	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, notified by the SEBI
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI Prohibition of Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
SEBI Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Securities Act	The U.S. Securities Act of 1933
SEZ	Special Economic Zone
Stock Exchanges	The BSE and the NSE
STT	Securities transaction tax
Supreme Court	Supreme Court of India
Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S.$ / USD / U.S. dollar	United States Dollar, the legal currency of the United States of America
USA / U.S. / United States	The United States of America
VCF	Venture capital fund 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

DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT, 2013

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant pages in this Placement Document where these disclosures, to the extent applicable, have been provided.

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
1.	**GENERAL INFORMATION**	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	240
b.	Date of incorporation of the company.	236
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	112-144
d.	Brief particulars of the management of the company.	146-153
e.	Names, addresses, DIN and occupations of the directors.	145-146
f.	Management's perception of risk factors.	42-71
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	
i)	Statutory dues;	234
ii)	Debentures and interest thereon;	234
iii)	Deposits and interest thereon; and	234
iv)	Loan from any bank or financial institution and interest thereon.	234
h.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process.	240
2.	**PARTICULARS OF THE OFFER**	
a.	Date of passing of board resolution.	236
b.	Date of passing of resolution in the general meeting, authorizing the offer of securities.	236
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security.	34
d.	Price at which the security is being offered including the premium, if any, along with justification of the price.	34
e.	Name and address of the valuer who performed valuation of the security offered.	Not Applicable
f.	Amount which the company intends to raise by way of securities.	74
g.	Terms of raising of securities:	
(i).	Duration, if applicable;	Not Applicable

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
(ii).	Rate of dividend;	77
(iii).	Rate of interest;	Not Applicable
(iv).	Mode of payment; and	Not Applicable
(v)	Mode of repayment.	Not Applicable
h.	Proposed time schedule for which the offer letter is valid.	19
i.	Purposes and objects of the offer.	74
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	Not Applicable
k.	Principle terms of assets charged as security, if applicable.	Not Applicable
3.	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC**	
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	153
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	234
c.	Remuneration of directors (during the current year and last three financial years).	149
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	153
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	45-46
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries.	234
g.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the	234

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
	company.	
4.	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of the company in the following manner in a tabular form:	
(i)(a)	The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	76
(b)	Size of the present offer; and	76
(c)	Paid up capital:	76
(A)	After the offer; and	76
(B)	After conversion of convertible instruments (if applicable);	Not Applicable
(d)	Share premium account (before and after the offer).	76
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.	76
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	Not Applicable
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	F1-F70
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	77
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter.	37
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	39-40
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Not Applicable
5.	**A DECLARATION BY THE DIRECTORS THAT**	239
a.	The company has complied with the provisions of the Act and the rules made thereunder.	
b.	The compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government.	

Sr. No.	Disclosure Requirements	Relevant Page of this Placement Document
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	

SUMMARY OF BUSINESS

OVERVIEW

We have over 28 years of experience in real estate development, and are one of the leading real estate developers in south India. As of July 15, 2014, we have completed 177 real estate projects of approximately 57.14 million sq. ft. We have developed a diversified portfolio of real estate projects focusing on projects in the residential (including apartments, villas, plotted developments and integrated townships), commercial (including corporate office blocks, built-to-suit facilities, technology parks and campuses and SEZs), hospitality (including hotels, resorts, spas and serviced apartments) and retail (including shopping malls) segments of the real estate industry. As of July 15, 2014, we own or hold development rights for 87.17 million sq. ft. of Developable Area, which includes 46.66 million sq. ft. of Saleable Area and 10.16 million sq. ft. of Leasable Area.

Our Promoters have been associated with the real estate business since 1981. We were established as Prestige Estates and Properties, a partnership firm, in 1986 and subsequently converted into a private company on June 4, 1997 and into a public company on November 10, 2009. We are experienced in various aspects of the real estate development business, including land identification and acquisition, development, design, project management, sales and marketing, interiors and the provision of property services in relation to real estate projects.

We believe that we have established a strong brand image, have a successful track record of execution and a diversified portfolio of real estate projects. In the period between July 16, 2009 and July 15, 2014, we have completed:

- 11 residential projects with a Developable Area of 13.74 million sq. ft. (of which the Saleable Area is 10.52 million sq. ft.) This includes developments such as *Prestige Oasis* and *Prestige Shantiniketan*;

- 20 commercial projects with a Developable Area of 17.25 million sq. ft. (of which the Saleable Area is 7.58 million sq. ft, and the Leasable Area is 5.15 million sq. ft.). This includes projects such as *Cessna Business Park* Blocks 1 to 7 and *Prestige Technology Park III*;

- two hospitality projects with a Developable Area of 0.45 million sq. ft., (of which the Leasable Area is 0.40 million sq. ft.). This includes projects such as *an internationally branded hotel in Cessna Bengaluru, at Cessna Business Park*; and

- two retail projects with a Developable Area of 1.96 million sq. ft. (of which the Leasable Area is 0.83 million sq. ft.). This includes projects such as *Forum Vijaya Mall and Forum Mangalore*.

Historically, our real estate projects have been focused in the Bengaluru Metropolitan Region, but we have gradually expanded our geographical reach to include other south Indian cities, such as Chennai, Kochi, Hyderabad, Mysore, Mangalore and Goa. We intend to continue our expansion in south Indian cities in future. See "*– Our Strategy – Continue to expand our presence in south Indian cities*", below.

As of July 15, 2014, we had 59 Ongoing Projects which comprised 40 residential projects with a Developable Area of 46.64 million sq. ft. (of which the Saleable Area is 32.16 million sq. ft.), 10 commercial projects with a Developable Area of 7.51 million sq. ft. (of which the Saleable Area is 1.47 million sq. ft. and the Leasable Area is 3.66 million sq. ft.), 2 hospitality projects with a Developable Area of 1.03 million sq. ft. (of which the Leasable Area is 1.03 million sq. ft.) and 7 retail projects with a Developable Area of 4.25 million sq. ft. (of which the Leasable Area is 1.50 million sq. ft.).

As of July 15, 2014, we had 23 Upcoming Projects, which comprised 18 residential projects with a Developable Area of 20.98 million sq. ft. (of which the Saleable Area is 13.02 million sq. ft.), 3 commercial projects with a Developable Area of 4.66 million sq. ft. (of which the Leasable Area is 3.06 million sq. ft.), and 2 retail projects with a Developable Area of 2.10 million sq. ft. (of which the Leasable Area is 0.91 million sq. ft.).

Our real estate projects have achieved recognition at a variety of real estate awards, such as the *CNBC Asia Pacific Property Awards* and the *International Property Awards, Asia Pacific.* We were named *Developer of the Year* in the *Realty Plus Excellence Awards 2013 South* in the residential, commercial and retail category. We were awarded as Top Commercial Space developer by NDTV Property Awards in 2013.

In addition to our Ongoing Projects and Upcoming Projects, we have access to Land Bank (previously defined).

As of July 15, 2014, our Land Bank aggregated approximately 414.29 acres, in which our proportional share is 291.48 acres. We believe that continuing to build our Land Bank is critical to our growth strategy and we intend to continue acquiring land in strategic locations across Bengaluru and south India in order to maximize opportunities for projects in the future. See "– *Our Strategy – Continue to expand and develop our Land Bank.*" As of July 15, 2014, the total land forming part of our Land Reserves was 1,503.42 acres.

We typically develop our projects (1) through joint development agreements with land-owners, in terms of which we acquire the development rights to the underlying land; (2) through joint ventures with third parties, with whom we establish SPVs (previously defined) for the purposes of developing projects through such joint venture SPVs; or (3) in fewer occasions, through acquiring land ourselves and retaining the sole development rights in respect of any project. As of July 15, 2014, 77.13 million sq. ft., or 88 per cent., of Ongoing Projects and Upcoming Projects are being developed through joint development agreements. See "– *Our Joint Development and Joint Venture Models*", below.

We have entered into joint ventures with CMIDF, an associate of CapitaMalls Asia Limited for development of retail and commercial projects in south Indian cities such as Bengaluru, Mysore, Mangalore, Hyderabad, Kochi and Goa. See "– *Our Joint Venture with CMIDF*", below.

While our real estate development business continues to be our primary focus, we also offer a variety of services through our real estate services business. This includes the provision of property management services for our commercial and residential developments, sub-leasing and fit-out services, project and construction management services, interior solutions services, mall management services (which include the retail real estate projects that we complete pursuant to our joint ventures with CMIDF) and the operations of our hospitality projects.

Our consolidated total revenue for the year ended March 31, 2014 was ₹ 26,467 million, and our consolidated total revenue for the Fiscal Year ended March 31, 2013 was ₹ 20,112 million

The following map illustrates our geographic presence in cities across south India:

OUR COMPETITIVE STRENGTHS

We believe that our competitive strengths are as follows:

Strong brand name

We believe that we have established a reputable brand name in the real estate market in south India due to the distinctive design, planning and high quality execution. We also have a strong customer focussed sales and marketing team. We believe that our strong and recognizable brand increases customer confidence in our projects and influences our customers' buying decisions.

We believe that we have developed some of the most identifiable landmarks in Bengaluru, including *Prestige Shantiniketan*, an integrated township developments in Bengaluru; *UB City*, a mixed-use developments in Bengaluru's business district; and *Cessna Business Park*, a dedicated IT/ITeS SEZ development which was awarded *Highly Commended Industrial Development, India* at the Asia Pacific Property Awards *2013-14, Forum Koramangala has been awarded as the Shopping Center of the year(South) by Asia Shopping Centre and Mall Awards in 2014.*

We believe, our attention to quality has resulted in us receiving various awards. We currently have DA1 developer rating issued to us by CRISIL. We have also been awarded with Financial rating of A- by ICRA. In addition, we were awarded the *Realty Plus Excellence Awards 2013 South – Developer of The Year in Residential, Commercial and Retail Segments* and *Developer of the Year, 2013- Indian Realty Awards* and several of our real estate projects won numerous awards and prizes. See "– Our Operations – Our Real Estate Development Business", below.

Diversified portfolio of real estate projects

We believe that our portfolio of Ongoing Projects and Upcoming Projects are diversified across our business segments, cities in south India (and at various locations within those cities) and income segments and price-points.

We believe that our Ongoing and Upcoming Projects are diversified across each of the residential, commercial, hospitality and retail segments of the real estate development market in south India, and to which segments our real estate development business corresponds.

As of July 15, 2014, we had 59 Ongoing Projects which comprised –

- 40 residential projects with a Developable Area of 46.64 million sq. ft. (comprising 78.46 per cent. of the total Developable Area of all of our Ongoing Projects) and a Saleable Area of 32.16 million sq. ft. (comprising 95.63 per cent. of the total Saleable Area of all of our Ongoing Projects);

- 10 commercial projects with a Developable Area of 7.51 million sq. ft. (comprising 12.65 per cent. of the total Developable Area of all of our Ongoing Projects), a Saleable Area of 1.47 million sq. ft. (comprising 4.37 per cent. of the total Saleable Area of all of our Ongoing Projects) and a Leasable Area of 3.66 million sq. ft. (comprising 59.16 per cent. of the Leasable Area of all of our Ongoing Projects);

- two hospitality projects with a Developable Area of 1.03 million sq. ft. (comprising 1.73 per cent. of the total Developable Area of all of our Ongoing Projects) and a Leasable Area of 1.03 million sq. ft. (comprising 16.61 per cent. of the Leasable Area of all of our Ongoing Projects); and

- seven retail projects with a Developable Area of 4.25 million sq. ft. (comprising 7.15 per cent. of the total Developable Area of all of our Ongoing Projects) and a Leasable Area of 1.50 million sq. ft. (comprising 24.23 per cent. of the Leasable Area of all of our Ongoing Projects).

As of July 15, 2014, we had 23 Upcoming Projects, which comprised –

- 18 residential projects with a Developable Area of 20.98 million sq. ft. (comprising 75.64 per cent. of the total Developable Area of all of our Upcoming Projects) and a Saleable Area of 13.02 million sq. ft. (comprising 100 per cent. of the total Saleable Area of all of our Upcoming Projects);

- three commercial projects with a Developable Area of 4.66 million sq. ft. (comprising 16.79 per cent. of the total Developable Area of all of our Upcoming Projects), a Leasable Area of 3.06 million sq. ft. (comprising 76.94 per cent. of the Leasable Area of all of our Upcoming Projects); and
- two retail projects with a Developable Area of 2.10 million sq. ft. (comprising 7.57 per cent. of the total Developable Area of all of our Upcoming Projects) and a Leasable Area of 0.91 million sq. ft. (comprising 23.06 per cent. of the Leasable Area of all of our Upcoming Projects).

In addition, we believe that the Ongoing Projects and Upcoming Projects of our residential, commercial, hospitality and retail real estate development business are further diversified across a number of cities in south India, as well as various locations within those cities. For example, in addition to our projects in Bengaluru, we currently have three Ongoing Projects in Chennai, three Ongoing Projects and three Upcoming Projects in Kochi, two Ongoing Projects and two Upcoming Projects in Hyderabad, one ongoing project in Mangalore and two Ongoing Projects in Mysore. Further, we believe that our projects are strategically located within each city in which we develop our real estate projects. Our residential projects benefit from a variety of amenities, and from locations which appeal to both our mid-income, luxury and super-luxury clients. Our commercial projects are located in business areas that we believe are attractive to our corporate clients. Our retail projects located in city centers offer access to the targeted customers of our retail clients. See the description of notable projects and the maps included in "– *Our Operations – Our Real Estate Development Business*", below, for examples of the locations, customer profiles and amenities applicable to our projects.

Furthermore, we believe that our portfolio of residential projects is offered across varying price-points for different income groups in the cities and locations in which our projects are situated. For example, the projects of our residential real estate development business target customers in the mid-income segment (priced at ₹ 4,000 per square foot to ₹ 6,000 per square foot), luxury segment (priced at ₹ 6,000 per square foot to ₹ 8,000 per square foot) and super-luxury segment (priced from above ₹ 8,000 per square foot). See "– *Our Operations – Our Real Estate Development Business – Our Residential Business*" below. We believe, our projects are carefully planned and we conduct comprehensive market research and analysis of proposed projects to analyse absorption trends, competitive factors, market prices and product gaps. As a result, we are able to customize our product offerings to cater to customer and market demand in the particular location of the project.

We believe that this diversity in our portfolio of projects, created by our range of offerings, cities in south India (and variety of locations within such cities) and price ranges will help us cater to different segments of the market and diversify our risk of dependence on a particular segment.

Recurring income streams from commercial and retail operations

We believe that we benefit from recurring income streams in our commercial and retail real estate development businesses. Our ability to achieve strong recurring income streams is driven by our ability to successfully establish and nurture relationships with reputable commercial and retail clients for whom we have undertaken numerous developments, and to achieve growing rental income from our projects.

In our commercial business, we lease our projects to repeat clients. (see " – *Our Operations – Our Real Estate Development Business – Our Commercial Business*", below). The area leased across our commercial, hospitality and retail segments has increased over the last two years.

We have entered into joint ventures with CMIDF, an associate of CapitaMalls Asia Limited for development of retail and commercial projects in south Indian cities such as Bengaluru, Mysore, Mangalore, Hyderabad and Kochi. See "– *Our Joint Venture with CMIDF*", below. We estimate that the total Developable Area to be developed pursuant to these joint ventures will be 6.25 million sq. ft. We have also entered into a joint venture with CapitaMalls Asia for the purpose of managing the retail malls developed by the joint ventures with CMIDF. We typically retain the ownership of our retail projects and primarily generate revenue from these projects through the lease of retail space. Our relationships with certain retailers have led to their leasing space in a number of our retail developments. We also generate revenues from the provision of mall management services, and leasing advertising and product promotion space in our malls.

We believe that the rental income generated from the lease of our commercial and retail projects provides us with a stable source of revenue and cash flow.

Ability to pre-sell residential projects

We believe that our strong execution capability, strategic pricing of residential projects across the mid-income, luxury and super-luxury price segments, broad range of locations within the cities in which we develop residential projects and strong brand name and reputation contributes to our residential real estate projects being sold prior to the commencement of construction.

We also believe that the quality of the construction has helped us to build a loyal client base which further enhances our ability to achieve repeat sales and acquire leads through customer referrals for new residential project launches. For example, Prestige Sunrise Park, Prestige Down Town, Prestige Royale Gardens, Prestige Lakeside Habitat were partially sold prior to their official launch and without us having undertaken any active sales and marketing activities. Nevertheless, we also undertake specific marketing activities to existing clients in order to increase the proportion of pre-sales of our residential projects. See "– *Sales and Marketing*", below.

Access to Land Bank through Joint Development / Joint Venture Model

We believe that our Land Bank forms an important asset of our real estate development business. In line with our asset-light business, we acquire access to Land Bank either through entering into a joint development agreement with the land-owner, in terms of which the land-owner contributes the land upon which our projects are developed; or pursuant to a joint venture, in terms of which we jointly acquire the land upon which our projects are to be developed with our joint venture partner. See "— *Our Joint Development and Joint Venture Models*", below). We believe that this approach has allowed us to gain access to premium and strategic locations with minimal initial cash investments. For example, our *UB City*, *UB Plaza* and *Kingfisher Towers* projects have been developed with the same land-owner group. Further, we leverage on our joint development and joint venture arrangements to scale up and diversify our portfolio.

Our Land Bank, aggregating 414.29 acres of land, is situated in Bengaluru and Goa. As of July 15, 2014, 240.56 acres of our Land Bank, aggregating to 58.07 per cent of our total Land Bank, was acquired through joint development and joint venture arrangements. We have made partial payments for the lands comprising our Land Bank. See "– *Our Land Bank*", below.

A strong execution track-record and capability to deliver quality projects

We have over 28 years of experience in real estate development with a proven track-record of execution across a diversified portfolio of real estate projects. As of July 15, 2014, we had completed construction of 57.14 million sq. ft. of Developable Area across the residential, commercial, hospitality and retail segments of the real estate market. Amongst others, we have developed an integrated township development in Bengaluru, *Prestige Shantiniketan*; a mixed-use development in Bengaluru's business district, *UB City*; and a dedicated IT/ITeS SEZ development, *Cessna Business Park*. Our operations span different stages of the real estate development process, including the identification of potential projects and the acquisition of land, project planning, design, construction management and project management. See "– *Our Real Estate Project Development and Execution Methodology*", below. As of July 15, 2014, we had approximately 280 technically qualified personnel who oversee and execute many of the key aspects of real estate development, such as architecture, engineering, procurement and contracts and project management. We also leverage the expertise of external professionals such as architects, construction contractors, interior designers, landscape experts, building services consultants and advertising agencies. We place emphasis on cost management and rigorously monitor our projects to ensure that costs remain within the budgeted amounts. To mitigate the risks related to cost and time overruns, we typically award different aspects of the construction of our projects to different contractors. In recognition of our process for the development of our projects, we received and have been reaffirmed the CRISIL DA1 rating in 2012 in recognition of our ability to execute real estate projects in accordance with specified quality levels and for delivering Completed Projects to our customers on time. We are currently the only CRISIL DA1 rated Developer in India (*Source: http://crisil.com/ratings/real-estate-rating-list.jsp*).

In addition, our partnership firm, Prestige Property Management and Services, maintains our various Completed Projects, which we believe helps to retain a comparable high resale value of, and therefore helps to enhance the demand for, our Completed Projects. See "– *Our Real Estate Services Business – Property Management Services*", below.

Further, we believe that our ability to enter into joint development agreements and joint ventures with a variety of domestic and international partners and investors (see "– *Our Joint Development / Joint Venture Model*", below), both individually or in combination, allows us to develop and execute larger real estate projects in a shorter period of time, thereby providing us with the ability to scale up both the size and number of real estate projects across the residential, commercial, hospitality and retail segments of our real estate development business. We believe that the leverage we gain from our joint development / joint venture model gives us the ability to develop a diversified portfolio of real estate projects, enhances our brand name and reputation, optimizes our cash flows and provides us with access to premium and strategically located Land Bank.

Experienced management team

Our management team has over two decades of experience in the Bengaluru and south Indian real estate development market. Our professional staff covers a variety of disciplines, including finance, engineering, project management, architecture, accounting, marketing and sales. Few of our key management personnel have been employed by our Company for an average of over 12 years. Our management has experience in identifying market trends, strategic locations for land acquisitions, new markets and potential sites for development and acquiring land and development rights, as well as in the design, engineering, construction management, supervision and marketing of real estate projects.

We believe that these strengths in addition to our ability to pre-sell residential projects, access to premium land bank and strong execution track record make us a preferred partner for joint ventures and joint developments in the real estate market in south India, and with leading international developers such as CMIDF and investors such as Red Fort Capital. See "– *Our Joint Venture with CMIDF*", below.

OUR STRATEGY

The key elements of our business strategy are:

Diversify our revenue streams

We intend to continue to diversify our revenues by developing a wide price-range of apartments, corporate office space, integrated townships and mixed-use developments, hotels, malls, multiplexes and shopping complexes, for sale and for lease, across various price-points and in various cities in south India and locations within such cities. See "– *Our Competitive Strengths – Diversified portfolio of real estate projects*", above.

In our residential business, we aim to continue to diversify our revenues from the mid-income, luxury and super-luxury segments of the residential real estate market. See "– *Our Operations – Our Real Estate Development Business – Our Residential Business*", below.

In our commercial and retail business, we are developing a number of Ongoing Projects and Upcoming Projects specifically for the purposes of increasing our Leasable Area and therewith, our rental income, which we believe will enhance the predictability, reliability and stability of our revenues and cash flow See "– *Our Competitive Strengths – Recurring income streams from commercial and retail operations*", above.

In addition, we believe that our strategy to continue to expand our geographical presence in south India will enhance our ability to diversify our revenue streams.

Continue to expand and develop our Land Bank through joint development/joint venture model

As of July 15, 2014 we had Land Bank of 414.29 acres. ₹ 6,288.00 million of the amounts payable in respect of the acquisition of our Land Bank had been paid as of July 15, 2014 and we believe that a significant portion of our Land Bank have been accumulated at a competitive cost. We believe that continuing to expand and develop our Land Bank through joint development agreements and/or joint ventures (as part of our joint development / joint venture model), is critical to increasing our market penetration across the various market segments in which we operate. In particular, growing our Land Bank through joint developments and joint ventures will, we believe, provide us with the continued ability to source premium land in strategic locations with minimal initial cash investment, help us to continue to focus on and execute projects with land-owners with whom we have developed projects in the past, under either a joint development or joint venture agreement. See "– *Our Competitive Strengths – Access to Land Bank through Joint Development / Joint Venture Model*", above.

In addition, the time it takes to develop a project varies depending on a variety of factors, including the size of a project, and we aim to develop and sell our Land Bank within a development time of 24 to 60 months from the time the approval to commence construction is received. Increasing our market share in the residential, commercial, hospitality and retail segments is central to our growth strategy and we intend to continue acquiring land at strategic locations in Bengaluru and across south India generally. We focus on geographic areas where we see capital appreciation opportunities by developing such projects for sale or lease in our market segments.

Focus on and increase our recurring income streams

We intend to continue to focus on the development of commercial and retail projects for ownership by us (either directly, or through our joint development / joint venture model) for lease to third parties in order to increase our recurring income streams, and thereby achieve stability of our revenues and cash flow, and better manage cyclical risks in the real estate segments in which we operate. We believe that increasing the proportion of our projects which we lease, and therewith, the total Leasable Area of our Completed Projects, we will achieve stable recurring income streams which will help to compensate for any volatility in the sales of our residential or commercial projects.

Continue to expand our geographical presence in south Indian cities

Our real estate development activities have been focused in south India, where we believe we are one of the leading real estate developers. Apart from Bengaluru, where approximately 80% of our projects are located, we also have Ongoing / Upcoming Projects and recently completed projects in major south Indian cities like Chennai, Kochi, Hyderabad, Mangalore and Mysore where we plan to increase our foothold in the coming years. These developments include our first residential real estate development in Chennai, *Prestige Bella Vista*, our first retail real estate development in Chennai, *Forum Vijaya Mall*, which we completed in March 2013, and our third commercial real estate development in Chennai, *Prestige Polygon*, which we completed in February 2013.

In addition to expanding our projects in south Indian cities, we intend to continue to expand the locations of our projects within those cities in order to continue to offer locations which appeal to both our mid-income, luxury and super-luxury clients of our residential business; that we believe are attractive to our corporate clients in our commercial business; and which offer access to targeted customers of our retail clients in our retail business.

Continue to pursue our integration strategy

We intend to integrate our business and operations by further developing our in-house construction management, property management and interior design capabilities.

In 2009, we acquired 75 per cent. of the paid-up share capital of K2K Infrastructure India Private Limited, with the aim of developing an in-house capability to construct our own projects and also third party projects. K2K Infrastructure India Private Limited has already been integrated into our Company, and is currently undertaking 4.79 million sq. ft., or 8.06 per cent, of the construction of our Ongoing Projects, and also provides construction management services and civil works for our projects and also to third parties. We intend to increase the proportion of construction activity of our real estate projects for which K2K Infrastructure (India) Private Limited is responsible in the future. Our revenue from contractual projects increased by INR 350.3 million, or 74.8 per cent., from INR 468.2 million for Fiscal Year 2013 to INR 818.5 million for Fiscal Year 2014 primarily due to an increase in projects taken up by K2K Infrastructure (India) Private Limited. See "*– Our Real Estate Project Development and Execution Methodology – Project Planning, Design, Construction and Management*".

Prestige Property Management and Services, our in-house property management division was established in 1996, and as of July 15, 2014 it had approximately 2,580 employees which deal with all aspects of property management for our projects, including safety and security, cleaning, maintenance, landscaping and general facilities management. We believe that having a dedicated in-house property management team differentiates us from our competitors, who traditionally outsource the property management function, in that we are able to maintain stronger control over the quality and maintenance of our projects.

Our in-house interior design division provides both customized and standardized interior design and construction services for our residential and commercial projects, and liaises with our clients, architects, consultants and suppliers to ensure that the interior design and fit-out of premises is in accordance with our clients' specifications, and remains within budget and timelines for those projects. See "*— Our Real Estate Services Business – Property Management Services*", below.

Through this integration, we hope to set more efficient budgets and better control the timing of completion and quality standards of our various projects, which we believe will help us to build and maintain relationships with our clients across our residential, commercial, hospitality and retail business, and in turn, lead to a greater proportion of repeat business from such clients in the future.

SUMMARY OF THE ISSUE

The following is a general summary of the terms 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 Placement Document, including the sections "**Risk Factors**", "**Use of Proceeds**", "**Placement**", "**Issue Procedure**" and "**Description of the Equity Shares**" on pages 42, 74, 165, and 156 and 178, respectively.

Issuer	Prestige Estates Projects Limited
Issue Price	₹ 245.00 per Equity Share
Floor Price	₹ 247.70 per Equity Share. In terms of the SEBI Regulations, the Issue Price cannot be lower than the Floor Price. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the SEBI Regulations.
Issue Size	Issue of 25,000,000 Equity Shares, aggregating to ₹ 6,125.00 million. A minimum of 10 % of the Issue Size i.e. 2,500,000 Equity Shares shall be available for Allocation to Mutual Funds only, and up to 22,500,000 Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds. If no Mutual Fund is agreeable to take up the minimum portion mentioned above, such minimum portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board Resolution	May 26, 2014
Date of Shareholders' Resolution (through postal ballot)	July 26, 2014
Eligible Investors	Eligible QIBs, that are QIBs as defined in regulation 2(1)(zd) of the SEBI Regulations (excluding FVCIs and multilateral and bilateral financial institutions) and not excluded pursuant to Regulation 86 of the SEBI Regulations. See the section "**Issue Procedure – Eligible Qualified Institutional Buyers**" on page 159.
Equity Shares issued and outstanding immediately prior to the Issue	350,000,000 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	Immediately after the Issue, 375,000,000 Equity Shares will be issued and outstanding
Listing	Our Company has obtained in-principle approvals in terms of Clause 24(a) of the Listing Agreements, for listing of the Equity Shares issued pursuant to the Issue from the Stock Exchanges. Our Company will make applications to each of the Stock Exchanges after Allotment to obtain final listing and trading approvals for the Equity Shares.
Lock-up	Our Company has agreed that it will not, without the prior written consent of the Book Running Lead Managers, from the date of the placement agreement and for a period of up to 90 days from the Closing Date, 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.

Each of the Promoters and the members of the Promoter Group has agreed that, without the prior written consent of the Book Running Lead Managers, they will not, during the period commencing on the date hereof and ending 90 days after the date of Allotment of the Issue Shares 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.

The restrictions described in the foregoing paragraph do 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. See the section "**Placement**" on page 165 for additional information.

Minimum Offer Size	The minimum value of offer or invitation to subscribe to each Eligible QIB is ₹ 20,000 of the face value of the Equity Shares
Transferability Restrictions	The Equity Shares Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. See the section "**Transfer Restrictions**" on page 173.
Use of Proceeds	The gross proceeds from the Issue are ₹ 6,125.00 million. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ 5,987.19 million. See the section "**Use of Proceeds**" on page 74 for additional information.
Risk Factors	See the section "**Risk Factors**" on page 42 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares.
Pay-In Date	Last date specified in the CAN sent to the Eligible QIBs for payment of

	application money.
Closing	The Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about August 8, 2014.
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including rights in respect of dividends. The shareholders of our Company will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the Listing Agreements and other applicable laws and regulations. Shareholders of our Company may attend and vote in shareholders' meetings on the basis of one vote for every Equity Share held.

Security Codes for the Equity Shares	ISIN	INE811K01011
	BSE Code	533274
	NSE Code	PRESTIGE

SELECTED FINANCIAL INFORMATION

*The following selected financial information is extracted from and should be read in conjunction with, the Consolidated Financial Statements and notes thereto of our Company as at, and for the, fiscal years ended March 31, 2014, 2013 and 2012 prepared in accordance with Indian GAAP each included elsewhere in this Placement Document. You should refer to "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", on page 78, for further discussion and analysis of the financial statements of our Company.*

The financial information included in this Placement Document does not reflect our 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 BALANCE SHEET

			As at March 31,		
PARTICULARS	**Note**		**2014**	**2013**	**2012**
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	5		3,500.00	3,500.00	3,280.70
(b) Reserves and surplus	6		25,593.00	23,223.80	17,530.30
(c) Capital reserve arising on consolidation			698.90	698.90	698.90
		A	**29,791.90**	**27,422.70**	**21,509.90**
(2) Minority interest		B	2,990.20	2,619.60	2,668.30
(3) Non-current liabilities					
(a) Long-term borrowings	7		12,158.80	10,427.10	6,930.10
(b) Deferred tax liabilities (net)	8		70.30	119.30	125.30
(c) Other long-term liabilities	9		1,391.80	1,008.20	1,058.40
(d) Long-term provisions	10		63.50	48.90	35.50
		C	**13,684.40**	**11,603.50**	**8,149.30**
(4) Current liabilities					
(a) Short-term borrowings	11		15,896.10	13,773.10	10,653.60
(b) Trade payables	12		5,626.50	3,876.70	2,267.10
(c) Other current liabilities	13		23,700.40	15,776.00	11,846.10
(d) Short-term provisions	14		1,734.90	1,495.00	2,294.80
		D	**46,957.90**	**34,920.80**	**27,061.60**
Total (A+B+C+D)			**93,424.40**	**76,566.60**	**59,389.10**
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i)Tangible assets	15 (A)		19,229.50	15,787.20	13,845.50
(ii)Intangible assets	15 (B)		21.00	19.60	16.50
(iii)Capital work-in-progress	15 (C)		9,954.50	9,122.70	5,216.30
			29,205.00	**24,929.50**	**19,078.30**
(b) Goodwill (arising on consolidation)			4,519.90	4,489.90	1,599.70
(c) Non-current investments	16		1,006.90	891.70	866.00
(d) Deferred tax assets (net)	8		7.80	9.20	6.30
(e) Long-term loans and advances	17		11,787.80	9,307.80	5,836.70
(f) Other non-current assets	18		277.60	383.30	392.20
		E	**46,805.00**	**40,011.40**	**27,779.20**
(2) Current assets					
(a) Current investments	19		1,880.10	858.00	874.30
(b) Inventories	20		25,361.80	17,408.30	15,661.70
(c) Trade receivables	21		7,257.50	8,010.10	8,472.80
(d) Cash and cash equivalents	22		3,395.40	4,880.00	2,012.80
(e) Short-term loans and advances	23		7,901.50	5,142.80	4,433.40
(f) Other current assets	24		823.10	256.00	154.90
		F	**46,619.40**	**36,555.20**	**31,609.90**
Total (E+F)			**93,424.40**	**76,566.60**	**59,389.10**

CONSOLIDATED STATEMENT OF PROFIT & LOSS

Consolidated Summary Statement of Profits and Losses				
				(Amount in Rs. Million)
		For the year ended March 31,		
PARTICULARS	**Note**	**2014**	**2013**	**2012**
Revenue from operations	25	25,491.90	19,476.00	10,522.50
Other income	26	975.00	635.60	342.10
Total revenue (I)		**26,466.90**	**20,111.60**	**10,864.60**
Expenses				
Cost of sales on projects	27	11,712.30	8,744.00	4,199.10
Cost of contractual projects	27	625.30	368.80	32.80
Property and facilities operating expenses	28	2,877.00	2,404.80	1,733.00
Employee benefits expense	29	1,609.70	1,443.90	894.40
Finance costs	30	2,290.40	1,489.10	1,192.70
Depreciation and amortization expense	15	892.60	681.80	605.40
Other expenses	31	1,464.30	723.40	696.90
Total expenses (II)		**21,471.60**	**15,855.80**	**9,354.30**
Profit before tax (III = I - II)		**4,995.30**	**4,255.80**	**1,510.30**
Tax expense :				
Current tax		1,798.00	1,331.40	591.30
MAT credit entitlement		(30.40)	(38.40)	-
Income tax pertaining to earlier years		30.30	30.30	(8.20)
Deferred tax		(47.50)	(8.90)	43.20
Total (IV)		**1,750.40**	**1,314.40**	**626.30**
Profit for the year (V = III - IV)		**3,244.90**	**2,941.40**	**884.00**
Share of profit / (loss) from associates (Net) (VI)		(30.10)	(33.30)	(65.00)
Profit after tax (before adjustment for Minority interest) (VII = V - VI)		**3,214.80**	**2,908.10**	**819.00**
Share in (profit) / loss to Minority interest (VIII)		(72.00)	(48.40)	7.00
Profit after tax and Minority interest (VII - VIII)		**3,142.80**	**2,859.70**	**826.00**
Earning per share (equity shares, par value of Rs. 10 each)				
Basic & Diluted EPS	34	8.98	8.62	2.52

CONSOLIDATED CASH FLOW STATEMENT

Consoldiated Summary Statement of Cash Flows			
			(Amount in Rs. Million)
	For the year ended March 31,		
PARTICULARS	**2014**	**2013**	**2012**
<u>Cash flow from operating activities</u>			
Net profit before taxation	4,995.30	4,255.80	1,510.30
<u>Add: Adjustments for:</u>			
Depreciation	892.60	681.80	605.40
Foreign exchange loss	33.90	8.60	-
Provision for doubtful debts written back	(3.70)	-	-
Provision for doubtful debts	-	5.20	0.30
Provision for doubtful advances	210.70	-	-
	1,133.50	**695.60**	**605.70**
<u>Less: Incomes / credits considered separately</u>			
Interest income	528.10	310.30	229.80
Dividend income	2.50	98.60	2.30
Excess provision for property tax written back	-	161.50	
Profit on sale of fixed assets	7.40	0.40	52.80
Profit on sale of investment	28.70	-	
Share of profit from partnership firms (Net)	328.20	25.50	33.70
	894.90	**596.30**	**318.60**
<u>Add: Expenses / debits considered separately</u>			
Loss on sale of fixed assets	0.10	0.10	19.70
Financial expenses	2,290.40	1,489.10	1,192.70
	2,290.50	**1,489.20**	**1,212.40**
Operating profit before changes in working capital	**7,524.40**	**5,844.30**	**3,009.80**
Adjustments for:			
(Increase) / decrease in Trade Receivables	756.30	252.50	776.70
(Increase) / decrease in Inventories	(7,709.10)	(2,530.20)	(2,986.40)
(Increase) / decrease in Long-term & Short-term loans and advances and other assets	(4,311.20)	(6,905.00)	(1,022.40)
(Increase) / decrease in Bank balances under lien (not considered as cash or cash equivalents)	(197.50)	(76.80)	(88.70)
Increase / (decrease) in Current & Non-Current liabilities	7,265.90	6,440.70	4,557.40
Increase / (decrease) in Current & Non-Current provisions	(220.80)	(878.90)	(936.70)
	(4,416.40)	**(3,697.70)**	**299.90**
Cash generated from / (used in) operations	**3,108.00**	**2,146.60**	**3,309.70**
Direct taxes (paid)/refund	(1,628.80)	(1,086.10)	(1,040.90)
Net cash generated / (used) from operations - A	**1,479.20**	**1,060.50**	**2,268.80**
Cash flow from investing activities			
Capital expenditure on fixed assets	(4,782.10)	(5,887.10)	(3,968.90)
Sale proceeds of fixed assets	18.00	1.20	164.20
Long term Inter corporate deposits given	(117.00)	-	111.50
Decrease / (Increase) in Other Intercorporate deposits - Net	(828.20)	168.80	338.20
(Increase) / decrease in Partnership Current account	(28.70)	231.70	(1,571.00)
Current & non-current Investments made (including advance paid for purchase of shares)	(2,799.50)	(3,229.20)	-
Proceeds from sale of / refunds from Current & Non-current Investments	1,153.60	1,696.10	741.60
(Increase)/ Decrease in Other Non-current Assets	-	-	(50.00)
Interest received	448.10	239.70	9.00
Dividend received	2.50	98.60	2.30
Advance paid - purchase of property / Investment	-	-	(1,651.00)
Investment in Other Non-current Assets	-	61.90	24.70
Net cash from / (used) in investing activities - B	**(6,933.30)**	**(6,618.30)**	**(5,849.40)**

PARTICULARS	For the year ended March 31, 2014	2013	2012
Cash flow from financing activities			
Secured loan availed	20,417.00	11,120.70	14,832.30
Secured loan repaid	(13,570.10)	(5,379.80)	(11,877.50)
Unsecured loan taken	201.00	50.00	83.10
Repayment of unsecured loan	(1,034.40)	(2.40)	(410.50)
Inter corporate deposits taken (net)	-	665.10	478.40
Dividend pay-out including tax	(491.40)	(457.60)	(455.80)
Finance costs paid	(2,265.30)	(1,459.90)	(1,089.80)
Net Proceeds from issue of equity shares under Institutional Placement Programme (IPP)	-	3,544.50	49.60
Proceeds from issue of debentures	99.20	146.10	116.40
Share application money received	57.90	-	34.30
Share application money refunded	-	-	(99.30)
Capital contribution in Partnership firm	-	-	0.90
Current account contribution in Partnership firm	-	-	415.80
Contribution by minority share holders	297.50	-	-
Net cash from / (used) in financing activities - C	**3,711.40**	**8,226.70**	**2,077.90**
Total increase / (decrease) in cash and cash equivalents during the year (A+B+C)	**(1,742.70)**	**2,668.90**	**(1,502.70)**
Cash and cash equivalents opening balance	4,587.20	1,918.30	3,325.60
Add: Cash released on disinvestment	-	-	(1.70)
Add: Cash acquired on acquisition of subsidiaries	4.90	-	97.10
Cash and cash equivalents closing balance	**2,849.40**	**4,587.20**	**1,918.30**
Reconciliation of cash and Cash equivalents with Balance Sheet:			
Cash and cash equivalents as per Balance Sheet	3,395.40	4,880.00	2,012.80
Less : Fixed Deposits & Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	546.00	292.80	87.20
Less: balance with banks under escrow account	-	-	7.30
Cash and cash equivalents at the end of the year as per cash flow statement above	**2,849.40**	**4,587.20**	**1,918.30**

Our Auditors have included following Emphasis of Matter in the review report for the three months period ended June 30, 2014, audit report for the Financial Year 2014 and Qualification in their audit report for the Financial Year 2012:

June 30, 2014

Emphasis of Matter

The Auditors have reported emphasis of matter in phara 4 (a) and (b) of the review report for the three months period ended June 30, 2014 as below:

a) Trade receivables as at 30 June, 2014 include ₹ 10,599 lakhs (31 March, 2014 **-** ₹ 11,073 lakhs) due from certain parties which have been considered as good and recoverable by the Management, inter alia, based on the continuing business relationships and arrangements that the Company has with these parties.

b) We draw attention to Note 3 of the Statement. As explained in the note, the Company is in the process of evaluating the useful life of its tangible fixed assets, including components if any, pursuant to the requirements of Schedule II of the Companies Act, 2013 which has come into effect from April 1, 2014. The effect on depreciation consequent to such evaluation will be recorded in the period in which it is determined.

2014

Emphasis of Matter

The Auditors have drawn attention to Note 40 to the consolidated financial statements for financial year 2014. As stated therein, trade receivables outstanding for more than six months from the date on which they were due include an amount of ₹ 11,073 lakhs relating to dues from certain parties which have been considered good and recoverable by the Management, inter alia, based on the continuing business relationships and arrangements that the Company has with these parties. The opinion is not qualified in respect of this matter.

2012

Qualification

As detailed in Note 2 (b) of the consolidated financial statements of the Company for the financial year 2012, the financial information of a certain jointly controlled entity and an associate for the year then ended to the extent included in Annexure 1, which were considered in those consolidated financial statements based on information compiled by the Management and were not subject to audit by independent auditors.

Annexure 1

Particulars:	**As at and for the year ended March 31, 2012:**
	(*INR in millions*)
Relating to a jointly-controlled entity:	
Assets:	672.0
Revenue:	1.1
Cash flows – (outflows)/inflows	99.6
Relating to an Associate:	
Share of Profits	2.2

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Placement Document, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, results of operations, cash flows and financial condition.

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 trading price of, and the value of your investment in, 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 Placement Document 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 Placement Document.

Risks Relating to our Company

We may be affected by changes in competition law in India and any adverse application or interpretation of the Competition Act, 2002, as amended could adversely affect our business.

The Competition Act, 2002, as amended (the "**Competition Act**"), was enacted for the purpose of preventing practices having an appreciable 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, such person shall be guilty of the contravention and may be punished. Agreements entered into by us could be within the purview of the Competition Act. If we or any of our directors or employees are required to comply with any order of the CCI or are penalised under the Competition Act, our reputation, business, financial condition, results of operations and prospects 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. Any adverse effect of the Competition Act and the CCI upon the business environment in India may also adversely affect our business, financial condition and results of operations.

The Competition Act aims to, among others, prohibit all agreements and transactions which have, or are likely to have, an appreciable adverse effect on competition in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. The CCI has imposed penalties on Indian enterprises for contravention of the Competition Act. For example, the CCI imposed a penalty of INR 6,300 million on DLF Limited ("**DLF**"), an Indian real estate company, for abuse of its dominant position in the market for high end residential property in Gurgaon, India. The Competition Appellate

Tribunal (the "**COMPAT**") has upheld the CCI's order in relation to penalties. DLF has been directed not to act upon certain conditions, which the CCI has deemed unfair, in the agreements entered into by DLF with the apartment allottees, including conditions such as the imposition of penalty interest rates for late payment of instalments by the customer and the ability of DLF to mortgage the land underlying the apartments even after the buyer has paid the full amount.

We are currently party to a proceeding in relation to alleged non-compliance with the Competition Act initiated before the CCI. It has been alleged that various enterprises engaged in the real estate development business have arrangements/understanding amongst them to adopt anti-competitive practices, and that the code of conduct adopted by the Confederation of Real Estate Developers' Associations of India (the "**CREDAI**") a body of private real estate developers in India, of which we are a member indicates collusion among its members. In an order dated April 15, 2014, the CCI noted that the Director General of the CCI (the "**DG**"), while investigating the conduct of 20 real estate companies, including our Company, concluded that the conduct of our Company was in contravention of Section 3(3)(a) and Section 3(3)(b) of the Competition Act. Based on the DG's finding, the CCI has impleaded us and 19 other builders for alleged contravention of Sections 3(3)(a) and 3(3)(b) of the Competition Act. Pursuant to Section 27 of the Competition Act, a penalty of not more than 10 per cent. of the average turnover of the last three financial years can be imposed for any agreement in violation of Section 3 of the Competition Act. In addition if any such agreement has been entered into by a cartel, each member of such cartel could be subject to a penalty of up to (a) three times of its profit for each year of the continuance of such agreement or (b) ten per cent. of its turnover for each year of the continuance of such agreement, whichever is higher. If we are unable to defend our case successfully before the CCI, and are unable to get any adverse order that may be issued by the CCI reversed on appeal by the COMPAT or a court of competent jurisdiction, we could be liable for penalties under the Competition Act. For further details relating to the proceedings before the CCI, see the section "**Legal Proceedings**" beginning on page 196. If we or any of our directors or employees are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or an adverse finding by the CCI, or any adverse publicity that may be generated due to scrutiny or an adverse finding by the CCI or if any cease or desist orders or substantial penalties are levied under the Competition Act, it would adversely affect our reputation, business, financial condition, results of operations and prospects.

We have in the past been subjected to an income tax search in the quarter ended December 31, 2013 which may have an adverse effect on our reputation, business and results of operations.

Our Company was subject to a search under Section 132 of the IT Act during the quarter ended December 31, 2013. As on the date of this Placement Document, our Company has not received any notice from the Income Tax authorities regarding the outcome of the search. In order to avoid any potential litigations with the revenue authorities during income tax assessments, our Company has, a matter of abundant precaution and without prejudice to its rights of being appropriately and correctly taxed and despite not having known of any specific instances, submitted (a) taxable income of ₹ 250.00 million towards any possible omission, commission errors and miscellaneous issues that may be disallowed during the income tax assessments; (b) certain revenue on related party transactions to tax prior to them being recognised in the books of account of the Company pending completion of the milestone for revenue recognition stated in the accounting policy of the Company for revenue recognition; and (c) additional revenue due to changes in the estimates to project cost, which are in the normal course of business, and in accordance with the accounting policy of the Company. We cannot assure you that we will not receive any notice from the Income Tax authorities regarding the outcome of the search. In addition, should any new development arise, such as change in Indian law or rulings against us, we may need to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision by the Income Tax authorities which we are unable to get reversed by any appellate authority or court of competent jurisdiction may have an adverse effect on our reputation, business and results of operations.

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 in turn 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 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 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 our Financial Results — Variations in Prices for our Properties*".

As of July 15, 2014, 79.10 per cent. of the total Developable Area of our Ongoing Projects and Upcoming Projects and 82.36 per cent. of our Land Bank are 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*". 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. See "*Industry Overview — The Bengaluru Real Estate Market*". 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.

Our business is significantly dependent on the availability of real estate financing in India. 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 dislocations and liquidity disruptions which have arisen from, amongst other things, the liquidity disruptions in the United States and the European Union credit and sub-prime residential mortgage markets, and more recently, 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 4.4 per cent. in Fiscal Year 2013 compared with 5.8 per cent. growth in Fiscal Year 2012 (*Source: Centre for Monitoring Indian Economy, March 2014*). The RBI's Second Bi-Monthly Monetary Policy Statement, 2014-2015, provides a slightly higher estimate of 4.7 per cent. for GDP growth for Fiscal Year 2014. (*Source: Second Bi-Monthly Monetary Policy Statement, 2014-2015, Press Statement by Dr. Raghuram G. Rajan, Governor, Reserve Bank of India, June 3, 2014*).

The inflation rate in India remained at approximately nine per cent. for both Fiscal Year 2011 and Fiscal Year 2012 and increased to approximately 10.9 per cent. for Fiscal Year 2013. (*Source: World Bank*) The RBI raised interest rates numerous times between March 2010 and March 2012 to address inflation concerns thereby leading to a rise in the bank lending rates. From April 2012 to May 2013, repo rates decreased from 8.00 per cent. to 7.25 per cent., and have since increased to 8.00 per cent. as of July 11, 2014. (*Source: Reserve Bank of India*) The CRR of scheduled commercial banks was reduced by 25 basis points, from 4.25 per cent. to 4.00 per cent. of their net demand and time liabilities, during the period from January 4, 2014 to July 11, 2014 (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 completed residential developments by individuals and sale or lease of commercial projects. 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.

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 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.

Our standalone unaudited financial results and related financial disclosure in this Placement Document as at and for the three month period ended June 30, 2014 are on an unconsolidated basis, and are not comparable with prior periods and reliance on such financial results should, accordingly, be limited .

This Placement Document includes standalone unaudited financial results for the three month period ended June 30, 2014 in relation to our Company (the " **Unaudited Financial Results**"), which have been prepared by the Company in accordance with Clause 41 of the Listing Agreement, in respect of which the Auditors of our Company have conducted their review in accordance with Standard on "Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. As the Unaudited Financial Results prepared by the Company in accordance with Clause 41 of Equity Listing Agreement have been subject only to a limited review and not to an audit, any reliance by prospective investors of such standalone Unaudited Financial Results should accordingly be limited. Further, the Unaudited Financial Results do not present the consolidated results of operations, financial condition or cash flows of our Company for such period. Accordingly, the Unaudited Financial Results included in this Placement Document may not reveal matters of significance in relation to our consolidated results of operations, financial condition or cash flows since March 31, 2014 in the same manner as they would if our financial statements were presented on a consolidated basis. Our Company's Unaudited Financial Results included in this Placement Document cannot and are not intended to substitute the consolidated financial statements of our Company and the investors are cautioned against substituting such unconsolidated financial statements in making their investment decision.

Our Auditors have qualified their audit report on our consolidated financial statements for the year ended March 31, 2012 and have provided an emphasis of matter on our consolidated financial statements for the year ended March 31, 2014 and we are in the process of evaluating the useful life of our tangible fixed assets under Schedule II of the Companies Act 2013, which may impact the financial statements, results of operation and the price of Equity Shares of our Company.

Our statutory auditor's report on the consolidated financial statements of the Company for the year ended March 31, 2012 includes a qualification with regard to the financial information of a certain jointly controlled entity and an associate for the year then ended, which were considered in the consolidated financial statements based on information compiled by the Company's management and were not subject to an audit by independent auditors. This financial information is contained in Annexure 1 to the report of the independent auditor on the audited consolidated summary financial statements included in "*Financial Statements*", which provides as follows:

Particulars:	**As at and for the year ended March 31, 2012:**
	(*INR in millions*)
Relating to a jointly-controlled entity:	
Assets:	672.0
Revenue:	1.1
Cash flows – (outflows)/inflows	99.6
Relating to an Associate:	
Share of Profits	2.2

This qualification may impact our financial statements and the results of operation of our Company. For further details, see the independent auditor's report as of and for the financial year ended March 31, 2012 in "*Financial Statements*".

We cannot assure you that our auditors will not qualify their opinions on their audit reports on the audited consolidated or unconsolidated financial statements of our Company in the future. Such a qualification in future audit reports may impact the financial statements, results of operations and the price of Equity Shares of our Company.

In addition, our auditors have included an emphasis of matter paragraph relating to certain trade receivables outstanding for more than six months from their respective due dates as of March 31, 2014, which have been considered good and recoverable by the Company. For further details see note 40 of the Consolidated Summary Financial Statements in “Financial Statements”. We are also in the process of evaluating the useful life our tangible fixed assets, including components if any under the requirements of Schedule II of the Companies Act, 2013 which has come into effect from April 1, 2014. The effect on depreciation, which we are currently evaluating, will be recorded in the period in which it is determined which may have an adverse effect on our results of operations. For additional information please see Note 3 of the unaudited standalone results for the quarter ended June 30, 2014.

Our revenues are dependent on various factors and are therefore difficult to predict and can vary significantly from period to period, which could cause the price of the Equity Shares to fluctuate.

Under our existing business model, revenues in our real estate development business are derived primarily from the sale of commercial and residential developments, the leasing of commercial developments, retail developments and hospitality developments. While rental income can be relatively stable, revenues from sale of properties are dependent on various factors such as the size of our developments, the price at which such developments are sold, the extent to which they qualify for percentage of completion treatment under our revenue recognition policies, rights of lessors or third parties that could impair our ability to sell properties and general market conditions including those caused by the current global financial crisis. Our revenues are also recognized based on a percentage of estimated total costs, which estimate may vary, sometimes significantly. Further, while we make sales of properties, our ability to recognize revenue and profits will depend on the successful execution and completion of projects and the customers paying us the remaining amounts due under contract, after the payment of initial deposit.

The completion dates for our projects are estimates based on current expectations, market demands and management estimates and could change. Any changes in the construction schedule could affect revenue recognition in our financial statements. These factors may result in significant variations in our revenues and profits. Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indicative of future performance.

We recognise revenue based on the percentage of completion method of accounting. As a result, our revenues and development costs may fluctuate significantly from period to period which may have adverse effects on our financial condition and results of operations.

We recognise our revenues from the sale of properties on a percentage of completion basis and the timing of such revenue recognition depends on achieving a certain threshold of completion of our projects. This may result in uneven distribution of our revenues, with substantial revenues recognized at the time of completion of a particular project and prolonged periods in between such recognition of revenues. This may cause our financial results to fluctuate significantly from period to period. Further, we recognize revenues based on actual costs over estimated costs. We cannot assure you that these estimates will equal either the actual cost incurred or revenue received with respect to a particular project. The effect of such changes to estimates is recognised in the financial statements of the period in which such changes are determined. This may lead to significant fluctuations in revenues and development costs. Further, any significant change in such estimated costs may materially and adversely impact our financial condition and results of operations. Therefore, we believe that our financial position for a particular period may not accurately reflect our level of activity in that period or may not be indicative of our future performance or our level of activity for a particular period may not accurately reflect our financial position in that period. Such fluctuations in our revenues and costs could also cause our share price to fluctuate significantly. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Significant Accounting Policies — Revenue Recognition*".

Our contingent liabilities could adversely affect our financial condition.

We have substantial contingent liabilities, which could adversely affect our business and results of operations. Our contingent liabilities aggregated to INR 8,715.6 million on a consolidated basis as at March 31, 2014. The contingent liabilities consist principally of corporate guarantees given on behalf of companies under the same management. If these entities are unable to pay or otherwise default on their obligations, their lenders may require us, pursuant to the relevant guarantee, to cover the full or remaining balance of their obligations. In the event that any of these contingent liabilities materialize, our results of operation and financial condition may be adversely affected. For further information, see "*Management's Discussion and Analysis of Condition and Results of Operations — Contractual Obligations*".

We will continue to be controlled by our Promoters after the completion of the Issue.

After the completion of the Issue, our Promoters will control, directly or indirectly, less than 75.00 per cent. but at least 70.00 per cent. of our outstanding Equity Shares. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our board of directors and determine decisions requiring simple majority voting, and may, in certain situations, be able to determine decisions requiring special majority voting, which requires that the votes cast in favour of the resolution by members entitled to vote on such resolution and so voting, are not less than three times the votes cast against the resolution, by members so entitled and voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favor.

Our business and financial condition will suffer if we are unable to renew our commercial, retail and hospitality leases on favorable terms.

We receive rental income from the lease of commercial, retail and hospitality projects. For Fiscal Year 2014, our rental income was ₹ 3,005.00 million, which constituted 11.4 per cent. of our total revenue. When our leases expire, our tenants may not renew or may renew on terms less favorable to us than the terms of their original leases. In some cases, we also enter into long-term agreements with anchor tenants for periods up to 25 years. Our ability to enter into such long term arrangements is largely dependent on our pricing policy. If a tenant vacates a property, we can expect to experience a vacancy for some period of time, as well as incur higher leasing costs, than if a tenant renews a property in a timely manner. We have in certain cases also entered into letters of intent to commit tenants to the lease of commercial space in certain of our Ongoing Projects and Upcoming Projects prior to the completion of these developments. Our financial performance could be adversely affected if such prospective tenants fail to take up space and execute formal lease agreements.

We undertake some of our projects through joint ventures, project-specific Subsidiaries and Associates, which entail certain risks.

At present some of our projects are undertaken by way of joint ventures, such as our joint venture with CMIDF for development of retail and commercial projects in certain south Indian cities such as Bengaluru, Mysore, Mangalore, Hyderabad and Kochi. See "*Our Business — Our Joint Venture with CMIDF*". Certain of our joint venture arrangements restrict us from collaborating with parties other than our joint venture partner for the development of projects except where our joint venture partner declines a proposal made by us in which case we are allowed to offer such projects to a third party only on terms that are no more favourable than those offered to our joint venture partners. While we believe that such restrictions are market standard, they may inhibit our growth in the retail development segment. In addition, we plan to continue to undertake projects with or through joint ventures with third parties in the future.

Our joint venture partners may have or acquire business interests or goals that are inconsistent with our business interests or goals. Our joint venture partners may also enter into similar joint venture agreements and collaborate with other parties developing similar projects as ours. 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. Additionally, under certain joint venture agreements we along with our partners are required to provide additional funding into the joint venture entities. We cannot assure you that the capital contributions will be made as envisaged under the agreements, or at all. In addition, though our joint ventures confer rights on us to construct, develop, market and sell the developed properties, our joint venture partners have certain decision-making rights which may limit our flexibility to make decisions relating to such projects, and may cause delays or losses. Further, unlike under our joint development agreements, the Company in the joint venture framework agreements is responsible for the conversion of agricultural land, where required. Any delay or inability to convert such land may lead to delay or cancellation of such projects and may also subject us to penalties. As a result of this, our business, reputation and result of operations may be materially and adversely affected.

Certain of our joint ventures involve the participation of foreign investors. These joint venture agreements provide the investors with options to exit the joint venture, through the exercise of tag along rights, drag along rights, put option and call options. In the event that the investors exercise these rights, the completion of the project may be adversely affected. Further, joint venture agreements require investor consent before any restructuring, reorganization, change in capital structure, effecting amendments to the joint venture company's memorandum or articles of association and/or transfer of assets. Under certain joint ventures agreements, the investors are entitled to preferential dividends. Further, under certain joint venture agreements, investor consent is also required for the determination of minimum sale prices and rentals of the various components of the project. We may not be able to obtain these consents in time or at all, which may delay or defer proposed transactions and adversely affect our growth strategy.

While we believe that such restrictions are market standard, they may inhibit our growth potential, limit our flexibility to make decisions relating to the corresponding projects, cause delays and may materially and adversely affect our results of operations.

Further, the Company has equity interests in its Subsidiaries and Associates, each of which develop specific projects. Some of our Subsidiaries and Associates not only undertake the development but also continue to own and/or operate such developments subsequent to their completion. As a result, our financial condition and results of operations also depend on the performance of our Subsidiaries and Associates and the returns and other distributions we receive from them. In the event of non-performance by our Subsidiaries and Associates, losses incurred or lack of dividends or other distributions made by our Subsidiaries and Associates, our results of operations and financial condition may be adversely affected.

Our failure to obtain requisite consent from one of our existing joint venture partners may result in a breach of our obligations under such joint venture agreement

We may require consent from one of our joint venture partners under an existing joint venture agreement to make disclosures in the Offering Documents with respect to certain of our agreements. Although we have applied to our joint venture partner for consent, we have not, as of the date of this Placement Document, received such consent. Any failure by us to obtain the required consent from our joint venture partner may result in a breach of our obligations under such joint venture agreement.

We enter into joint development agreements in relation to the development of majority 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 majority of our projects. As of July 15, 2014, we had entered into joint development agreements in relation to 593.86 acres or approximately 39.50 per cent. of our Land Reserves, and pursuant to these agreements we had paid approximately ₹ 7,353.00 million and are required to pay a further sum of ₹ 480.00 million under such agreements. Under these agreements, we are required to provide the owners of the land with either 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 or a non-refundable deposit. Under these joint development agreements, in the event of any delay in the commencement of construction or 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.

Certain of our joint development agreements, including the joint development agreement with M/s United Breweries (Holdings) Limited for Kingfisher Towers, do not contain an exception for delay caused due to factors beyond the control of the Company in relation to the imposition of penalties and only contain limited force majeure clauses. Consequently, we could be forced to pay penalty for certain events beyond our control, including for delays on part of the government authorities or other entities.

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 would be lost. As a result of this, our business, financial condition and results of operations could be materially and adversely affected.

We have executed joint development agreements for the development of Prestige Alecto and Prestige Excelsior, two of our Completed Projects, with only the leaseholders of the underlying land and not with the owners. In the event that the leaseholders commit a default under the lease agreement, or for any other reason the leasehold right of the leaseholder is terminated, we will be unable to acquire an interest in or derive benefits from the project. Furthermore, there is ongoing legal proceeding relating to the leaseholder's title to the underlying land for Prestige Alecto. Consequently, an adverse outcome in the legal proceeding may materially and adversely affect our interest in the project. See "*Legal Proceedings*".

We enter into memoranda of understanding, agreements to sell and similar agreements with land owners to acquire land, interests in land (including acquisitions of land and interests in land through investment in entities) or to enter into joint development agreements and we may not recover payments made with respect to such land.

We enter into memoranda of understanding, agreements to sell and similar agreements with land owners to acquire lands or interest in the lands (including acquisitions of land and interests in land through investment in entities) or to enter into joint development agreements in the future. We also make partial payments to such land owners or entities and upon the successful completion of due diligence investigations we pay the remaining amount. We have entered into agreements to acquire 39.11 acres for our Land Reserves, which will constitute approximately 2.59 per cent. of our Land Reserves as of July 15, 2014. Pursuant to these agreements, we have paid approximately ₹ 510.00 million and are required to pay a further sum of ₹ 198.00 million under such agreements. Our inability to acquire such land or land development rights, or our failure to recover any payments made by us with respect to such land, may adversely affect our business, financial condition and results of operations.

Our Company has a minority shareholding in certain Associates in which other individual/entities together have a controlling interest. Consequently, our control and operations in respect of such Associates may be adversely affected.

Our Company has a minority shareholding in certain Associates in which other individual/entities together have a controlling interest. These include, Prestige Garden Constructions Private Limited, Babji Realtors Private Limited, Prestige Projects Private Limited and Exora Business Parks Private Limited. These Associates own lands, on some of which certain of our projects are being developed.

We cannot assure you that such other individuals/entities who hold controlling stakes in such Associates will act in our interest while exercising their rights in such Associates. Our inability to exercise control over entities which hold the lands on which certain of our projects are being constructed may result in delays or losses in relation to the construction of the said Projects which may in turn materially and adversely affect our business and results of operations. The details of the controlling interests of other individuals and entities are as below:

Entity	% of Controlling Interest held by other individuals/entities as of March 31, 2014
Prestige Realty Ventures	79.00
Babji Realtors Private Limited	75.50
Silverline Estates	69.67
Prestige KRPL Techpark	69.00
Exora Business Parks Private Limited	67.54
Prestige Projects Private Limited	67.32
Prestige Garden Constructions Private Limited	65.00
Prestige Notting Hill Investments	53.00
Prestige Ozone Properties	53.00
Prestige Whitefield Developers	53.00

Our Company, our Promoters 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 are involved in legal proceedings and claims in India. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. For example, certain civil suits have been instituted against the Company relating to, among others, title to land on which we are developing our projects. We are also involved in tax proceedings. There are also consumer complaints pending against us which allege that we have delayed in the delivery of possession of apartments and have been deficient in our service.

Irfan Razack, Rezwan Razack, Noaman Razack, B.G. Koshy, Jagdeesh K. Reddy and Dr. Pangal Ranganath Nayak, who are the Promoters and / or Directors of the Company, are involved in certain legal proceedings which are civil in nature and may include the attachment of certain of their property, including the property on which the registered office of the Company is located. Irfan Razack, Rezwan Razack, B.G. Koshy and Dr. Pangal Ranganath Nayak are also parties to civil suits as a member in a partnership firm. Further, Irfan Razack Rezwan Razack and Noaman Razack are also parties to tax proceedings.

Our Subsidiaries and Associates are also involved in legal proceedings, including civil and tax proceedings, which are pending at different levels of adjudication before various courts and tribunals.

We cannot assure you that these legal proceedings will be decided in favor of us, our Promoters or Directors or our Subsidiaries or Associates. 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.

We had entered into certain contracts with certain of our Subsidiaries and Associates and other entities in which our directors were interested for which we had not received prior approval from the Government of India as required. Anything done in pursuance of such contracts may be voidable at the option of the Board.

We have in the past entered into certain contracts with certain of our Subsidiaries and Associates and other entities in which our directors were interested for which we had not received prior approval from the Government of India as required. In this regard we submitted appropriate applications before the Company Law Board, Chennai, to compound the offences in this respect which are still pending. The process will entail the payment of compounding fees / penalties and in relation to such payment of penalties, an order from the Company Law Board, Chennai is awaited. Rejection of our application will have an adverse impact on our continuing relationships with such entities and may expose us to legal liability. We cannot assure you that similar instances will not occur in the future and any adverse outcome in those may materially and adversely affect our business, financial condition and results of operations.

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. 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. 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.

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, outside of our traditional geographic focus, to areas such as Mangalore, Mysore, Hyderabad, Chennai, Goa and Kochi and various locations within some cities such as Bengaluru. See "*Our Business — Our Strategy — Continue to expand our geographical presence in south Indian cities*". 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.

Leasing our completed developments instead of selling them, and the securitization of our future rental receipts, could affect our cash flows and results of operations.

In addition to the sale of completed residential and commercial developments, we generate revenue in our real estate development business by leasing completed developments of our commercial business, retail business and hospitality business. Leasing, as opposed to selling, completed developments reduces cash flows in the short-term and increases the period over which cash is recovered from such projects. Further, our strategy of leasing certain properties is also subject to the prevailing rates applicable to rentals, risks arising from the fall of rental rates, recoverability of rent, market price of land and such other factors which may affect our operations.

In addition, we enter into arrangements with banks to securitize the revenue generated from the lease of our completed commercial, hospitality and retail developments, in terms of which the banks pay us a lump sum, in the form of a loan, at the time we lease the property, with all subsequent rentals from our tenants paid directly to the bank. The bank exercises a lien on a bank account into which the lease rentals are paid, until the loan is repaid. The transfer of credit balance in this account can be made by the bank without recourse to the Company. Lease payments may only be utilised for the payment of the sum due under the loan. If our tenants fail to make any rental payments, we are obligated to make the payment owed to the bank which could materially and adversely affect our cash flows and results of operations.

Our 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, 2014, our outstanding indebtedness was ₹ 31,541.3 million, out of which ₹ 857.6 million was unsecured and ₹ 30,683.7 million was secured. We may incur additional indebtedness in the future. Our indebtedness could have several consequences, including but not limited to the following:

- During the year ended March 31, 2014, our interest charges paid were ₹ 2,265.3 million, which amounted to 61.0 per cent. of our net cash inflows from financing activities during such period and our loan repayment were ₹ 14,604.5 million, which amounted to 393.5 per cent. of our net cash inflows. Our net cash inflows are computed as our total cash inflows during the period including cash outflows towards investment activities);

- 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, 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. One of our financing agreements also contains a clause that requires us to give the lender the first right of offering of its services for any fundraising or similar business on mutually acceptable commercial terms and any failure to do so could lead to a default under such financing agreement. 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. For instance, Jammu and Kashmir Bank Limited has a charge over the 245 acres of land on which our Ongoing Project Golfshire is being developed, as well as on the present and future rent receivables from that project. Further, under the terms of our ₹ 1,000.00 million term loan from Housing Development Finance Corporation Limited, upon the occurrence of an event of default the lender obtains a right to enforce the security created in its favor, to enter into and take possession of the assets of the Company and transfer the assets comprised within the security by way of lease, license, sale or otherwise. During the subsistence of an event of default, without the prior approval of the lender, we shall not, among other things, (i) undertake any new projects, (ii) expand any existing projects, (iii) modify the charter documents, (iv) make any investments whether by way of deposits, loans or investments in share capital in any entity and (vii) issue any further share capital whether on a preferential basis or alter the capital structure of the Company. 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, 2014 we had ₹ 30,683.7 million of debt, or 99.5 percent. of our total outstanding debt, which bears interest at floating rates linked to the 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.

Our Promoters and their relatives have given personal guarantees in relation to certain of our debt facilities provided to the Company, its Associates and Subsidiaries, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters and their relatives have given personal guarantees in relation to certain of our debt facilities provided to us, aggregating ₹ 19,503.8 million as of March 31, 2014. 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 even terminate such facilities. We may not be successful in procuring 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.

Our Company has given corporate guarantees in relation to certain debt facilities provided to our Subsidiaries and certain Associates, which if claimed on, may require our Company to pay the guaranteed amounts.

As of March 31, 2014, the Company had given corporate guarantees in relation to certain debt facilities provided to our Subsidiaries and certain Associates in respect of which such entities have drawn down amounts aggregating to ₹ 18,095.8 million. For more details see "*Management's Discussion and Analysis of the Financial Conditions and Results of Operations — Contractual Obligations*". If these Subsidiaries and Associates default in their payment obligations, the relevant lenders may enforce the guarantee obligations against our Company. If our Company is required to pay the guaranteed amount, our results of operations and financial conditions may be adversely affected. Additionally, in the event these guarantees are revoked, our relevant Subsidiaries and Associates may be required to substitute such guarantees, failing which our creditors may revoke the debt facilities, in part or full.

Certain of our land acquisition transactions may not be completed on account of sellers' inability to satisfy pre-conditions to the sale and we may not be able to recover advances made in relation to such transactions.

As part of our land acquisition process, we enter into purchase agreements or memoranda of understanding with third parties prior to the transfer of interest or conveyance of title of the land to us. Such third parties may own the land themselves or have contracts to purchase such land from the current owners. We enter into these agreements after making certain advance payments in order to ensure that such third parties can satisfy certain pre-conditions, such as the acquisition of land and the conversion of land for non-agricultural purposes, within the time frames stipulated under these agreements. There can be no assurance that these third parties will be able to satisfy these conditions within the time frames stipulated or at all. In addition, such third parties may at any time decide not to sell us the land identified.

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

Our Company owns land, and is the registered owner of 1.13 acres of land, which accounts for 0.30 per cent. of our total Land Reserves.

Our Company owns a total of 1.13 acres of land, which aggregates to 0.08 per cent. of our total Land Reserves. Our Subsidiaries owns a total of 219.93 acres of land, which aggregates to 57.42 per cent. of our total Land Reserves. Our Associates own a total of 161.94 acres of land which aggregated to 42.28 percent. of the total Land Reserves. As a result, our Subsidiaries and Associates will have control over a significant portion of the Land Reserves and thereby limit our flexibility to make decisions relating to such Land Reserves. Further, our Company enters into joint development agreements with third party land owners in relation to the development of a majority of our projects. Pursuant to the joint development agreements, our Company develops the land parcel and the built up area is shared between land owner and our Company based on an agreed ratio. For risks relating to joint development agreement, see the risk factor titled "*We enter into joint development agreements in relation to the development of majority of our projects, which entail certain risks, including loss of the payments made by us and payment of penalties*".

Our title and development rights or other interests over land may be subject to legal uncertainties and defects which may have an adverse impact on our ability to develop and market projects developed on such lands. Further, inadequate or doubtful title may expose us to the risks of litigation.

There may be various legal defects and irregularities to the title to the lands that we own or on which we have development rights or other interests in, directly or indirectly, and which we may not be able to fully identify, resolve or assess. Prior to any agreement for purchase and/or development of land with respect to any land or any right therein, we usually verify the history and title of the land based on available documents and information by undertaking a due diligence process and obtain title opinion from experts. See "*Our Business —*

Our Real Estate Project Development and Execution Methodology". However, there can be no assurance that such documents and information is accurate, authentic or complete. Our rights in respect of these lands may be compromised by improper execution or non registration of relevant property documents, encumbrances created in favor of third parties that is not registered (due to which such encumbrances would not appear in the records maintained in this regard), the absence of conveyance by all right holders, rights of adverse possessors, non-procurement of *khata* in the name of the owner, ownership claims of family members of prior owners, or other defects that we may not be aware of. Thus, we may not be able to assess or identify all the relevant risks and liabilities associated with defects or irregularities of title. Any acquisition made by us in reliance on our assessment of such information, or the assessment of such information by a third party, is subject to risks and potential liabilities arising from the inaccuracy or incompleteness of such information. If such information later proves to be inaccurate, any defects or irregularities of title may result in our loss of title or rights over land, and the cancellation of our development plans in respect of such land. Any inability to identify defects or irregularities of title, and any inability to correct any such defects or irregularities of title, on lands that we plan to develop may have a material and adverse effect on our business, financial condition and results of operations.

Additionally, property records in India have not been fully computerized and are generally maintained manually with physical records of all land related documents, which are also manually updated. This updating process can take a significant amount of time and can result in inaccuracies or errors and increase the difficulty of obtaining property records and/or materially impact our ability to rely on them. As a result, the title of the real property in which we may invest may not be clear or may be in doubt.

Further, legal disputes in respect of land title can take several years and can entail considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If we or the owners of the land, which is the subject of our agreements, are unable to resolve such disputes with these claimants, we may either lose our interest in such land or may be rendered unable to commence or continue development thereon. Certain of our projects, even if classified as Completed Projects, are subject to litigation relating to title of underlying land. If the outcome of such litigation is not favorable to us, we may be subject to liabilities, which may not be ascertainable. The failure to obtain good title to a particular plot of land may materially prejudice the success of any development for which that plot is a critical part and may require us to write-off expenditure in respect of the development. For details of litigation relating to land, see "*Legal Proceedings*".

Some of our projects are executed through joint ventures in collaboration with third parties or by entering into joint development agreements where the title to land remains with the land owner during the term of the project. In some of these projects, the title to the land may be owned by one or more such third parties. In such instances, there can be no assurance that the persons with whom we have entered into joint ventures or joint development agreements, as the case may be, have clear title to such land and that there are no encumbrances on such land.

A lack of title insurance, coupled with difficulties in verifying title to land, may increase our exposure to third parties claiming title to the property. This could result in a delay in our selling the property or even a loss of title to the property, affect valuations of the property, or otherwise materially prejudice the development of the property which could in turn have a material and adverse effect on our business, financial condition or results of operations.

Our inability to procure contiguous parcels of land, on terms that are acceptable to us or at all, may affect our future development activities.

We acquire parcels of land at various locations, over a period of time, for future development. These parcels of land are subsequently consolidated to form a contiguous landmass, upon which we undertake development. However, we may not be able to acquire such parcels of land, at all or on terms that are acceptable to us, which may affect our ability to consolidate parcels of land into a contiguous mass. Failure to acquire such parcels of land may cause delays or force us to abandon or modify the planned development of the land, which in turn may result in a failure by us to realize the value of our investment in acquiring such parcels of land. Accordingly, our inability to acquire contiguous parcels of land may adversely affect our business, financial condition and results of operations. In the event we are not successful in acquiring these lands, this could cause us to change, delay or abandon entire projects, which in turn could cause our business to suffer.

Our Company has a substantial level of sundry debtors.

As of March 31, 2014, the aggregate amount owed to us by our debtors was ₹ 7,257.5 million, of which ₹ 2,070.90 million was due within six months. General economic conditions may adversely affect the financial conditions of our debtors, and may result in defaults by some of these debtors. In the event of defaults by our debtors, we may suffer a liquidity shortfall and incur additional costs, including legal expenses, in recovering the sums due and payable to us. If we are unable to recover the sums due and payable to us, or if the recoveries made by us are significantly lower than the aggregate amount owed to us, it may have an adverse impact on our business, financial condition or results of operations.

Some of the properties on which we are developing projects are the subject matter of litigation to which we are not a party.

It has come to our attention that some of the properties on which we are developing or have developed projects, such as, Forum Thomsun Mall, Forum Vijaya Mall, Prestige Polygon, Prestige Hillside Retreat and Prestige Silver Crest are the subject matter of litigation to which we 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
Forum Thomsun Mall	Pursuant to an agreement dated April 17, 2008 amongst Pinnacle Six Limited, our Company, Thomsun Realtors Private Limited and individual promoters of Thomsun, we have acquired 0.002 per cent. shareholding in Thomsun Realtors Private Limited. We also have the right to an increased stake of up to 25.00 per cent. in Thomsun Realtors Private Limited upon fulfillment of certain capital commitments specified in the aforementioned agreement.
Forum Vijaya Mall	The Company holds 49.97 per cent. in Vijaya Productions Private Limited, the entity that owns the underlying land, and through which the project is being developed.
Prestige Polygon	Prestige Construction Ventures Private Limited is a subsidiary of our Company wherein our Company holds 100.00 per cent of the equity share capital.
Prestige Hillside Retreat	The Company has entered into a joint development agreement with the owners to develop their land as residential project on area sharing basis with 75.00 per cent. of the built up area being allotted to the Company and 25.00 per cent. to the owners.
Prestige Silver Crest	The Property bearing Sy. No. 27/1 measuring 2.35 Acres was purchased by Hitech Properties (now known as Prestige Hitech Projects) and this entity is now developing a residential project Prestige Silver Crest on the property. The Company has a 92.35 per cent. profit share in Prestige Hitech Projects.

Our growth may require additional capital, which may not be available on terms acceptable to us.

We expect to finance our growth through equity issuances, including through the Net Proceeds of this Issue, as well as through debt financing. See "*Use of Proceeds*". We may not be successful in obtaining additional funds in a timely manner, on favorable terms or at all. 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.

Delays in the completion of our Ongoing Projects and Upcoming Projects or complying with our construction contract schedules could result in cost over-runs.

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, consumer litigation 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 expire or be terminated. We have in the past experienced delays in the completion and handover of our projects. Further, under some of our joint development agreements, we have not fulfilled all of the conditions as stipulated in such joint development agreements, such as the time period in which we are required to commence construction and obtain the requisite approvals. Non-fulfilment of any such conditions as stipulated in certain joint development agreements may expose us to the risk of liquidated damages or termination of the joint development agreement by the land owners. Further, 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 the customers. The amount of such penalties as specified in the agreement vary between 6 per cent. to 7 per cent. per annum. 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. For the period starting April 1, 2009 to March 31, 2014, we have paid ₹ 90.41 million as damages and penalties in connection with delays and non-delivery of units under pending consumer court litigation.

Furthermore, there is a lag between the time we acquire land and/or development rights and the time that we can construct and develop such project and sell our inventories. The actual timing of the completion of a project may be different from its forecasted schedule. Given that the real estate market both for land and developed properties is relatively illiquid, there may be high transaction costs as well as little or insufficient demand for land or developed properties at the expected rental or sale price, as the case may be, which may limit our ability to respond promptly to market events, such as changes in the prices of the raw materials we utilize in our projects. Further, our profitability could be materially and adversely affected if we purchase land at high prices and we have to sell or lease our developed projects during weaker economic periods at prices lower than those estimated originally. The risk of owning undeveloped land and unsold inventories can be substantial and the market value of the same can fluctuate significantly as a result of changing economic and market conditions.

The success of our residential, commercial, hospitality and retail real estate development businesses is dependent on our ability to anticipate and respond to consumer requirements.

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. Increasingly, consumers are seeking better housing and better amenities in new residential developments. The growth and success of our commercial business depends on the provision of high quality office space to attract and retain clients and on our ability to anticipate the future needs and expansion plans of these clients. In our retail business, we believe that an increase in disposable incomes, demographic changes, the change in perception of branded products and the entry of international retail players has led to a greater demand for access to luxury brands. The growth and success of our retail business therefore depends on being able to achieve the right mix of tenants in our malls to attract more customers to the outlets which lease retail space from us. The increase of disposable income and change in lifestyle has also led to an increased proportion of income being spent on tourism and travel. The growth and success of our hospitality business is therefore dependant on our ability to identify suitable hospitality projects in high-tourism locations, partner with the right operator for the management of that hospitality project and ensure that, in conjunction with the operator, we deliver acceptable standards of hospitality and service.

Given the current global economic crisis, we face an increasing pressure to service our customers commensurate to their expectations at attractive prices, which may not be profitable to us. Consequently, our inability to meet our customers' preferences or our failure to anticipate and respond to customer needs accordingly could materially and adversely affect our business and results of operations. If we fail to anticipate and respond to consumer requirements, we could lose potential clients to competitors, which in turn could materially and adversely affect our business and prospects.

Our hospitality business is subject to a number of risks.

We are currently in the process of developing two hotels, which we will own but will be operated and managed by national and international hotel operators. We do not have extensive experience in this business and rely on the operators to manage our hospitality projects. We may not be able to compete effectively with established and new competitors in this business. Our success in the development of hotels, resorts and serviced accommodation will depend on our ability to forecast and respond to demand in an industry in which we have limited experience and we therefore depend on our operators. In addition, the performance of the hotel industry is also closely linked with the performance of the general economy and any economic downturn would affect our business.

The success of the hospitality business is also subject to our ability to successfully partner with management companies to operate the hotels, resorts and serviced accommodation profitably and obtaining all requisite statutory approvals. We have currently entered into agreements several hospitality operators (collectively the "**Operators**") to operate and manage our hotels. Under these arrangements, we are required to develop the hospitality properties while our Operators operate and manage the hotels, resorts and serviced apartments, in return for a stipulated management fee.

The success of this business depends on our ability to develop hotels, resorts and serviced apartments at appropriate locations and to successfully operate these hotels, resorts or serviced apartments. In addition, the role of our Operators is critical to the uninterrupted operations of these hospitality projects. If our hospitality partners fail to meet their obligations, experience financial or other difficulties or suffer a decline in reputation, the projects may suffer and as a result our business and results of operations may be materially and adversely affected. In addition, in the event that these arrangements with our Operators are not successful, our reputation as a hospitality partner for future projects may be materially and adversely affected.

In the event that we are able to and do replace any of our hotel, resort or serviced apartment operators, we may experience significant disruptions at the affected hotels, which may adversely affect our business, results of operations and financial condition.

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 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.

We depend on various sub-contractors or specialist agencies to construct and develop our projects.

We primarily rely on third parties for the implementation of our projects and generally enter into several arrangements with third parties. Accordingly, the timing and quality of construction of our properties depends on the availability and skill of those sub-contractors. During the construction phase of one of our projects, an accident occurred damaging the building and causing three casualties among the contract workers. Part of the building under construction by one of our contractors had to be rebuilt after the accident. Similar incidents may occur in the future. Although we believe that our relationships with third party sub-contractors are cordial, we cannot assure you that skilled sub-contractors will continue to be available at reasonable rates and in the areas in which we conduct our operations.

We hold an insignificant stake in Thomsun Realtors Private Limited and Silver Oak Projects which is engaged in the development of certain of our projects, because of which the control and operations in respect of such projects may be adversely affected.

We currently hold 0.002 per cent. of the shareholding in Thomsun Realtors Private Limited which is engaged in developing our retail project at Kochi, India. While we have the right to an increased stake in Thomsun Realtors

Private Limited upon fulfillment of certain capital commitments specified in the joint venture agreement executed by and amongst CapitaRetail Kochi, our Company, Thomsun Realtors Private Limited and individual promoters of Thomsun Realtors Private Limited for the purpose of development of the Forum Mall at Kochi on April 17, 2008, we cannot assure you that the capital infusion will be made in time as envisaged under that agreement, or at all. We are also entitled to 1.00 per cent. of the share of profits in our partnership firm, Silver Oak Projects, which is engaged in developing certain of our residential projects in Bengaluru, India. Consequently, our inability to hold a significant stake in Thomsun Realtors Private Limited as envisaged, or in Silver Oak Project will impact our control and operations in relation to the project being undertaken by these entities.

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.

We appoint contract labor at certain of our project sites and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.

The Company appoints independent contractors who in turn engage on-site contract labor for the performance of certain operations at our project sites. Although our Company does not engage these laborers directly, it may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. Any violation of the provisions of the Contract Labor (Regulation and Abolition) Act, 1970, by the Company, including noncompliance with the terms of any contract labour license is punishable with, *inter alia*, imprisonment for every person in charge of and responsible for the conduct of the business of the Company at the time of the commission of the offense.

Our business is subject to extensive regulation by the Government of India, state governments and local authorities with which we may not comply with, and which may require more time and cost to comply with.

The real estate industry in India is heavily regulated by the Government of India, state governments and local authorities. Property developers need to comply with a number of requirements mandated by Indian laws and regulations, including policies and procedures established by local authorities such as requirement of payment of stamp duty and registration of property documents. There are also various land ceiling legislations that regulate the amount of land that can be held under single ownership. Prior to the commencement of construction, we are required to obtain clearance from pollution control boards, approvals from local airports and air force bases and state telecommunications authorities (in connection to the height of the construction), fire services as well state police authorities. After obtaining all such clearances and approvals, we are required to obtain planning permission from the relevant municipal authorities. We may have to revise our strategies and plans to be able to adapt to new laws, regulations or policies that may come into effect from time to time with respect to the real estate sector and which may impose significant monetary costs on us. For example we may be unable to develop our project 'Prestige Highfields', one of our Upcoming Projects, in the manner planned or at all, since it may become subject to prohibitory orders issued by the Municipal Administration and Urban Development Department, Government of Andhra Pradesh prohibiting various polluting industries, major hotels, residential colonies or other establishments and developments that generate pollution within a 10 kilometer radius of

Himayatsagar and Osmansagar lakes from undertaking development if the relevant notification in this regard is issued. Although we believe that our projects are in compliance with applicable laws and regulations, there could be instances of non-compliance, which may subject us to regulatory action in the future, including penalties, seizure of land and other legal proceedings. The planning permission granted by local municipal authorities is usually subject to compliance with the terms and conditions of all licenses and permits granted in connection with the project. Any non-compliance could lead to a cancellation of planning permission granted, and consequentially a cancellation of such project. Further, due to the possibility of unanticipated regulatory developments, the amount and timing of future expenditure to comply with these regulatory requirements may vary substantially from those currently in effect.

We are required to obtain, renew and maintain statutory and regulatory permits, licenses and approvals for execution of our projects and our operations from time to time. Any delay or inability to obtain such approvals may have an adverse impact on our business.

We require certain statutory and regulatory permits, licenses and approvals (including approvals related to the conversion of agricultural land to non-agricultural land in certain cases) to execute our projects and operate our business. Further, applications need to be made at appropriate stages for such approvals.

We also require sanction of our project plans from relevant statutory authorities for commencement of our projects. Such sanctions are typically granted for a limited period and may elapse in the event construction is not commenced within the prescribed time period.

Additionally, we require completion certificates to be delivered to us upon completion of a project or a phase of the project. While, we have applied for a few of these approvals and permits, we cannot assure you that we will receive these approvals on time or at all in relation to execution of our projects. Further, in the future we will be required to apply for fresh approvals and permits for our projects. While we believe we will be able to obtain such approvals or permits at such times as may be required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time frames anticipated by us or at all.

In relation to our Ongoing Projects and Upcoming Projects, we make applications for renewals in relation to certain approvals or licenses that have expired but have not yet received these approvals or licenses. If we fail to obtain the necessary approvals and permits or if there is any delay in obtaining these approvals and permits, it may disrupt the schedule of development and sale or letting of our projects, impede the execution of our business plans and may materially and adversely affect our business and financial condition. If we do not receive such approvals in time or at all, the classification of certain of our Ongoing Projects may be changed to Upcoming Projects.

We have various projects which are in various stages of development and we are in the process of making the applications to regulatory authorities in connection with the development of these projects. The proposed use and development plans for these properties may be subject to further changes, as we may determine are necessary in light of various factors such as prevailing economic conditions, preferences of our customers and laws and regulations applicable to us from time to time.

There can be no assurance that the consents or other approvals required from third parties, which include central, state and local governmental bodies, in connection with the construction and development of these projects will be issued or granted to us in a timely manner or at all. It is possible that some projects will be located in areas that will require significant infrastructure support, including roads, electrical power, telecommunications, water and waste treatment. We may be dependent on third parties, including local authorities, to provide such services. Any delay or failure by any third party to provide such additional services or a failure to obtain any required consents and approvals on acceptable terms or in a timely manner may affect our ability to execute or complete existing and/or new development projects.

Compliance with, and changes in, environmental, health and safety and labor laws and regulations may materially and adversely affect the development of our projects and our financial condition and results of operations.

We are subject to environmental, health and safety regulations in the ordinary course of our business, including governmental inspections, licenses and approvals of our project plans and projects prior to and during construction.

We are required to conduct an environmental assessment for most of our projects before receiving regulatory approval. If environmental problems arise during or after the commencement of construction of a project or if the government authorities amend and impose more stringent regulations, we will have to be in full compliance with applicable regulatory requirements at all times. We may need to incur additional expenses to comply with such new regulations or undertake remedial measures which may increase the cost of the development of the property. Further, we are subject to various labor laws and regulations governing our relationship with our employees and other contractors, including in relation to minimum wages, working hours, overtime, working conditions, hiring and terminating employees, contract labor and work permits.

We cannot assure you that we will be in compliance with current and future environmental, health and safety, and labor laws and regulations at all times, and any potential liabilities arising from any failure to comply therewith will materially and adversely affect our business, financial condition and results of operations.

We are dependent on our Directors and senior management team and the loss of key members or failure to attract skilled personnel may adversely affect our business.

We believe we have a team of professionals to effectively oversee the operations and growth of our business. Our success is substantially dependent on the expertise and services of our Directors, and led by our Chairman and Managing Director, Irfan Razack, as well as our Joint-Managing Director, Rezwan Razack, Whole-Time Director Noaman Razack and our senior management team. These Directors provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. We cannot assure you that we will 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 a material adverse effect on our business and the results of our operations.

Further, our ability to maintain our leadership position in the real estate development sector depends on our ability to attract, train, motivate, and retain highly skilled personnel. In the event we are unable to do so, it could have an adverse effect on our business and results of operations.

We conduct due diligence and assessment exercises prior to undertaking a project, but may not be able to assess or identify certain risks and liabilities.

Prior to undertaking a project, we conduct due diligence and assessment exercises in relation to land, and assess the financial viability of the project. See "*Our Business — Our Real Estate Project Development and Execution Methodology*". Due to the nature of industry in which we operate, certain potential risks and liabilities may not come to our notice while conducting such exercises, such as title defects and suitability of the land for the proposed development. In addition, we may not correctly estimate the cost of the project when budgeting for the project. Consequently, we may face unexpected liabilities and such unexpected liabilities may materially and adversely affect our financial condition and results of operations.

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

Our ability to pay dividends in future will depend on the 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.

The statements contained in this Placement Document 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 Placement Document 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. For example, some of our projects which have not been converted for non-agricultural use or for which requisite approvals have not been obtained or renewed may be classified as Land Bank even though we may have executed joint development agreements in relation to such projects and this may affect the classification of our projects between Upcoming Projects and Land Bank. 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.

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.

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. See "*Our Business — Our Real Estate Project Development and Execution Methodology — Identification of Potential Projects and Land*".

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.

Our insurance policies provide limited coverage and we may not be insured against some business risks, potentially leaving us uninsured against some business risks.

We maintain insurance on property and equipment in amounts believed to be consistent with industry practices and our insurance policies cover physical loss or damage to our property and equipment arising from a number of specified risks including burglary, fire, landslides and other perils. Notwithstanding the insurance coverage that we carry, we may not be fully insured against some business risks such as cost overruns and the occurrence of an accident that causes losses in excess of limits specified under the relevant policy, or losses arising from events not covered by insurance policies, could materially and adversely affect our financial condition and results of operations.

Further, we have insurance for damage to most of our Ongoing Projects caused by fire and natural disasters, such as earthquakes. Although we believe we have industry standard insurance for Ongoing Projects, if a fire or natural disaster substantially damages or destroys some or all of our Ongoing Projects, the proceeds of any insurance claim may be insufficient to cover rebuilding costs as a result of inflation, changes in building regulations or environmental issues as well as other factors.

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

Our business enjoys various tax benefits under the Income Tax Act, and is also expected to benefit from SEZ related tax benefits. Section 80-IB of the I.T. Act provides for deduction for income tax purposes of 100 per cent. of the profits from residential projects approved before the March 31, 2008 provided the area of each dwelling unit is not more than 1,000 sq. ft. in Delhi and Mumbai or within 25 kilometers of the municipal limits of these cities and 1,500 sq. ft. in rest of India.

The total amount of tax deductions claimed by the Company under Section 80-IB of the I.T. Act was ₹ 3.0 million, ₹ 58.0 million and ₹ 95.0 million for the Fiscal Year 2014, Fiscal Year 2013 and Fiscal Year 2012, respectively, which constituted 0.06 per cent., 1.49 per cent. and 5.23 per cent., respectively, of our profit before tax and extraordinary items. Section 80IAB of the I.T. Act provides for deductions in respect of profits and gains by an undertaking or enterprise engaged in development of SEZs provided that the project is notified under the Special Economic Zones Act, 2005, after April 1, 2005. A deduction of 100 per cent. of the profits and gains derived from the notified projects for a period of 10 consecutive years. In the event that these benefits are no longer available to us due to any change in law or a change in the nature of our property developments, the effective tax rates payable by us will increase and consequently our financial condition may be adversely affected. For details, see the "*Note on Possible Tax Benefits Available to our Company and to its shareholders*".

Registered trademark over the name and logo "Prestige Group" in relation to certain goods in the nature of paper and printed material is held by our Promoter and members of our Promoter Group.

The Company holds the registered trademark for the name 'Prestige Group' and logo "Prestige Group with device of bird" for various classes of goods and services. However, the registered trademark for name and logo 'Prestige Group' in relation to certain goods in the nature of paper and printed materials is held by Prestige Amusements Private Limited. The use of the trademark in relation to these classes of goods has been licensed to us in terms of the licensing agreements dated December 30, 2005 between Prestige Constructions and the Company and dated March 28, 2008 between Prestige Amusements Private Limited and the Company respectively for a one time fixed consideration of ₹ 10,000. In the event that the licensing agreement is terminated, we may have to discontinue the use of the name and logo 'Prestige Group' for these classes of goods. For details of licensing agreement see the chapter entitled "*Our Business — Intellectual Property*".

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

We have entered into transactions with several related parties, including our Promoters, Directors and Promoter Group entities. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest.

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

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

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.

Our operations and our work force are exposed to various hazards and we are exposed to risks arising from construction related activities that could result in material liabilities, increased expenses and diminished revenues.

There are certain unanticipated or unforeseen risks that may arise in the course of property development due to adverse weather and geological conditions such as storm, hurricane, lightning, flood, landslide and earthquake. Additionally, our operations are subject to hazards inherent in providing architectural and construction services, such as risk of equipment failure, impact from falling objects, collision, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Under our joint development agreements, our Company is solely responsible for the death or injury suffered by any contractor, architect or third party appointed by our Company in the course of development of the project. Any such risk could result in exposing us to material liabilities, increase our expenses, adversely affect our reputation and may result in a decline in our revenues. We cannot assure that we may be able to prevent any such incidents in the future.

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

Our business strategy includes the development of commercial, residential, hospitality and retail real estate developments in and around Bengaluru and in select new geographic markets across India, particularly in other cities in south India. See "*Our Business — Our Strategy — Continue to expand our geographical presence in south Indian cities*"; pursuant to this strategy, we have 59 Ongoing Projects and 23 Upcoming Projects as of July 15, 2014. As we grow and diversify, we may not be able to execute our projects efficiently on such increased scale, which could result in delays, increased costs and diminished quality, each adversely affecting our reputation. This future growth may strain our managerial, operational, financial and other resources. If we are unable to manage our growth strategy effectively, our business, financial condition and results of operations may be adversely affected. As the development of each real estate project presents unique challenges and risks to implementation, we cannot provide you any assurance that by increasing our geographical presence across India, and by undertaking more diverse projects, that our future real estate developments will not encounter delays or be unsuccessful. We similarly cannot assure you that we will be able, in carrying out our growth strategy, to complete our current and future development projects successfully or on time, acquire additional suitable land for development, or develop new projects on such land in the future.

Any downgrade in our developer rating could adversely affect our business.

We currently hold a DA1 developer rating issued to us by CRISIL, which is valid until September 2014. The rating indicates that we have an "*excellent ability to execute real estate projects as per specified qualified levels within the stipulated time schedule, and to transfer clean title.*" We have previously held a DA1 rating during the years 2003 to 2008 in recognition of the quality of our projects and our ability to deliver Completed Projects to our customers in a timely manner. Our rating was downgraded from DA1 to DA2 during Fiscal Year 2009, due to delays in the delivery of certain projects. We have also been awarded with a financial rating of A- by ICRA, which is valid till January 5, 2015. The rating indicates stable outlook for long term credit line for ₹ 20,000 million. The rating takes into account our established track record in the residential, commercial, retail and hospitality segments in the real estate market in terms of projects completed, booking levels, portfolio of leased assets and leverage ratio. We cannot assure you that our rating as a real estate developer will not be downgraded again in the future. Any decrease in our developer rating in the future may adversely affect our reputation and our business.

We may be classified as a passive foreign investment company, which could result in materially adverse U.S. tax consequences for U.S. investors that own Equity Shares.

We do not expect to be classified as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes. However, PFIC status depends on facts that generally are not determinable until after the close of the taxable year. U.S. investors may be subject to materially adverse U.S. federal income tax consequences if we are classified as a PFIC. U.S. investors should consult their own tax advisers regarding our PFIC status, the tax considerations relevant to an investment in a PFIC and any U.S. federal elections that may be available. For additional details, see the section titled "*Taxation—Certain U.S. Federal Income Tax Considerations*".

Risks Relating to India

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.

In the recent past, the Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. GDP growth for the financial year 2014 increased marginally to 4.7% from 4.5% for the financial year 2013. The RBI, in its recent monetary policy reviews, has indicated that inflation continues to be a concern and further tightening measures may be required. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India’s sovereign debt rating or a decline in India’s foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, financial condition and the trading price of our Equity Shares.

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. 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.

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.

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

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.

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. In calendar year 2011, the S&P SENSEX, the BSE's benchmark index, declined by approximately 5,100 points, representing approximately 26 per cent. Subsequently, the S&P SENSEX increased by approximately 26 per cent., representing approximately 4,000 points, in calendar year 2012, and further increased by approximately 9 percent., representing more than 1,700 points in the calendar year 2013, and further increased by approximately 5,000 points, representing approximately 23 per cent. from January 1, 2014 to July 25, 2014.

The stock exchanges in India, in line with global developments, have witnessed substantial volatility in 2011, 2012, 2013 and 2014. The volatility has been on account of but not limited to general economic, political and social factors, the performance of the Indian and global economy and significant developments in the Indian and global monetary regime.

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.

Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate. Any such acquisition of land or properties by the government for compensation which may not be adequate may adversely affect our business, financial condition and results of operations.

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 Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and (the "**Land Acquisition Act**") has the right to compulsorily acquire any land if such acquisition is for a "public purpose", after making providing 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 acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. Additionally, we may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act, due to limited jurisprudence on them in the event our interpretation differs from or contradicts with any judicial pronouncements or clarifications issued by the government. In the future, we may face regulatory actions or we may be required to undertake remedial steps. 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 Bengalore Development Authority, under which we have relinquished the area reserved for parks and open spaces and proposed road expansions in the development plan, in favor of the Bengalore Development Authority free of cost. Further, in relation to our land bank held in Prestige Garden Resorts Private Limited, we have relinquished 1 acre and 33 guntas of land in favor of the National Highway Authority of India for ₹ 107.30 million paid to us.

Further the Real Estate (Regulation and Development) Bill, 2013 prepared by the Ministry of Housing and Urban Property Alleviation has been introduced to the Rajya Sabha. The proposed legislation aims to regulate the planned development in the real estate sector in India.

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 Development 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.

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.

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 governments in the past have sought to implement economic reforms policies and have undertaken initiatives that continue the economic liberalization policies pursued by the 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. A new government was elected in May 2014. 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.

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

Circular 1 of 2014 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 USD 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. 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.

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.

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. The extent and severity of these natural catastrophes determines their impact on the Indian economy and infrastructure. For example in June 2013, the north Indian state of Uttarakhand experienced severe floods and in October 2013, eastern India experienced a Cyclone Phailin, 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.

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 neighbouring countries, including India, Pakistan and China. India witnessed a major terrorist attack in Mumbai on November 26, 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. 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, financial condition and trading price of the Equity Shares may be adversely affected.

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 Placement Document, 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 Placement Document, 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 other Information*". Accordingly, the degree to which the Indian GAAP financial statements included in this Placement Document 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 Placement Document should accordingly be limited.

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.

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 Civil Procedure Code on a statutory basis. Section 44A of the Civil 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 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.

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.

The Companies Act, 2013 has effected significant changes to the existing Indian company law framework and SEBI has introduced changes to the Listing Agreement, which are effective from October 1, 2014, which may subject us to higher compliance requirements and increase our compliance costs.

A majority of the provisions and rules under the new Companies Act have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as the provisions related to the issue of capital (including provisions in relation to the issue of securities on a private placement basis), disclosures in offer documents, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by Indian companies through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors, insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. We may also need to spend, in each financial year, at least 2% of our average net profits during the three immediately preceding financial years towards corporate social responsibility activities and disclose our corporate social responsibility policies and activities on our website. Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any noncompliance. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 has introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations issued by the SEBI). Recently, the SEBI issued revised corporate governance guidelines which are effective from October 1, 2014. Pursuant to the revised guidelines, we will be required to, *inter alia*, appoint at least one female director to our Board, establish a vigilance mechanism for directors and employees and reconstitute certain committees in accordance with the revised guidelines. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 or the revised SEBI corporate governance norms, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

Our ability to raise foreign debt may be constrained by Indian law.

Companies incorporated in India are subject to regulatory restrictions in relation to borrowing in foreign currencies, including restrictions in relation to eligibility, the amount of borrowings which may be incurred, end-use and creation of security and may require the prior approval of Indian regulatory authorities. Such restrictions could limit our ability to raise finance on competitive terms and refinance existing indebtedness. Additionally, our ability to borrow money outside India against the security of our immovable assets in India is subject to the FEMA and exchange control regulations in India and may require the prior approval of the Indian regulatory authorities. We cannot assure you that any approval required to raise borrowings will be granted without onerous conditions, or at all. Such limitations on debt may have an adverse impact on our business, results of operations, financial condition and cash flows.

Risks Associated with the Equity Shares

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. 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.

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. 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.

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.

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.

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

Except for the customary lock-up on the Company’s ability to issue equity or equity linked securities discussed in the section “Placement” on page 165, there is no restriction on our ability to issue Equity Shares (provided that the consent of the required number of shareholders can be obtained for such issue) or our major shareholders’ ability to dispose of their 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. 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. Such securities may also be issued at prices below the then current trading price of the Equity Shares.

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. 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.

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.

An investor will not be able to sell any of the Equity Shares other than on a recognized Indian stock exchange for a period of 12 months from the date of this Issue.

The Equity Shares are subject to restrictions on transfers. Pursuant to the SEBI Regulations, for a period of 12 months from the date of the issue of the Equity Shares, QIBs subscribing to the Equity Shares may only sell their Equity Shares on the Stock Exchanges and may not enter into any off market trading in respect of these Equity Shares. Further, allotment to eligible VCFs and AIFs are subject to applicable rules and regulations, including in relation to lock-in. We cannot be certain that these restrictions will not have an impact on the price and liquidity of the Equity Shares.

A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may discourage a third party from attempting to take control of our Company, even if a change in control would result in the purchase of the Equity Shares at a premium to the market price or would otherwise be beneficial to investors. The Takeover Code requires that if an acquirer (together with any persons acting in concert with him): (a) acquires shares or voting rights entitling them to exercise 25% or more of the voting rights in a listed company; or (b) already holds shares or voting rights entitling them to exercise 25% or more of the voting rights in a listed company, and acquires shares or voting rights entitling them to exercise more than 5% of the voting rights in the listed company during any financial year; or (c) acquires control directly or indirectly over a listed company, such acquirer will have to make an open offer for at least 26% of the total shares of the listed company. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change in control of our Company even if a change in control would result in the purchase of our Equity Shares at a premium to the trading price or would otherwise be beneficial to the holders of our Equity Shares.

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 Placement Document.

MARKET PRICE INFORMATION

The Equity Shares have been listed and traded on the BSE and the NSE since October 27, 2010. As on the date of this Placement Document, 350,000,000 Equity Shares have been issued and are fully paid up.

On August 7, 2014 the closing price of the Equity Shares on the BSE and the NSE was ₹ 248.40 and ₹ 249.80 per Equity Share, respectively. Because the Equity Shares are actively traded on the Stock Exchanges, the market price and other information for each of the BSE and the NSE has been given separately.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for Fiscal Years March 31, 2014, 2013 and 2012:

BSE									
Fiscal Year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total volume of Equity Shares traded on date of high (₹million)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total volume of Equity Shares traded on date of low (₹million)**	**Average price for the year (₹)**
2012	156.90	April 27, 2011	50,399	7.86	60.20	December 20, 2011	5,129	0.30	106.64
2013	188.70	February 6, 2013	9,287	1.74	101.00	April 2, 2012	24,977	2.52	140.61
2014	186.45	May 17, 2013	49,292	9.31	109.10	August 28, 2013	336,588	36.54	147.29

NSE									
Fiscal Year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total volume of Equity Shares traded on date of high (₹million)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total volume of Equity Shares traded on date of low (₹million)**	**Average price for the year (₹)**
2012	157.75	April 27, 2011	208,778	32.45	59.90	December 20, 2011	161,942	9.56	106.70
2013	189.55	January 2, 2013	436,602	82.80	101.10	April 2,2012	748,639	75.25	140.79
2014	185.40	May 16, 2013	299,412	55.24	109.05	August 28,2013	427,049	46.62	147.29

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

Notes:

1) High, low and average prices are based on the daily closing prices.

2) In case of two days with the same closing price, the date with the higher volume has been chosen.

3) In the case of a year, average represents the average of the closing prices of all trading days of each year presented.

(ii) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

BSE									
Month year	**High (₹**	**Date of high**	**Number of Equity Shares traded on date of high**	**Total volume of Equity Shares traded on date of high (₹million)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on date of low**	**Total volume of Equity Shares traded on date of low (₹ million)**	**Average price for the month (₹)**
February 2014	141.35	February 5, 2014	13,838	1.94	132.10	February 28,2014	5,006	0.67	136.36
March 2014	174.35	March 7,2014	133,677	23.16	134.85	March 3,2014	9,251	1.22	159.20
April 2014	185.90	April 4,2014	56,899	10.72	166.05	April 22, 2014	62,893	10.75	174.13
May 2014	214.10	May 21,2014	93,275	20.00	163.15	May 8,2014	3,611	5.92	188.12
June 2014	245.55	June 13,2014	64,002	15.74	211.55	June 3,2014	9,665	2.05	228.65
July 2014	263.25	July 4, 2014	379,950	96.77	235.80	July 21, 2014	27,310	6.55	245.98

NSE									
Month year	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total volume of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total volume of Equity Shares on date of low (₹million)**	**Average price for the month (₹)**
February 2014	141.00	February 5,2014	240,172	33.63	132.20	February 28, 2014	181,020	24.23	136.09
March 2014	175.05	March 7,2014	968,394	167.20	134.00	March 3,2014	251,819	33.76	159.30
April 2014	183.30	April 4,2014	502,553	94.22	166.80	April 22,2014	270,804	46.36	174.47
May 2014	213.75	May 21,2014	793,575	169.50	163.25	May 8,2014	27,581	4.52	188.20
June 2014	245.00	June 13, 2014	613,259	150.95	211.85	June 4, 2014	112,239	24.09	228.47
July 2014	263.30	July 4, 2014	591,752	152.14	236.10	July 21, 2014	305,792	73.26	245.94

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

Notes:

1) High, low and average prices are based on the daily closing prices.

2) In case of two days with the same closing price, the date with the higher volume has been chosen.

3) In the case of a month, average represents the average of the closing prices of all trading days of each month presented.

(iii) The following table set forth the details of the number of Equity Shares traded and the turnover during the last six months:

Period	Number of Equity Shares traded		Turnover (In ₹ million)	
	BSE	NSE	BSE	NSE
February 2014	94,587	1,929,924	13.03	263.02
March 2014	571,615	5,917,903	92.87	950.92
April 2014	264,369	3,771,009	46.69	662.97
May 2014	522,320	6,441,267	103.22	1276.19
June 2014	769,583	10,746,811	180.91	2515.43
July 2014	1,194,663	10,514,926	299.62	2616.08

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

(iv) The following table sets forth the market price on the Stock Exchanges on May 27, 2014, the first working day following the approval of the Board of Directors for the Issue:

BSE					
Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹ million)**
215.40	220.00	197.65	208.95	33,856	7.03
NSE					
Open	**High**	**Low**	**Close**	**Number of Equity Shares traded**	**Volume (₹ million)**
220.00	221.90	195.05	209.90	282,009	58.54

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

USE OF PROCEEDS

The gross proceeds from the Issue will be approximately ₹ 6,125.00 million.

The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ 5,987.19 million (the "**Net Proceeds**").

Subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds for meeting business requirements including, expanding our project portfolio in our existing geographies in south India and for general corporate purposes.

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 consolidated capitalisation as at March 31, 2014 on an:

- actual basis; and
- as adjusted basis to give effect to the Issue.

You should read this table together with the section "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 78 and our financial statements and the related notes thereto contained in "**Financial Statements**" on page F-pages.

	As of March 31, 2014	
	Actual	**As adjusted[(1)]**
	(₹million)	
Short term debt:		
Secured	15,725.30	15,725.30
Unsecured	170.80	170.80
Long term debt:		
Secured	11,472.00	11,472.00
Unsecured	686.80	686.80
Current Maturities of Long Term Debt	3,486.40	3,486.40
Total debt	**31,541.30**	**31,541.30**
Shareholders' funds:		
Share capital	3,500.00	3,750.00
Securities premium	14,146.40	20,021.40
Reserves and surplus (excluding securities premium)	11,446.60	11,446.60
Total funds (excluding loan funds)	**29,093.00**	**35,218.00**
Total capitalisation	60,634.30	66,759.30

[(1)] *As adjusted to show the number of Equity Shares issued in the Issue.*

CAPITAL STRUCTURE

Our Equity Share capital as at the date of this Placement Document is set forth below:

(In ₹ million)

		Aggregate value at face value
A	**AUTHORIZED SHARE CAPITAL**	
	400,000,000 Equity Shares of ₹ 10 each	4,000
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**	
	350,000,000 Equity Shares ₹ 10 each	3,500
C	**PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT**	
	25,000,000 Equity Shares aggregating to ₹ 6,125[(1)]	250
D	**PAID-UP CAPITAL AFTER THE ISSUE**	
	375,000,000 Equity Shares	3,750
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	14,146.40
	After the Issue	20,021.40

[(1)] *The Issue has been authorised by the Board of Directors on May 26, 2014 and the shareholders resolution passed through postal ballot dated July 26, 2014.*

Equity Share Capital History of our Company

The history of the equity share capital of our Company is provided in the following table:

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share	Issue price per Equity Share (₹)	Consideration
June 4, 1997	12,500,000	10	10	Cash
September 23, 2009	250,000,000	10	Nil	Consideration other than Cash-Bonus issue
October 21, 2010	65,573,770	10	183	Cash
January 29, 2013	21,926,230	10	166	Cash

DIVIDENDS

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the shareholders of our Company, in their discretion, subject to the provisions of the Articles of Association and the Companies Act, 2013. The recommendation, declaration and payment of dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual restrictions, availability of profits for distribution, overall financial position of our Company, results of operations and other factors that may be considered relevant by the Board. Our Company has no formal dividend policy. However, subject to aforementioned factors our Company may consider declaring and paying dividends in the future. Any amounts paid as dividends in the past are not necessarily indicative of our Company's future dividend policy or dividend amounts. The following table sets out, for the periods indicated, the dividends paid by us:

Fiscal Year	**Dividend per Equity Share**	**Total amount of dividend paid**
	(₹)	**(₹ millions)**
2012	1.2	393.69
2013	1.2	420.00

Our Company has, pursuant to the resolution passed at the meeting of the Board of Directors on May 26, 2014, recommended a dividend of ₹ 1.50 per Equity Share for the financial year ended March 31, 2014.

For a summary of certain Indian consequences of dividend distributions to shareholders, see the section "**Statement of Tax Benefits**" on page 181.

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, 2014, 2013 and 2012 and the schedules and notes thereto, which appear elsewhere in this Placement Document and are prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act / 2013 Act, as applicable. Indian GAAP differs in certain material respects from U.S. GAAP and Ind AS/IFRS. Our Company's statement of standalone unaudited financial results as of and for the three months ended June 30, 2014, which appear elsewhere in this Placement Document are prepared in accordance with Indian GAAP and only include selected line items from the statement of profit and loss and particulars of our shareholding.

For the purpose of this section, unless the context requires otherwise, references to "Fiscal Year 2014", "Fiscal Year 2013" and "Fiscal Year 2012" 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.

OVERVIEW

We have over 28 years of experience in real estate development, and are one of the leading real estate developers in south India. As of July 15, 2014, we have completed 177 real estate projects of approximately 57.14 million sq. ft. We have developed a diversified portfolio of real estate projects focusing on projects in the residential (including apartments, villas, plotted developments and integrated townships), commercial (including corporate office blocks, built-to-suit facilities, technology parks and campuses and SEZs), hospitality (including hotels, resorts, spas and serviced apartments) and retail (including shopping malls) segments of the real estate industry. As of July 15, 2014, we own or hold development rights for 87.17 million sq. ft. of Developable Area, which includes 46.66 million sq. ft. of Saleable Area and 10.16 million sq. ft. of Leasable Area.

We believe that we have established a strong brand image, have a successful track record of execution and a diversified portfolio of real estate projects. In the period between July 16, 2009 and July 15, 2014, we have completed:

- 11 residential projects with a Developable Area of 13.74 million sq. ft. (of which the Saleable Area is 10.52 million sq. ft.) This includes developments such as *Prestige Oasis* and *Prestige Shantiniketan*;
- 20 commercial projects with a Developable Area of 17.25 million sq. ft. (of which the Saleable Area is 7.58 million sq. ft, and the Leasable Area is 5.15 million sq. ft.). This includes projects such as *Cessna Business Park* Blocks 1 to 7 and *Prestige Technology Park III*;
- two hospitality projects with a Developable Area of 0.45 million sq. ft., (of which the Leasable Area is 0.40 million sq. ft.). This includes projects such as *an internationally branded hotel in Cessna Bengaluru, at Cessna Business Park*; and
- two retail projects with a Developable Area of 1.96 million sq. ft. (of which the Leasable Area is 0.83 million sq. ft.). This includes projects such as *Forum Vijaya Mall and Forum Mangalore*.

Historically, our real estate projects have been focused in the Bengaluru Metropolitan Region, but we have gradually expanded our geographical reach to include other south Indian cities, such as Chennai, Kochi, Hyderabad, Mysore, Mangalore and Goa. We intend to continue our expansion in south Indian cities in future. See "– *Our Strategy – Continue to expand our presence in south Indian cities*", below.

As of July 15, 2014, we had 59 Ongoing Projects which comprised 40 residential projects with a Developable

Area of 46.64 million sq. ft. (of which the Saleable Area is 32.16 million sq. ft.), 10 commercial projects with a Developable Area of 7.51 million sq. ft. (of which the Saleable Area is 1.47 million sq. ft. and the Leasable Area is 3.66 million sq. ft.), 2 hospitality projects with a Developable Area of 1.03 million sq. ft. (of which the Leasable Area is 1.03 million sq. ft.) and 7 retail projects with a Developable Area of 4.25 million sq. ft. (of which the Leasable Area is 1.50 million sq. ft.).

As of July 15, 2014, we had 23 Upcoming Projects, which comprised 18 residential projects with a Developable Area of 20.98 million sq. ft. (of which the Saleable Area is 13.02 million sq. ft.), 3 commercial projects with a Developable Area of 4.66 million sq. ft. (of which the Leasable Area is 3.06 million sq. ft.), and 2 retail projects with a Developable Area of 2.10 million sq. ft. (of which the Leasable Area is 0.91 million sq. ft.).

In addition to our Ongoing Projects and Upcoming Projects, we have access to Land Bank. As of July 15, 2014, our Land Bank aggregated approximately 414.29 acres, in which our proportional share is 291.48 acres. We believe that continuing to build our Land Bank is critical to our growth strategy and we intend to continue acquiring land in strategic locations across Bengaluru and south India in order to maximize opportunities for projects in the future. See "− *Our Strategy − Continue to expand and develop our Land Bank.*" As of July 15, 2014, the total land forming part of our Land Reserves was 1,503.42 acres.

While our real estate development business continues to be our primary focus, we also offer a variety of services through our real estate services business. This includes the provision of property management services for our commercial and residential developments, sub-leasing and fit-out services, project and construction management services, interior solutions services, mall management services (which include the retail real estate projects that we complete pursuant to our joint ventures with CMIDF) and the operations of our hospitality projects.

Our total consolidated revenue for the year ended March 31, 2014 was ₹ 26,467 million, and our consolidated total revenue for the Fiscal Year ended March 31, 2013 was ₹ 20,112 million.

BASIS OF PRESENTATION

Fluctuations - Revenue Recognition

Our revenue recognition is based on the number of projects that are under execution during a particular period and those that qualify for revenue recognition in accordance with our accounting policy. See "*—Significant Accounting Policies - Revenue Recognition*", below. Further, the time it takes to develop a project varies depending on a variety of factors, including the size of a project, and we aim to develop and sell our Land Bank within a development time of 24 to 60 months from the time the approvals to commence construction are received. This may lead to significant fluctuations in our revenues from period to period.

The Guidance Note on Accounting for Real Estate Transactions

The Guidance Note on Accounting for Real Estate Transactions (Revised 2012) is applicable to all projects in real estate which commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012.

The Guidance Note on Accounting for Real Estate Transactions (Revised 2012) provides that the percentage completion method for revenue recognition is applied when the outcome of a real estate project can be estimated reliably when all of the following conditions are satisfied: (a) total project revenues can be estimated reliably; (b) it is probable that the economic benefits associated with the project will flow to the enterprise; (c) the project costs to complete the project and the stage of project completion at the reporting date can be measured reliably; and (d) the project costs attributable to the project can be clearly identified and measured reliably so that actual project costs can be compared with prior estimates. "Project costs" are defined in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) as comprising (a) cost of land and cost of development rights; (b) borrowing costs (which are incurred directly in relation to a project or which are apportioned to a project); and (c) construction and development costs (which include costs that relate directly to the specific project and costs that may be attributable to project activity in general and can be allocated to the project).

In addition, the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) provides for a "rebuttable presumption" that the outcome of a real estate project can be estimated reliably and that revenue should be recognized under the percentage of completion method when a reasonable level of development is achieved. A reasonable level of development is achieved if: (a) all critical approvals necessary for the commencement of the project have been obtained (including environmental and other clearances, approval of plans, designs, etc., title to land or other rights to development/construction and change in land use); (b) the expenditure incurred on construction and development costs is not less than 25 per cent. of the 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.

Accordingly, the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) provides that when the outcome of a real estate project can be estimated reliably and the conditions (as set out above) are satisfied, project revenue and project costs associated with the real estate project should be recognized as revenue and expenses by reference to the stage of completion of the project activity at the reporting date.

The project costs which are recognized in the statement of profit and loss by reference to the stage of completion of the project activity are matched with the revenues recognized resulting in the reporting of revenue, expenses and profit which can be attributed to the proportion of work completed.

We have applied the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) for all of our projects other than Prestige Golfshire and Prestige Khoday Towers which commenced revenue recognition prior to April 1, 2012.

Determination of "reasonable level of development"

Pursuant to the requirements of the Guidance Note on Accounting for Real Estate Transactions (Revised 2012), we have applied the basis for determination of the reasonable level of development as mentioned above for all projects where revenues are recognized for the first time on or after April 1, 2012.

For projects that commenced on or prior to March 31, 2012 and where revenue recognition had commenced on or prior to that date, a reasonable level of development is considered to have occurred when the construction and development costs incurred is in the range of 20 per cent. to 30 per cent. of the total estimated construction cost and development cost.

The effect of applying the requirements of the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) is that:

(a) the threshold required to trigger the recognition of revenue has changed from being between 20 per cent. to 30 per cent. (at the discretion of management) of the total construction and development cost for the project to 25 per cent. of such costs; and

(b) the project costs (including the cost of land, cost of development rights and borrowing costs) and not only construction and development costs are considered for purposes of determining the percentage completion of the projects.

As such, we have applied the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) for all of our projects other than Prestige Golfshire and Prestige Khoday Towers. Accordingly, our audited consolidated summary financial statements as of and for the years ended March 31, 2013 and 2014 and our statement of standalone unaudited financial results for the three month period ended June 30, 2014 recognize revenue from these projects in a manner which differs from revenue recognition in respect of projects where revenue recognition had commenced on or prior to March 31, 2012.

FACTORS AFFECTING OUR FINANCIAL RESULTS

A number of general factors have affected and we expect will continue to affect our financial condition and performance. The factors affecting us are discussed below.

Sales volume and rate of progress of construction and development

For the properties we intend to sell, we follow the percentage of completion method of revenue recognition. See "*Significant Accounting Policies — Revenue Recognition*". Under this method, our revenue from sales depends upon the volume of bookings we are able to obtain for our developments as well as the rate of progress of construction of our projects. Our bookings depend upon our ability to identify suitable types of developments that will meet customer preferences and market trends, and to market and pre-sell our projects. The rate of construction progress depends on various factors, including the availability of labor and raw materials, the prompt receipt of regulatory clearances, access to utilities such as electricity and water, and the absence of contingencies such as litigation and adverse weather conditions. This revenue recognition method is applicable to developments that we intend to sell and for which we have entered into a sale agreement prior to completion of construction; it is not applicable to developments that we intend to lease. Accordingly, for projects to which the percentage completion method of revenue recognition is applicable, the faster we are able to construct and incur costs for projects, the sooner we can commence recognition of revenue. In addition, we can recognize revenue sooner in proportion to the progress of construction.

Variations in prices for our properties

The prices of our properties are determined principally by market forces of supply and demand. We typically price our sales and rental properties by reference to market rates for similar types of properties in their locality. The sales and rental prices of our properties therefore depend on the location, number, square footage and mix of properties we sell or rent during each financial period, and on prevailing market supply and demand conditions at the time we complete development of our real estate projects. Supply and demand conditions in the real estate market in the areas in which we operate, and hence the prices we may charge for our properties, are affected by various factors outside our control, including prevailing economic, income and demographic conditions, interest rates available to clients requiring financing, the availability of comparable properties completed or under development, changes in governmental policies relating to zoning and land use, changes in applicable regulatory schemes, and competition from other real estate development firms.

Variations in rentals of commercial retail projects

We receive lease income, consisting of income from rental to third parties on our commercial real estate developments and space in our retail developments, upon completion of these projects. Our lease income depends on the ability of our commercial and retail tenants to pay rent at the levels that we determine as well as the supply of and lease rentals for similar properties in such areas. We also generate revenues from our hotel properties upon completion. Our revenue from hospitality operations (recognized under facilities, rental and maintenance income) depends on the occupancy and room rates we are able to obtain from our hotels, the actions of our competitors and continued growth in business and leisure tourism in India.

Cost and availability of land

Our business is dependent on the availability of suitable land for our projects and the cost at which we or our joint venture and/or joint development partners are able to acquire such lands. Our growth is linked to the availability of land in areas where we intend to develop projects. Any government regulations that restrict the acquisition of land or increased competition for land may adversely affect our operations. In addition, excess supply of land will lower the cost of the land and may lower the market value of our projects.

The cost of acquiring land, which includes the amounts paid for freehold rights, leasehold rights, cost of registration and stamp duty, represents a substantial part of our project costs. We acquire land from the government, governmental authorities and private parties. The land we acquire from governmental or development authorities are generally through a tender process, where the highest bidder is selected for allotment of land. Any change in regulation, such as the adoption of new land acquisition legislation, may adversely affect our ability or the ability of our joint venture and/or joint development partners to acquire land.

Increasingly, we acquire the right to develop projects through joint development agreements and/or joint ventures with land-owners, who typically either share the sale proceeds in a pre-determined proportion depending upon the nature of the project and the location of the land or to receive a pre-determined percentage of the developed area which such party may market at its expense. Any increase in the cost of land acquired by our joint venture and/or joint development partners may result in an increase in the share or consideration they seek from us for a project, thereby increasing our costs. See "*Our Business — Our Joint Development and Joint Venture Models*". Accordingly, we believe that the increased use of this model to obtain development rights over land has allowed us to gain access to land for the development of our projects with a minimal initial cash investment. See "*Our Business — Our Competitive Strengths — Access to Land Bank through Joint Development/ Joint Venture Model*".

Construction costs

Construction costs include the cost of raw materials, such as steel and cement, as well as payments to construction contractors. Raw material prices, particularly those of cement and steel, can be volatile and are subject to factors affecting the Indian and international commodity markets. The timing and quality of construction of the projects we develop depends on the availability and skill of these contractors and consultants, as well as contingencies affecting them, including labor and raw material shortages and industrial action such as strikes and lockouts.

Availability of financing on favorable terms and securitization of rental receipts

The sale of residential and commercial properties accounts for a substantial majority of our income. One of the major factors affecting demand for our residential and commercial properties is the availability of financing at reasonable rates for our potential customers. The RBI increased key interest rates numerous times between March 2010 and March 2012 to address inflation concerns, with a 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), which we believe affected sales of our properties for Fiscal Year 2012 as some of our potential customers were unwilling to bear the higher interest burden on home loans. From April 2012 to May 2013, repo rates decreased from 8.00 per cent. to 7.25 per cent., and have since increased to 8.00 per cent. as of July 11, 2014. (*Source: Reserve Bank of India*) As of July 11, 2014, the base rate for the five major banks was between 10.00 per cent. and 10.25 per cent. (Source: RBI). In addition, the availability of credit has an impact on the growth of businesses, particularly new businesses' expansion plans, and thus has an impact on the demand for new office space.

The number of property developments that a developer can undertake during any particular period is limited due to the substantial 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, proceeds from the issuances of equity shares and borrowings from banks and financial institutions. Accordingly, the availability of financing on favorable terms is critical to our business.

In addition, increasing competition in the south Indian real estate sector has led to a larger number of real estate developers seeking to raise debt financing from bank lenders for the development of projects. See "*Industry Overview — Competitiveness and Growth Potential of the south Indian Real Estate Market*". We believe that our credit record allows us to access debt financing at favorable rates of interest. Our average cost of borrowings for Fiscal Years 2014, 2013 and 2012 was 12.75 per cent., 13.01 per cent. and 14.32 per cent.

Furthermore, our cash flows are impacted by our practice of securitizing our rental receipts. With respect to revenue we generate from the lease of commercial, retail and hospitality projects, we enter into arrangements with banks to securitize our future rental receipts. Pursuant to these arrangements, the bank pays us a lump sum at the time we rent out the property. This lump sum payment is reflected in our cash flow statements as cash generated from financing activities. If our tenants fail to make any rental payments, we remain obligated to make the payments owed to the bank.

General economic and real estate conditions in south India

All of our operations are located in India, and the economic condition of India, particularly south India, has a significant impact on our revenues and results of operations. See "*Industry Overview — The Real Estate Sector in India*".

We believe that the success of our projects depends on the general economic growth and demographic conditions in south India. In addition, the condition of the real estate sector in south India, particularly market prices for developable land and finished projects, has a significant impact on our revenues and results of operations. Demand drivers for real estate in India, particularly in south India, where we focus most of our operations, include, among other things, high regional employment, the improvement and development of roads and public transportation.

Further, 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 4.4 per cent. in Fiscal Year 2013 compared with 5.8 per cent. growth in Fiscal Year 2012 (*Source: Centre for Monitoring Indian Economy, March 2014*). The RBI's Second Bi-Monthly Monetary Policy Statement, 2014-2015, provides a slightly higher estimate of 4.7 per cent. for GDP growth for Fiscal Year 2014. (*Source: Second Bi-Monthly Monetary Policy Statement, 2014-2015, Press Statement by Dr. Raghuram G. Rajan, Governor, Reserve Bank of India, June 3, 2014*). The inflation rate in India remained at approximately nine per cent. for both Fiscal Year 2011 and Fiscal Year 2012 and increased to approximately 10.9 per cent. for Fiscal Year 2013. (*Source: World Bank*) The RBI raised interest rates numerous times between March 2010 and March 2012 to address inflation concerns thereby leading to a rise in the bank lending rates. From April 2012 to May 2013, repo rates decreased from 8.00 per cent. to 7.25 per cent., and have since increased to 8.00 per cent. as of July 11, 2014. (*Source: Reserve Bank of India*) The CRR of scheduled commercial banks was reduced by 25 basis points, from 4.25 per cent. to 4.00 per cent. of their net demand and time liabilities, during the period from January 4, 2014 to July 11, 2014 (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 completed residential projects by individuals and the sale or lease of commercial projects. Availability of credit to such customers, affects the affordability of, and hence the market demand for, our real estate projects. These factors have in the past adversely affected our business leading 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. See "*Industry Overview — Regulations and Policies — Real Estate Bill*".

Recognition of and Accounting for Associates and Subsidiaries on Consolidation

Our consolidated financial statements are prepared by combining the unconsolidated financial statements of our Company and our Subsidiaries on a line-by-line basis by adding together the book values of like items, after fully eliminating intra-group balances and intra-group transactions. In the case of Associates, where we directly or indirectly (through Subsidiaries) hold more than 20 per cent. of the equity in such Associates, they are accounted for in our consolidated financial statements using the equity method of accounting. See " — *Significant Accounting Policies — Principles of Consolidation*".

From time-to-time, we increase or decrease the proportion of equity we hold in our Subsidiaries or Associates, for a variety of reasons, such as the exercise of pre-emptive rights under shareholders' agreements. For example, in December 2012 (Fiscal Year 2013), we increased our share of equity in Cessna Garden Developers Private Limited from 60 per cent. to 85 per cent., owing to dilution by other share holders. The reclassification of an Associate to a Subsidiary, or Subsidiary to an Associate, as a result of such increase or decrease in our share of its equity (as the case may be), will affect our consolidated financial results by either leading to a line-by-line combination, and thus an increase, of certain like line-items in the financial statements (in the case of an Associate being reclassified in our consolidated financial statements as a Subsidiary), or a reduction in such line-by-line combination, or decrease (in the case of a Subsidiary being reclassified in our consolidated financial statements as an Associate), in accordance with our principles of consolidation accounting policy.

SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with the Indian GAAP to comply with the Accounting Standards notified under the 1956 Act (which continues to be applicable in respect of Section 133 of the 2013 Act) in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. For a full description of our significant accounting policies adopted in the preparation of the Financial Statements, see "*Financial Statements – [Note 4] of audited consolidated summary financial statements*".

Principles of consolidation

The consolidated financial statements relate to our Company, its subsidiary companies, jointly controlled entities and the Group's share of profit / loss in its associates. The financial statements of the subsidiaries, joint ventures and associates used in the consolidation are drawn up to the same reporting date as of the Company.

The consolidated financial statements have been prepared on the following basis:

- The financial statements of our Company and our subsidiaries are combined line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and related unrealized profits or losses unless the cost cannot be recovered in accordance with AS 21 - Consolidated Financial Statements.

- Share of profits/losses, assets and liabilities in jointly controlled entities have been consolidated on a line by line basis adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 - Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity.

- In case of associates where we, directly or indirectly through Subsidiaries, hold more than 20 per cent. of equity, investments in associates are accounted for using equity method in accordance with AS-23 - Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ loss of each of the associate companies (the loss being restricted to the cost of investment and committed exposures if any) has been added to / deducted from the cost of investments.

- Investment in partnership firms, where there are jointly controlled economic activities, have been considered as joint ventures in accordance with AS-27 - Financial reporting of interests in joint ventures.

- The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's unconsolidated financial statements.

- Investments other than in subsidiaries, associates and joint ventures have been accounted as per AS-13- Accounting for Investments.

- The excess of cost to our Company of its investments in subsidiaries / jointly controlled entities over its share of the equity of subsidiaries / jointly controlled entities, at the dates on which the investment in the subsidiaries / jointly controlled entities were made, is recognized as "Goodwill", being an asset in our consolidated financial statements. On the other hand, where the share of the equity in the subsidiaries / jointly controlled entities as on the date of investment is in excess of cost of investment of the Company, it is recognized as "Capital reserve arising on consolidation".

- Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date they made investments in the subsidiary companies and further movements in their share subsequent to the dates of investments. Net profit/loss (for the year) of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at income attributable to the shareholders of the Company.

- The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is disclosed in the consolidated financial statements as goodwill or capital reserve as the case may be.

- Goodwill arising on consolidation is not amortized but tested for impairment.

Revenue recognition

Recognition of revenues from Contractual Projects

Revenue from contractual projects undertaken is recognized on the basis of independent certification obtained in terms of the contract.

Recognition of revenue from real estate developmental projects

Revenue from real estate developmental projects which are under development is recognized based on "Percentage completion method".

The percentage completion method is applied when the stage of completion of the project reaches a reasonable level of development. For projects that commenced on or after April 1, 2012 or where revenue on a project is being recognized for the first time on or after that date, the threshold for "reasonable level of development" is considered to have been met when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India are satisfied, which is when:

- All critical approvals necessary for commencement of the project have been obtained.
- The expenditure incurred on construction and development costs is not less than 25 per cent. of the construction and development costs.
- At least 25 per cent. of the saleable project area is secured by contracts or agreements with buyers.
- 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.

See "— *Basis of Presentation — The Guidance Note on Accounting for Real Estate Transactions*" and "— — *Determination of "reasonable level of development*"", above.

For projects that commenced on or prior to March 31, 2012 and where sales have occurred prior to that date "reasonable level of development" is considered to have occurred when the project costs (excluding land cost) incurred is in the range of 20 per cent. to 30 per cent. of the total estimated costs of the project (excluding land cost).

For computation of revenue, the stage of completion is arrived at with reference to the entire project costs incurred including land costs, borrowing costs and construction and development costs as compared to the estimated total costs of the project. The percentage completion method is applied on a cumulative basis in each reporting period and the estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined. The changes to estimates also include changes arising out of cancellation of contracts and cases where the property or part thereof is subsequently earmarked for own use or for rental purposes. In such cases any revenues attributable to such contracts previously recognized are reversed and the costs in relation thereto are carried forward and accounted in accordance with the accounting policy for inventory or fixed assets, as applicable.

When it is probable that total project costs will exceed total eligible project revenues, the expected loss is recognized as an expense immediately when such probability is determined.

In addition, the following income streams are recognized as indicated below:

- Sale of plots and completed units is recognized at the sale consideration when all significant risks and rewards of ownership in the property is transferred to the buyer and are net of adjustments on account of cancellation.
- Facility charges, management charges, rental charges, hire charges, sublease and maintenance income are recognized on an accrual basis as per the terms and conditions of the relevant agreements.
- Interest income is accounted on an accrual basis except the interest on delayed payments by the customers, which are accounted on receipt basis.
- Dividend income is recognized when right to receive is established.
- Revenues from the room rentals, sale of food and beverages and allied services during a guest's stay at the hotel is recognized based on occupation and revenue from sale of food and beverages and other allied services, as the services are rendered.
- Membership fee is recognized on a straight line basis over the period of membership.
- Share of profit / loss from partnership firm is recognised based on the financial information provided and confirmed by the respective firms.

Inventories

Stock of units in Completed Projects and work-in-progress are valued at lower of cost and net realizable value. Cost is the aggregate of land cost, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material scrap receipts.

Inventory also comprises stock of food and beverages and operating supplies and is carried at the lower of cost and net realizable value. Cost includes all expenses incurred in bringing the goods to the point of sale and is determined on a weighted average 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.

Fixed assets (Tangible and Intangible assets)

Fixed assets are stated at cost, including expenses incurred to bring the asset to present condition. Cost includes all costs relating to the acquisition and installation of fixed assets including interest on borrowing for the project / fixed asset up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalized as incurred.

At each balance sheet date, our Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to 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.

Reversal of impairment losses recognized in prior years, if any, is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.

Depreciation and amortization

Depreciation on tangible fixed assets is provided on the written down value method in accordance with the rates specified in Schedule XIV to the Companies Act, 1956 except in respect of assets referred to below

- Cost of leasehold land is amortized over the period of lease.

- In respect of leasehold building, leasehold improvement plant and machinery and leasehold improvement furniture and fixtures, depreciation has been provided over the leasable period.

- In case of assets purchased during the year that individually cost less than ₹ 5,000, such assets have been depreciated 100 per cent. in the year of purchase.

Amortisation of intangible assets are provided under the written down value method based on useful lives estimated by management.

Borrowing cost

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is an asset that necessarily takes 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

RESULTS OF OPERATIONS

The following table sets forth certain items derived from our audited consolidated summary financial statements for Fiscal Years 2014, 2013 and 2012, expressed in absolute terms and as a percentage of total revenue from operations for the periods indicated:

	Fiscal Year 2014		Fiscal Year 2013		Fiscal Year 2012	
	(₹ in millions)	*(%)*	*(₹ in millions)*	*(%)*	*(₹ in millions)*	*(%)*
			(Audited and Consolidated)			
Revenue						
Revenue from operations						
Residential and commercial projects........	17,519.2	66.2	13,171.1	65.5	6,056.7	55.7
Contractual projects	818.5	3.1	468.2	2.3	26.2	0.2
Facilities, rental and maintenance income	3,516.2	13.3	3,002.1	14.9	2,274.5	20.9
Property income	3,075.3	11.6	2,663.8	13.2	1,911.3	17.6
Other operating revenues	562.7	2.1	170.8	0.8	253.8	2.3
Total revenue from operations....................	25,491.9	96.3	19,476.0	96.8	10,522.5	96.9
Other income...	975.0	3.7	635.6	3.2	342.1	3.1
Total revenue	**26,466.9**	**100.0**	**20,111.6**	**100.0**	**10,864.6**	**100.0**
Expenses						
Cost of sales on projects.............................	(11,712.3)	(44.3)	(8,744.0)	(43.5)	(4,199.1)	(38.6)
Cost of contractual projects........................	(625.3)	(2.4)	(368.8)	(1.8)	(32.8)	(0.3)
Property expenses.......................................	(1,143.9)	(4.3)	(843.5)	(4.2)	(626.8)	(5.8)
Facilities operating expenses.......................	(1,733.1)	(6.5)	(1,561.3)	(7.8)	(1,106.2)	(10.2)
Employee benefits expense	(1,609.7)	(6.1)	(1,443.9)	(7.2)	(894.4)	(8.2)
Finance costs..	(2,290.4)	(8.7)	(1,489.1)	(7.4)	(1,192.7)	(11.0)
Depreciation and amortization expense.......	(892.6)	(3.4)	(681.8)	(3.4)	(605.4)	(5.6)
Other expenses	(1,464.3)	(5.5)	(723.4)	(3.6)	(696.9)	(6.4)
Total expenses...	**(21,471.6)**	**(81.2)**	**(15,855.9)**	**(78.8)**	**(9,354.3)**	**(86.1)**
Profit before tax..	**4,995.3**	**18.8**	**4,255.8**	**21.2**	**1,510.3**	**13.9**
Tax expense						
Current tax	(1,798.0)	(6.8)	(1,331.4)	(6.6)	(591.3)	(5.4)
MAT credit entitlement...........................	30.4	0.1	38.4	0.2	-	-
Income tax pertaining to earlier years	(30.3)	(0.1)	(30.3)	(0.2)	8.2	0.1
Deferred tax	47.5	0.2	8.9	0.0	(43.2)	(0.4)
Profit for the year.....................................	**3,244.9**	**12.2**	**2,941.4**	**14.6**	**884.0**	**8.1**
Share of profit/(loss) from associates	(30.1)	(0.1)	(33.3)	(0.2)	(65.0)	(0.6)
Profit after tax (before adjustment for minority interest)	**3,214.8**	**12.1**	**2,908.0**	**14.5**	**819.0**	**7.5**
Share in (profit)/loss to minority interest.....	(72.0)	(0.3)	(48.4)	(0.2)	7.0	0.1
Profit after tax and minority interest.......	**3,142.8**	**11.8**	**2,859.7**	**14.2**	**826.0**	**7.6**

Other information

The following table sets forth our EBITDA and EBITDA margin for Fiscal Years 2014, 2013 and 2012.

	Fiscal Year 2014	Fiscal Year 2013	Fiscal Year 2012
		(Consolidated)	
Profit before tax	4,995.3	4,255.8	1,510.3
Add:			
Depreciation and amortization expense	892.6	681.8	605.4
Finance costs	2,290.4	1,489.1	1,192.7
EBITDA(1)(3) *(₹ in millions)*	8,178.3	6,426.7	3,308.4
EBITDA margin(2)(3) *(%)*	30.9	32.0	30.5

Notes:

(1) EBITDA is calculated by adding back depreciation and amortisation expenses and finance cost to profit before tax.

(2) EBITDA margin is calculated by dividing EBITDA by total revenue.

(3) EBITDA and EBITDA margin are not a measurement of our financial performance or liquidity under Indian GAAP and should not be considered as an alternative to net income, income from operations, gross revenues or any other performance measure derived in accordance with Indian GAAP or as an alternative to cash flow from operations or as a measure of our liquidity.

Revenue

Revenue from operations

Our revenue from operations accounted for 96.3 per cent., 96.8 per cent. and 96.9 per cent. of our total revenue for Fiscal Years 2014, 2013 and 2012, respectively.

We report revenue from operations under the following segments: (i) revenue from residential and commercial projects; (ii) revenue from contractual projects; (iii) facilities, rental and maintenance revenue; (iv) property income; and (v) other operating revenues.

Revenue from residential and commercial projects

We generate revenue from the sale of residential projects (including plotted developments) and commercial projects (including corporate office blocks, facilities, technology parks and campuses).

Revenue from contractual projects

Revenue from contractual projects consists of revenue generated from the execution of residential and commercial projects undertaken by our Subsidiary, K2K Infrastructure (India) Private Limited. K2K Infrastructure (India) Private Limited executes turn-key projects and building properties for residential, commercial, infrastructure and hospitality purposes, primarily from the Company's projects as well as from third-party and government projects.

Facilities, rental and maintenance revenue

Facilities, rental and maintenance revenue consists of revenue from the operation of malls, hospitality establishments and other retail space, including facility and hire charges, parking charges and revenue from signage and exhibition.

Property revenue

Property revenue consists of rental income and commission income (from the lease of commercial projects), hire charges income (from the installation of fit-outs in commercial projects), sub-lease rental income and property maintenance income.

Other operating revenues

Other operating revenues consist of income from other ancillary services rendered such as project management fees, assignment and transfer fees and assessment and bifurcation charges.

Other income

Our other income primarily consists of profits from the sale of fixed assets and investments, share of profit from firms in which we have a minority interest, interest income and dividend income and adjustments in relation to provisions for property tax.

Expenses

Cost of sales on projects

Cost of sales on projects consist of expenses relating to the sale of units/projects, including, among others, the cost of acquisition of land and the cost of acquisition of development rights, cost of materials (primarily steel and cement), cost of services such as architect fees, contract labor and finance charges incurred for our projects.

Cost of contractual projects

Cost of contractual projects includes costs incurred in respect of the execution of contractual works undertaken by our Subsidiary, K2K Infrastructure (India) Private Limited.

Property expenses

Property expenses consist of sublease rental payments, property tax and property maintenance expenses.

Facilities operating expenses

Facilities operating expenses include costs incurred for operation of malls, hospitality establishments and retail space, including labor costs, mall management systems and maintenance expenses.

Employee benefits expense

Employee benefits expense includes salaries, benefits such as provident fund payments, gratuity payments, welfare and other payments to our employees.

Finance costs

Finance costs include interest costs payable by us for short term and long term loans including working capital loans, interest costs on loans for purchase of certain equipment and vehicles, interest on loans for which we have securitized our rental receipts, financial costs such as processing fees for loans, bank guarantees and bank charges and financial costs in relation to the late payment of income tax.

Depreciation and amortization expense

Depreciation and amortization expense includes depreciation of building, plant and machinery, furniture, fixtures, motor vehicles, computers and accessories, office equipment, certain other items used in construction such as shuttering and scaffolding and amortization of leasehold rights. It also includes amortization of intangible assets.

Other expenses

Other expenses primarily include selling expenses such as advertisement and sponsorship fees, commission expense, business promotion expense, administrative expenses such as repair and maintenance, power and fuel, rent, legal and professional charges, printing and stationery, telephone expenses and postage and courier.

Tax expense

Income taxes are accounted for in accordance with AS-22 - Accounting for Taxes on Income. Taxes comprise of current tax, MAT credit entitlement, income tax pertaining to earlier years, if any, and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. In cases where our liability for current taxes as calculated is less than 18.5 per cent. of our book profit (as defined by statute), we are liable to pay the Minimum Alternate Tax, in accordance with Section 115JB of the Income Tax Act.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Fiscal Year 2014 Compared to Fiscal Year 2013

Revenue

Our total revenue increased by ₹ 6,355.3 million, or 31.6 per cent. from ₹ 20,111.6 million for the Fiscal Year 2013 to ₹ 26,466.9 million for Fiscal Year 2014.

Revenue from operations

Our revenue from operations increased by ₹ 6,015.9 million, or 30.9 per cent. from ₹ 19,476.0 million for Fiscal Year 2013 to ₹ 25,491.9 million for Fiscal Year 2014.

Revenue from residential and commercial projects

Our revenue from residential and commercial projects increased by ₹ 4,348.1 million, or 33.0 per cent., from ₹ 13,171.1 million for Fiscal Year 2013 to ₹ 17,519.2 million for Fiscal Year 2014. This increase was primarily due to the commencement of revenue recognition from various ongoing projects, such as Prestige Casabella, Prestige Ferns Residency, Prestige Garden Bay, Prestige Glenwoods, Prestige Mayberry, Prestige Royal Woods, Prestige Technopolis and Prestige West Holmes as well as from additional blocks in Prestige Tranquility and Prestige White Meadows.

Revenue from contractual projects

Our revenue from contractual projects increased by ₹ 350.3 million, or 74.8 per cent., from ₹ 468.2 million for Fiscal Year 2013 to ₹ 818.5 million for Fiscal Year 2014. This increase was primarily due to an increase in projects taken up, in particular projects under our portfolio, by our contracting company, K2K Infrastructure (India) Private Limited, and the corresponding revenue recognized.

Facilities, rental and maintenance revenue

Our facilities, rental and maintenance revenue increased by ₹ 514.1 million, or 17.1 per cent., from ₹ 3,002.1 million for Fiscal Year 2013 to ₹ 3,516.2 million for Fiscal Year 2014 primarily due to an increase in facility and hire charges in relation to the commencement of mall operations of the Forum Vijaya Mall in Chennai and the increase in the number of third party projects managed by our joint venture, PSN Property Management and Services.

Property revenue

Our property revenue increased by ₹ 411.5 million or 15.4 per cent., from ₹ 2,663.8 million for Fiscal Year 2013 to ₹ 3,075.3 million for Fiscal Year 2014 primarily due to an increase in rental income from the commencement of rent from new blocks at the Cessna Business parks and a general increase in rental rates, as well as an increase in sublease rental income due to the commencement of new leases in projects such as Prestige Shanthiniketan and Prestige Techpark, and commencement of sublease rent in Fiscal 2014 for the Prestige Techpark III project.

Other operating revenues

Our other operating revenues increased by ₹ 391.9 million, from ₹ 170.8 million for Fiscal Year 2013 to ₹ 562.7 million for Fiscal Year 2014 primarily due to an increase in project management fees and assignment charges.

Other income

Other income increased by ₹ 339.4 million, or 53.4 per cent., from ₹ 635.6 million for Fiscal Year 2013 to ₹ 975.0 million for Fiscal Year 2014 primarily due to the commencement of projects and corresponding revenue recognition from partnership firms and an increase in interest income from short-term fixed deposits, offset by an excess provision for property tax written back recognized in Fiscal 2013 and a reduction in dividend income from debt funds.

Expenses

Total expenses increased by ₹ 5,615.8 million, or 35.4 per cent., from ₹ 15,855.9 million for Fiscal Year 2013 to ₹ 21,471.6 million for Fiscal Year 2014.

Cost of sales on projects

Our cost of sales on projects increased by ₹ 2,968.3 million, or 33.9 per cent., from ₹ 8,744.0 million for Fiscal Year 2013 to ₹ 11,712.3 million for Fiscal Year 2014, in line with the proportionate increase in revenue from residential and commercial projects, due to commencement of revenue recognition from various ongoing projects such as Prestige Casabella, Prestige Ferns Residency, Prestige Garden Bay, Prestige Glenwoods, Prestige Mayberry, Prestige Royal Woods, Prestige Technopolis and Prestige West Holmes, as well as from additional blocks in Prestige Tranquility and Prestige White Meadows.

Cost of contractual projects

Our cost of contractual projects increased by ₹ 256.5 million, or 69.5 per cent., from ₹ 368.8 million for Fiscal Year 2013 to ₹ 625.3 million for Fiscal Year 2014 due to an increase in projects taken up, in particular projects under our portfolio, by our contracting company, K2K Infrastructure (India) Private Limited, and the corresponding expenses recognized.

Property expenses

Our property expenses increased by ₹ 300.4 million, or 35.6 per cent., from ₹ 843.5 million for Fiscal Year 2013 to ₹ 1,143.9 million for Fiscal Year 2014. The increase in property expenses was primarily due to an increase in sublease rent due to the commencement of new leases in projects such as Prestige Shanthiniketan and Prestige Techpark, and commencement of sublease rent in Fiscal 2014 for the Prestige Techpark III project.

Facilities operating expenses

Our facilities operating expenses increased by ₹ 171.8 million, or 11.0 per cent., from ₹ 1,561.3 million for Fiscal Year 2013 to ₹ 1,733.1 million for Fiscal Year 2014. The increase in facilities operating expenses was primarily due to an increase in electricity and other expenses in relation to our joint venture, PSN Property Management and Services as well as the commencement of mall operations of the Forum Vijaya Mall in Chennai.

Employee benefits expense

Our employee benefits expense increased by ₹ 165.8 million, or 11.5 per cent., from ₹ 1,443.9 million for Fiscal Year 2013 to ₹ 1,609.7 million for Fiscal Year 2014. The increase in employee cost was primarily due to an increase in head count and also due to general increase in salaries and other benefits.

Finance costs

Our net finance costs increased by ₹ 801.3 million, or 53.8 per cent., from ₹ 1,489.1 million for Fiscal Year 2013 to ₹ 2,290.4 million for Fiscal Year 2014 primarily due to increased borrowings. The gross interest cost component increased by ₹ 896.1 million, or 30.7 per cent., from ₹ 2,918.7 million to ₹ 3,814.8 million, primarily due to a net increase in borrowings for various projects of ₹ 6,152.7 million.

Depreciation and amortization expense

Depreciation and amortization expense increased by ₹ 210.8 million, or 30.9 per cent., from ₹ 681.8 million for Fiscal Year 2013 to ₹ 892.6 million for Fiscal Year 2014. This increase was primarily due to the capitalization of the Forum Vijaya Mall and also due to additions to other fixed assets.

Other expenses

Other expenses increased by ₹ 740.9 million, or 102.4 per cent. from ₹ 723.5 million for Fiscal Year 2013 to ₹

1,464.3 million for Fiscal Year 2014. This increase was primarily due to a provision of doubtful advances recognized in Fiscal 2014 in relation to accumulated input credits subject to eligibility for set off during assessments, an increase in advertisement and sponsorship fee for all new projects launched and an increase in commission payments for new sales.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹ 739.5 million, or 17.5 per cent., from ₹ 4,255.8 million for Fiscal Year 2013 to ₹ 4,995.3 million for Fiscal Year 2014.

Tax expense

Our tax expense increased by ₹ 436.0 million, or 33.2 per cent., from ₹ 1,314.4 million for Fiscal Year 2013 to ₹ 1,750.4 million for Fiscal Year 2014. Our current tax increased by ₹ 466.6 million, or 35.0 per cent., from ₹ 1,331.4 million for Fiscal Year 2013 to ₹ 1,798.0 million for Fiscal Year 2014, in line with the increase in total revenue and expenses for the same period.

Profit for the year

As a result of the foregoing, profit for the year increased by ₹ 303.5 million, or 10.3 per cent., from ₹ 2,941.4 million for Fiscal Year 2013 to ₹ 3,244.9 million for Fiscal Year 2014.

Share of profit/(loss) from associates

Share of loss from associates decreased by ₹ 3.2 million, or 9.6 per cent., from ₹ 33.3 million for Fiscal Year 2013 to ₹ 30.1 million for Fiscal Year 2014. This decrease was primarily due to a decrease in losses from our associates, Exora Business Parks Private Limited and Prestige Projects Private Limited.

Profit after tax (before adjustment for minority interest)

As a result of the foregoing, our profit after tax (before adjustment for minority interest) increased by ₹ 306.7 million, or 10.6 per cent., from ₹ 2,908.0 million for Fiscal Year 2013 to ₹ 3,214.8 million for Fiscal Year 2014.

Share in (profit)/loss to minority interest

For Fiscal Year 2014, the profit attributable to minority interest as a result of the profit recorded by subsidiary entities was ₹ 72.0 million. For Fiscal Year 2013, the profit attributable to minority interest was ₹ 48.4 million.

Profit after tax and minority interest

As a result of the foregoing, profit after tax and minority interest increased by ₹ 283.1 million, or 9.9 per cent., from ₹ 2,859.7 million for Fiscal Year 2013 to ₹ 3,142.8 million for Fiscal Year 2014.

Fiscal Year 2013 Compared to Fiscal Year 2012

Revenue

Our total revenue increased by ₹ 9,247.0 million, or 85.1 per cent. from ₹ 10,864.6 million for Fiscal Year 2012 to ₹ 20,111.6 million for Fiscal Year 2013.

Revenue from operations

Our revenue from operations increased by ₹ 8,953.5 million, or 85.1 per cent. from ₹ 10,522.5 million for Fiscal Year 2012 to ₹ 19,476.0 million for Fiscal Year 2013.

Revenue from residential and commercial projects

Our revenue from residential and commercial projects increased by ₹ 7,114.4 million, or 117.5 per cent., from ₹ 6,056.7 million for Fiscal Year 2012 to ₹ 13,171.1 million for Fiscal Year 2013. This increase was primarily due to the commencement of revenue recognition from various ongoing projects, such as Prestige Kingfisher Towers, Prestige Bella Vista, Prestige Edwardian, Prestige Parkview, Prestige Techpark III, Prestige Sunnyside, Prestige Tranquility and Prestige White Meadows.

Revenue from contractual projects

Our revenue from contractual projects increased by ₹ 442.0 million from ₹ 26.2 million for Fiscal Year 2012 to ₹ 468.2 million for Fiscal Year 2013. This increase was primarily due to an increase in contracts taken up, in particular projects under our portfolio, by our contracting company, K2K Infrastructure (India) Private Limited, and the corresponding revenue recognized.

Facilities, rental and maintenance revenue

Our facilities, rental and maintenance revenue increased by ₹ 727.6 million, or 32.0 per cent., from ₹ 2,274.5 million for Fiscal Year 2012 to ₹ 3,002.1 million for Fiscal Year 2013 due to facilities maintenance income recognized in Fiscal Year 2013 from the Prestige Forum Mall project maintained by Prestige Amusements Private Limited, which became our subsidiary on March 31, 2012, an increase in the scale of operations of our maintenance entity, Prestige Property Management and Services, due to the commencement of maintenance at one of our biggest projects, Prestige Shantiniketan, as well as recognized revenue from PSN Property Management and Services in Fiscal Year 2013, which became our joint venture on July 1, 2012.

Property revenue

Our property revenue increased by ₹ 752.5 million or 39.4 per cent., from ₹ 1,911.3 million for Fiscal Year 2012 to ₹ 2,663.8 million for Fiscal Year 2013 primarily due to an increase in rental income from the commencement of rent from new blocks at the Cessna Business parks and a general increase in rental rates, as well as an increase in sublease rental income due to the commencement of new leases in projects, such as Prestige Shanthiniketan and Prestige Palladium, and full year rental receipts from a portion of the leased space in the Prestige Dynasty project.

Other operating revenues

Our other operating revenues decreased by ₹ 83.0 million or 32.7 per cent., from ₹ 253.8 million for Fiscal Year 2012 to ₹ 170.8 million for Fiscal Year 2013 primarily due to revenue recognized in Fiscal Year 2012 from interior work done by our subsidiary, Prestige Interiors.

Other income

Other income increased by ₹ 293.5 million, or 85.8 per cent., from ₹ 342.1 million for Fiscal Year 2012 to ₹ 635.6 million for Fiscal Year 2013. This increase was primarily as a result of an excess provision for property tax written back recognized in Fiscal Year 2013, an increase in dividend income and interest income from short-term debt funds and short-term fixed deposits with various banks.

Expenses

Total expenses increased by ₹ 6,501.5 million, or 69.5 per cent., from ₹ 9,354.3 million for Fiscal Year 2012 to ₹ 15,855.8 million for Fiscal Year 2013.

Cost of sales on projects

Our cost of sales on projects increased by ₹ 4,544.9 million, or 108.2 per cent., from ₹ 4,199.1 million for Fiscal Year 2012 to ₹ 8,744.0 million for Fiscal Year 2013, in line with the proportionate increase in revenue from residential and commercial projects, due to the commencement of revenue recognition from various ongoing projects such as Prestige Kingfisher Towers, Prestige Bella Vista, Prestige Edwardian, Prestige Parkview, Prestige Techpark III, Prestige Sunnyside, Prestige Tranquility, and Prestige White Meadows.

Cost of contractual projects

Our cost of contractual projects increased by ₹ 336.0 million, from ₹ 32.8 million for Fiscal Year 2012 to ₹

368.8 million for Fiscal Year 2013 due to an increase in projects taken up, in particular projects under our portfolio, by our contracting company, K2K Infrastructure (India) Private Limited, and the corresponding expenses recognized.

Property expenses

Our property expenses increased by ₹ 216.7 million, or 34.6 per cent., from ₹ 626.8 million for Fiscal Year 2012 to ₹ 843.5 million for Fiscal Year 2013. The increase in property expenses was primarily due to an increase in sublease rent payments in respect of projects such as Prestige Shantiniketan, Prestige Palladium and Prestige Dynasty.

Facilities operating expenses

Our facilities operating expenses increased by ₹ 455.1 million, or 41.1 per cent., from ₹ 1,106.2 million for Fiscal Year 2012 to ₹ 1,561.3 million for Fiscal Year 2013. The increase in facilities operating expenses was primarily due to an increase in facilities management expenses due to the inclusion of facilities operating expenses in Fiscal 2013 from the Prestige Forum Mall project maintained by Prestige Amusements Private Limited, which became our subsidiary on March 31, 2012. Furthermore, the increase in facilities operating expenses was due to an increase in the scale of operations of our maintenance entity, Prestige Property Management and Services, due to the commencement of maintenance at one of our biggest projects, Prestige Shantiniketan, as well as recognized expenses from PSN Property Management and Services in Fiscal Year 2013, which became our joint venture on July 1, 2012.

Employee benefits expense

Our employee benefits expense increased by ₹ 549.5 million, or 61.4 per cent., from ₹ 894.4 million for Fiscal Year to ₹ 1,443.9 million for Fiscal Year 2013. The increase in employee cost was primarily due to an increase in head count and also due to general increase in salaries and other benefits.

Finance costs

Our net finance costs increased by ₹ 296.4 million, or 24.9 per cent., from ₹ 1,192.7 million for Fiscal Year 2012 to ₹ 1,489.1 million for Fiscal Year 2013, due to increased borrowings. The gross interest cost component increased by ₹ 941.2 million, or 47.6 per cent., from ₹ 1,977.5 million to ₹ 2,918.7 million, primarily due to a net increase in borrowings for various projects of ₹ 6,608.1 million.

Depreciation and amortization expense

Depreciation and amortization expense increased by ₹ 76.4 million, or 12.6 per cent., from ₹ 605.4 million for Fiscal Year 2012 to ₹ 681.8 million for Fiscal Year 2013. This increase was primarily due to a net increase in gross fixed assets of ₹ 1,944.8 million.

Other expenses

Other expenses increased by ₹ 26.5 million, or 3.8 per cent., from ₹ 696.9 million for Fiscal Year 2012 to ₹ 723.4 million for Fiscal Year 2013. This increase was primarily due to an increase in commission due to new project launches, partially offset by a decrease in advertisement and sponsorship fee due to reduced brand building expenses.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹ 2,745.5 million, or 181.8 per cent., from ₹ 1,510.3 million for Fiscal Year 2012 to ₹ 4,255.8 million for Fiscal Year 2013.

Tax expense

Our tax expense increased by ₹ 688.1 million, or 109.9 per cent., from ₹ 626.3 million for Fiscal Year 2012 to ₹ 1,314.4 million for Fiscal Year 2013 primarily as a result of an increase in our current tax of ₹ 740.1 million, or 125.2 per cent., from ₹ 591.3 million for Fiscal Year 2012 to ₹ 1,331.4 million for Fiscal Year 2013 due to an increase in taxable profit during Fiscal Year 2013.

Profit for the year

As a result of the foregoing, profit for the year increased by ₹ 2,057.4 million, from ₹ 884.0 million for Fiscal Year 2012 to ₹ 2,941.4 million for Fiscal Year 2013.

Share of profit/(loss) from associates

Share of loss from associates decreased by ₹ 31.7 million, or 48.8 per cent., from ₹ 65.0 million for Fiscal Year 2012 to ₹ 33.3 million for Fiscal Year 2013. This decrease was primarily due to a decrease in losses from our associates, Exora Business Parks Private Limited and Prestige Garden Constructions Private Limited.

Profit after tax (before adjustment for minority interest)

As a result of the foregoing, our profit after tax (before adjustment for minority interest) increased by ₹ 2,089.1 million, from ₹ 819.0 million for Fiscal Year 2012 to ₹ 2,908.1 million for Fiscal Year 2013.

Share in (profit)/loss to minority interest

For Fiscal Year 2013, the profit attributable to minority interest as a result of the profit recorded by subsidiary entities was ₹ 48.4 million. For Fiscal Year 2012, the loss attributable to minority interest was ₹ 7.0 million.

Profit after tax and minority interest

As a result of the foregoing, profit after tax and minority interest increased by ₹ 2,033.7 million, from ₹ 826.0 million for Fiscal Year 2012 to ₹ 2,859.7 million for Fiscal Year 2013.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2014, we had cash and bank balances of ₹ 2,849.4 million. Cash and bank balances primarily consist of cash on hand, fixed deposits maturing within one year and balances with scheduled banks. Our primary liquidity requirements have been to finance our working capital for development of our projects. Our business requires a significant amount of working capital. We expect to meet our working capital and liquidity requirements for the next 12 months primarily from the cash flows from our business operations, project specific borrowings from banks and financial institutions as may be expedient and to a certain extent from the proceeds of this Issue.

Cash flows

Set forth below is a table of selected information from our consolidated statements of cash flows for Fiscal Years 2014, 2013 and 2012:

Particulars	Fiscal Year 2014	Fiscal Year 2013	Fiscal Year 2012
		(₹ in millions) **(Audited and Consolidated)**	
Net cash generated from operations	1,479.2	1,060.5	2,268.8
Net cash generated used in investing activities	(6,933.3)	(6,618.3)	(5,849.4)
Net cash generated from financing activities	3,711.4	8,226.7	2,077.9
Net increase/(decrease) in cash and cash equivalents	(1,742.7)	2,668.9	(1,502.7)
Net cash acquired/(released) on new acquisitions/disinvestment.	4.9	-	95.4
Cash and cash equivalents at the beginning of the year	4,587.2	1,918.3	3,325.6
Cash and cash equivalents as at the end of the year	2,849.4	4,587.2	1,918.3

Fiscal Year 2014 compared to Fiscal Year 2013

As of March 31, 2014, we had cash and cash equivalents of ₹ 2,849.4 million, a decrease of ₹ 1,737.8 million, from ₹ 4,587.2 million as of March 31, 2013.

Our net cash flows generated from operations increased by ₹ 418.7 million, from ₹ 1,060.5 million used for Fiscal Year 2013 to ₹ 1,479.2 million generated for Fiscal Year 2014. This increase was primarily due to an larger increase in long-term and short-term loans and advances in Fiscal 2013 as compared to Fiscal 2014, a larger decrease in current and non-current liabilities in Fiscal 2014 as compared to Fiscal 2013, an increase in financial expenses, an increase in net profit before taxation and a smaller decrease in current and non-current provisions in Fiscal 2014 as compared to Fiscal 2013, partially offset by a larger increase in inventories in Fiscal 2014 as compared to Fiscal 2013 and an increase in direct taxes paid.

Our net cash used in investing activities increased by ₹ 315.0 million, from ₹ 6,618.3 million for Fiscal Year 2013 to ₹ 6,933.3 million for Fiscal Year 2014. This increase was primarily attributable to an increase in other intercorporate deposits – net in Fiscal 2014 due to an increase in project development held by our associates and a decrease in proceeds from sale of / refunds from current and non-current investments, partially offset by a decrease in capital expenditure on fixed assets.

Our net cash from financing activities decreased by ₹ 4,515.3 million, from ₹ 8,226.7 million for Fiscal Year 2013 to ₹ 3,711.4 million for Fiscal Year 2014. This decrease was primarily attributable to net proceeds from issue of shares in relation to the institutional private placement in January 2013 and an increase in finance costs paid.

Fiscal Year 2013 compared to Fiscal Year 2012

As of March 31, 2013, we had cash and cash equivalents of ₹ 4,587.2 million, an increase of ₹ 2,668.9 million, from ₹ 1,918.3 million as of March 31, 2012.

Our net cash flows generated from operations decreased by ₹ 1,208.3 million, from ₹ 2,268.8 million in Fiscal Year 2012 to ₹ 1,060.5 million in Fiscal Year 2013. This decrease was primarily due to a larger increase in long-term and short-term loans and advances in Fiscal 2013 as compared to Fiscal 2012, partially offset by an increase in net profit before taxation and a larger decrease in current and non-current liabilities in Fiscal 2013 as compared to Fiscal 2012.

Our net cash used in investing activities increased by ₹ 768.9 million, from ₹ 5,849.4 million used in Fiscal Year 2012 to ₹ 6,618.3 million used in Fiscal Year 2013. This increase was primarily attributable to an increase in capital expenditure on fixed assets in relation to the Forum Vijaya Mall in Chennai and an increase in current and non-current investments in relation to a convertible debenture of our associate, partially offset by an advance paid – purchase of property recognized in Fiscal Year 2012 in relation to the an advance paid for increasing our stake in our subsidiary, Cessna Garden Developers Private Limited and an increase in proceeds from sale of/refunds from current and non-current investments.

Our net cash from financing activities increased by ₹ 6,148.8 million, from ₹ 2,077.9 million for Fiscal Year 2012 to ₹ 8,226.7 million for Fiscal Year 2013. This increase was primarily attributable to a net increase in secured loans and unsecured loans (including inter corporate deposits) due to a general increase in project development and an increase in net proceeds from issue of shares in relation to the institutional private placement in January 2013.

ASSETS

Our fixed assets consist of freehold and leasehold land and buildings, furniture and fixtures, plant and machinery, vehicles, computers and accessories, office equipment and other assets. Capital work-in-progress includes capital expenditure on assets which we propose to retain. Investments include investments in equity securities of listed and unlisted companies.

With respect to our current assets, inventories include work-in-progress and stock of units in Completed Projects and raw material inventory. Loans and advances include advance income tax payments, inter-corporate deposits and other advances and deposits. Trade receivables include receivables with respect to our various business segments.

CAPITAL EXPENDITURE

The following table sets forth our historical capital expenditure for Fiscal Years 2014, 2013 and 2012.

	Fiscal Year 2014	Fiscal Year 2013	Fiscal Year 2012
		(₹ in millions)	
Fixed assets and capital work-in-progress	4,782.2	5,887.1	3,968.9

The following table sets forth our planned capital expenditure for Fiscal Year 2015 and 2016.

	Fiscal Year 2015	Fiscal Year 2016
	(₹ in millions)	
Expenditure towards capital work-in-progress	5,500	6,000

FINANCIAL INDEBTEDNESS

The following table sets forth our secured and unsecured debt position as at March 31, 2014:

Particulars	Amount outstanding as at March 31, 2014
	(₹ in millions)
A. Long-term Borrowings:	
(i) Secured loans	
From banks	10,356.3
From financial institutions	1,115.7
(ii) Unsecured loans	
Compulsorily convertible debentures	530.3
From others	156.5
Total (A)..	12,158.8
B. Short-term Borrowings:	
(i) Secured loans	
From banks	12,286.0
From financial institutions	3,439.3
(ii) Unsecured loans	
Compulsorily convertible debentures	120.6
From others	50.2
Total (B)..	15,896.1
C. Current Maturities of Long-term Borrowings..................	3,486.4
Total (A) + (B) +(C)..	31,541.3

We intend to convert the compulsory convertible debentures into equity of our subsidiaries and joint ventures. As of March 31, 2014, compulsorily convertible debentures in principal outstanding amount of ₹ 98.80 million were held by CapitaRetail Mysore Mall (Mauritius) Limited in Prestige Mysore Retail Ventures Private Limited and compulsorily convertible debentures in principal outstanding amount of ₹ 431.52 million were held by CapitaRetail Mangalore Mall (Mauritius) Limited in Prestige Mangalore Retail Ventures Private Limited.

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, 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.

CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

The table below summarizes our contractual obligation as of March 31, 2014:

Particulars	Payments due by one year (₹ in millions)	Payments due between two and five years (₹ in millions)	Payments due after more than five years (₹ in millions)	Total (₹ in millions)
Committed land payments	198	0	0	198
Committed payments due against joint development agreements	480	0	0	480
Total	678	0	0	678

As of March 31, 2014, we had the following contingent liabilities and commitments that have not been provided for in our consolidated financial statements:

	Particulars	**Total** *(₹ in millions)*
1	Corporate guarantee given on behalf of companies under the same management for loans taken by such entities - aggregate of amounts outstanding against such loans	8,427.5
2	Capital commitments (net of advances)	6,695.9
3	Bank guarantees(1)	1,419.3
4	Disputed VAT	237.7
5	Disputed Income Tax	17.2
6	Disputed Service tax	14.2
7	Others(2)	19.0
	Total	**16,830.9**

Note:

(1) Includes guarantee of ₹ 40.5 million towards obligation for earnings in foreign currency of ₹ 318.7 million outstanding to be met by March 31, 2022.

(2) Others include claims against the Company not acknowledged as debt.

OFF-BALANCE SHEET ARRANGEMENTS

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

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 secured debts, which bear interest at floating rates linked with prime lending rates of the respective lenders, as determined from time to time was ₹ 30,533.1 million as at March 31, 2014.

Upward fluctuations in interest rates increase the cost of both existing and new debts. An increase in interest rates of one per cent. on our existing floating rate secured debts would increase its annual interest charges by approximately ₹ 305.3 million based upon the long-term and short-term loans outstanding as at March 31, 2014.

Commodity price risk

We are exposed to market risk with respect to the prices of raw material and components used in our projects, particularly steel and cement. 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. We do not enter into fixed price or forward contracts in relation to procurement of raw materials.

RELATED PARTY TRANSACTIONS

For details in relation to the related party transactions, see "*Financial Statements*".

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2014 THAT MAY AFFECT FUTURE RESULTS OF OPERATIONS

Subsequent to March 31, 2014, other than as disclosed in the Unaudited Financial Results:

(a) We have formed a partnership firm 'Prestige City Properties' in which our Company holds 99.99% profit sharing in the partnership firm and has contributed an amount of ₹ 0.99 million towards capital.

b) We have infused further capital in the partnership firm 'Prestige Nottinghill Investments' amounting to ₹ 0.3 million, thereby increasing our profit sharing from 49.00% to 51.00%.

c) Our debt and liquidity position continues to move substantially in line with operating performance in all material respects. For additional information, please see our Unaudited Financial Results elsewhere in this Placement Document.

No circumstances have arisen since the date of the last financial statements as disclosed in this Placement Document, 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

India is the world's largest democracy in terms of population (approximately 1.24 billion people) with an estimated gross domestic product ("**GDP**"), on a purchasing powering parity basis, of approximately US$ 5.0 trillion in 2013. ((*Source: https://www.cia.gov/library/publications/the-world-factbook/geos/in.html, accessed on July 14, 2014 ("CIA World Factbook").*

The GDP growth rate of India decelerated to 4.4 per cent. in Fiscal Year 2013 compared with 5.8 per cent. growth in Fiscal Year 2012 (*Source: Centre for Monitoring Indian Economy, March 2014*). The RBI's Second Bi-Monthly Monetary Policy Statement, 2014-2015, provides a slightly higher estimate of 4.7 per cent. for GDP growth for Fiscal Year 2014. (*Source: Second Bi-Monthly Monetary Policy Statement, 2014-2015, Press Statement by Dr. Raghuram G. Rajan, Governor, Reserve Bank of India, June 3, 2014*).

The table below sets out the comparison between India's Real GDP Growth in 2012 and 2013 and its expected GDP growth during the 2014 and 2015 calendar years, as compared to that of the European Union, United States of America, China, Japan and the Association of Southeast Asian Nations:

	Real GDP:			
	Actual:		**Projected:**	
	2012	**2013**	**2014**	**2015**
Euro Area[1]	-0.7	-0.5	1.2	1.5
United States	2.8	1.9	2.8	3.0
China	7.7	7.7	7.5	7.3
Japan	1.4	1.5	1.4	1.0
India[2]	4.7	4.4	5.4	6.4
ASEAN-5[3]	6.2	5.2	4.9	5.4

1 *For the purpose of the above table, Euro Area comprises Germany, France, Italy and Spain.*

2 *For India, data and forecasts are presented on a fiscal year basis for the years ended March 31, and output growth is based on GDP at market prices. Corresponding growth forecasts for GDP at factor cost are 4.6, 5.4 and 6.4 per cent. for 2013, 2014 and 2015, respectively.*

3 *ASEAN-5 comprises Indonesia, Malaysia, Philippines, Thailand and Vietnam.*

(*Source: International Monetary Fund, World Economic Outlook: April 2014 – Transitions and Tensions, April 2014*)

The Real Estate Sector in India

Key Segments of the Real Estate Industry in India

The Residential Segment

During the period from January 2011 to March 2012, there was a decline in residential real estate activity in India owing to adverse macroeconomic conditions. A high level of inflation and high interest rates during this period increased the cost of construction and impaired the ability to service debts, thereby adversely affecting developers and potential buyers. Consequently, average capital values were stagnant in the second half of 2011 compared to the first half of 2011 and increased marginally during the first quarter of 2012. (*Source: CRISIL CRB Customised Research Bulletin, May 2012*)

In the remainder of 2012, macroeconomic factors weighed down growth in residential capital values across all major cities including Bengaluru, Mumbai, Chennai, Hyderabad and Kochi. (*Source: CRISIL CRB Customised Research Bulletin, February 2013*) Calendar year 2013 was characterized by high interest rates and sticky inflation, which exerted pressure on demand. (*Source: CRISIL CRB Customised Research Bulletin, May-June 2014*). In 2013, investment flowed from tier 1 cities towards cost-effective tier 2 cities, including Bengaluru, Chennai and Hyderabad. (*Source: CBRE: India Real Estate Overview 2013, Outlook 2014*) As of May 2014, there was an increase in enquiries for residential properties; however, transaction volumes have not reflected the potential increase in demand. Colliers predicts an increase in residential sales in the coming quarter. Capital values will remain stable, however there will be upward pressure in the medium to long term due to the increased demand. (*Source: Colliers: Residential Property Market Overview, May 2014)*

The Commercial Segment

Demand for office space in India declined during 2008 and 2009 owing to the economic slowdown. Demand increased marginally in the first half of 2011 but the existing vacancy levels restricted any major increase in lease rentals. Weak demand also adversely impacted the execution of many projects. CRISIL Research estimates that, in 2012, lease rentals in almost 90 per cent. of the micro-markets across the National Capital Region, Mumbai Metropolitan Region, Pune, Bengaluru, Hyderabad, Chennai, Kolkata, Ahmedabad, Chandigarh Tricity and Kochi were approximately 20 per cent. to 25 per cent. lower than the peak levels witnessed in the first half of 2008. (*Source: CRISIL CRB Customised Research Bulletin, May 2012*)

As of June 30, 2014, 90 per cent. of the micro markets across these same major cities where 25 per cent. to 30 per cent. lower than the peek levels witness in the first half of 2008. (*Source: CRISIL CRB Customised Research Bulletin, May-June 2014*)

India's commercial real estate market was characterized by caution in 2013 with subdued leasing activity. However, an abundance of cost-effective office opportunities in the peripheries of leading cities, such as Bengaluru, drew an increase in demand. Regarding the supply of commercial real estate in India, the total office space addition in India's leading cities by the end of 2013 stood at about 31 million square feet, bringing India's total commercial office stock over the 400 million square foot mark. (*Source: CBRE: India Real Estate Overview 2013, Outlook 2014*) According to DTZ research, while occupiers have remained cautious, demand is expected to continue to increase, led by the IT / ITeS sector. (*Source: DTZ Occupier Perspective – India Office Demand and Trends Survey*) As of June 2014, 90 per cent. of the micro-markets across these same major cities were 25 per cent. to 30 per cent. lower than the peak levels witness in the first half of 2008. (*Source: CRISIL CRB Customised Research Bulletin, May-June 2014*)

The Hospitality Segment

According to CRISIL, economic recovery during 2010 to 2011 led to a revival of demand for hospitality space in India. CRISIL estimates that the overall hotel market grew by 13 per cent. to reach ₹ 318 billion in from 2011 to 2012. (*Source: CRISIL CRB Customised Research Bulletin, May 2012*) Cushman & Wakefield reports that 2013 continued the trend of market growth, especially in tier 1 cities such as Mumbai and Hyderabad, with increases in supply as large as 40 per cent. in Chennai. (*Source: Hospitality Almanac 2014: South Asia Market Overview, A Cushman & Wakefield Research Publication, May 2014*)

According to CRISIL, room demand in the premium segment hotels increased by 13 per cent. in 2011 to 2012 compared to the demand in 2010 to 2011. Foreign tourist arrivals, which are a key demand driver for premium segment hotels, rose by 10 per cent. in 2011 to 2012 compared to the demand in 2010 to 2011. Supply of rooms in the premium category also increased by 13 per cent. in 2011 to 2012 compared to the demand in 2010 to 2011. Consequently, occupancy rates and average room rates remained stable at around 62 per cent. and ₹ 7,900 respectively in 2011 to 2012. Consequently, revenue per available room remained around ₹ 4,900. (*Source: CRISIL CRB Customised Research Bulletin, May 2012*) Foreign tourists arrivals continued to increase 4.1 per cent. in 2012 to 2013, indicating a continued growth in demand, which is predicted to stabilize in 2014. (*Source: Hospitality Almanac 2014: South Asia Market Overview, A Cushman & Wakefield Research Publication, May 2014*)

Cushman & Wakefield report that, going forward, the Indian hospitality industry will likely continue to become more robust, with 53,000 new hotel keys expected to open in 2014 to 2018 in tier 1 cities alone. There are still some uncertainties, particularly with respect to political transition and financial reforms in the hotel industry, but experts remain cautiously optimistic regarding the near future of the hospitality industry. (*Source: Hospitality*

Almanac 2014: South Asia Market Overview, A Cushman & Wakefield Research Publication, May 2014)

The Retail Segment

According to CBRE research, retailer demand remained strong in 2013 with global brands, especially luxury brands, expanding their presence in India. Rental trends were mixed across different cities, with rental values increasing in key micro-markets such as New Delhi and Bengaluru, declining in Mumbai and remaining stable in micro-markets such as Hyderabad and Chennai. Looking forward, outlook is positive for the retail sector with existing brands expecting to ramp up operations and global brands looking continuing to make inroads into India. (*Source: CBRE: India Real Estate Overview 2013, Outlook 2014*) For example, CRISIL reports that 27 million square feet are expected to become operational during 2014 to 2016. (*Source: CRISIL CRB Customised Research Bulletin, May-June 2014*)

The Bengaluru Real Estate Market

The Bengaluru Metropolitan Area ("**BMA**") is covered by the Comprehensive Development Plan ("**CDP**") of the Bengaluru Development Authority. The CDP covers a local area consisting of the BMA, seven City Municipal Councils ("**CMCs**"), one town municipal council and 387 villages. (*Source: Bengaluru – City Profile, CRISIL Research, February 2014*)

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. Commercial and industrial development occurs along these major roads, with the intermediary areas between the radial roads forming the core residential centres. Areas such as Whitefield (in the north east), Hosur Road (in the south east) and Electronic City (south) are highly urbanized.

As of 2011, the population of Bengaluru was 8,425,970. The population density of CMCs such as KR Puram, located in the vicinity of Whitefield, is 9,342 people per square kilometer, 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 kilometer is higher as compared to the population density at city level, at 4,667 people per square kilometer. 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, CRISIL Research, September 2012*) 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	**6.1**	**8.0**	**10.0**

P: Projected

(Source: City Real(i)ty, Bengaluru, CRISIL Research, September 2012)

Industries in the BMA

Bengaluru is one of the 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. 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, CRISIL Research, September 2012*)

Recognized as a hub for IT companies in India and often compared to Silicon Valley, Bengaluru's IT / ITeS industry makes a prominent contribution to the Indian economy. Over the years, Bengaluru's IT industry grew with the establishment of local and foreign IT companies, including Bosch, Wipro, Tech Mahindra, Hewlett-Packard, Infosys, HCL Technologies, Patni Computer Systems, CGI, Siemens, Tejas Networks, Yokogawa Electric, Genpact, Intel and Tata Consultancy Services. There are more than 170 IT/ITes companies located in

Electronics City, one of Bengaluru's main clusters. Another major cluster, the Whitefield cluster, is home to the International Tech Park Bangalore as well as the Export Promotion Industrial Park Zone, which includes campus facilities for SAP, iGATE, Dell, TCS, Unisys, Delphi, Huawei, Oracle and Perot Systems. (*Source: Bengaluru – City Profile, CRISIL Research, February 2014*)

According to CRISIL, while the IT / ITeS sectors have been key demand drivers for real estate in Bengaluru, other sectors like pharmaceuticals, banking and telecommunications are also gaining prominence. Further, several multi-national corporations are headquartered in Bengaluru. (*Source: City Reality Bengaluru, CRISIL Research, July 2014*)

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 kilometers 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 March 2015. 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. In January 2014, this phase received the go-ahead from the cabinet, and it is expected to be completed in five years from the start date.

- *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. In December 2013, the minister for information and infrastructure announced that it was planning to explore a public-private partnership model, and a Malaysian company has shown interest in taking up the project.

- *High Speed Rail Link ("**HSRL**"):* The Bengaluru HSRL is planned to connect MG Road to the Bengaluru International Airport. It was approved by the Karnataka government in 2007. The project has currently been stalled by the Karnataka government since the option of extending the metro line, which connects the India Institute of Management, Bengaluru in the south to Nagavara in the north, is being considered.

- *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 has capacity to handle up to 20 million passengers per year. Ongoing improvements include expanding the airport by augmenting the capacity of the airport terminal building, planning for a high-speed rail link between the city and the airport, as well as additional flyovers, elevated roads and bridges at intersections and bottlenecks in the road infrastructure (the NH7).

- *Road transportation*: 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 the 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 town municipal council water supply pipelines and sewage treatment facilities;

  (ii) the construction of a six to eight- lane, 65 kilometer long proposed peripheral ring road, which has received the go-ahead from the state government in September 2013;

  (iii) the construction of the Chennai Bengaluru Industrial Corridor, which is a proposed mega infrastructure project by the Government of India. The corridor plans to come up along Chennai, Striperumbudur, Raniper, Chittor, Bangarupalem, Palamaner, Bangarpet, Hoskote and Bengaluru. A detailed project report on the project is currently in progress; and

(iv) the construction of the Mumbai Bengaluru Economic Corridor, which is a proposed 1,000 kilometer project jointly funded by India and the United Kingdom to help United Kingdom companies establish themselves in this corridor.

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

(Source: City Reality Bengaluru, CRISIL Research, July 2014)

Bengaluru's Key Residential, Commercial, Retail and Hospitality Micro-Markets

Residential

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 and Hosur have grown rapidly over the last few years, with approximately 32 per cent. and 33 per cent. of new projects, respectively, situated in this area. 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. CRISIL estimates that approximately 24 per cent. of the total planned residential supply between 2014 and 2016 will be in Hebbal. (*Source: City Real(i)ty, Bengaluru, CRISIL Research, July 2014)*

According to CRISIL, 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. Many multi-national companies have their headquarters in Bengaluru. CRISIL expects that residential capital values across micro-markets in the city will remain stable in two of seven micro-markets and increase marginally in five of seven micro-markets during the second half of 2014, due to, *inter alia*, increasing certainty after the general elections. (*Source: City Real(i)ty, Bengaluru, CRISIL Research, July 2014*)

Over the years, road connectivity in Bengaluru has improved with the development of the elevated bridge and the elevated expressways. The BMA has approximately 3,500 kilometers of roads, and flyovers and outer ring roads have been implemented to ease internal traffic and enhance linkages with peripheral areas, though rising vehicle numbers have increased congestion at ring roads, especially in South Bengaluru. Beyond roads, two segments of the first phase of the Bengaluru Metro have commenced operations, and the remaining segments are expected to completed by March 2015. (*Source: City Real(i)ty, Bengaluru, CRISIL Research, July 2014*)

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 currently stands at approximately 10 to 15 per cent. CRISIL projects that investment demand will be 15 per cent. for 2014 and 20 per cent. for 2015 and 2016. (*Source: City Real(i)ty, Bengaluru, CRISIL Research, July 2014*)

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

Regions	MAHTI[+]	Affordability[*] – Property cost/Annual income		Planned supply	CRISIL Research's estimated supply
	As of February 2014	First half of 2013	Second half of 2013		2014-2016
	(Rs lakhs)			*(million square feet)*	
In and around Hebbal	8.2	6.1	6.3	44.2	28.4
In and around Malleshwaram	19.4	15.0	15.1	3.5	2.8
In and around MG Road	52.4	42.1	41.7	1.5	1.0
In and around Jayanagar	15.8	12.1	12.4	6.5	5.2
In and around Whitefield	8.3	6.2	6.4	59.7	38.9
In and around Hosur Road	7.5	5.9	5.9	60.6	41.9
In and around Tumkur Road	8.1	6.1	6.3	8.2	6.1
Total				**184.1**	**124.3**

[+] 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, CRISIL Research, June 2014*)

CRISIL projects that approximately 23,100 residential units will be sold in 2014 and approximately 85 per cent. of these units will be absorbed by end-users. (*Source: City Real(i)ty, Bengaluru, CRISIL Research, July 2014*) Of the 124.3 million square feet of residential space expected to come up between 2014 and 2016, CRISIL expects a maximum of 80.8 million square feet to come up in and around Hosur Road and Whitefield, followed by 28.4 million square feet in and around Hebbal, 6.1 million square feet in and around Tumkur Road and 1.5 million square feet in and around MG Road. Due to its proximity to the international airport, Hebbal has attracted significant developer and investor interest. Owing to the improvement in demand, a supply of 44.2 million square feet has been announced in this area. Of this, CRISIL Research estimates 28.4 million square feet to be completed between 2014 and 2016. (*Source: City Real(i)ty, Bengaluru, CRISIL Research, February 2014*)

Commercial

As of the first quarter of 2014, Bengaluru had an inventory of approximately 118 million square feet of office space operational. (*Source: Marketbeat Office Snapshot – Bengaluru, India, A Cushman & Wakefield Research Publication, Q1 2014*) According to Knight Frank, owing to the lack of quality office space in central locations as well as in a few suburban micro-markets of the city, companies had to explore peripheral markets like the Electronic City, Whitefield and Outer Ring Road which have considerable new office space supply. (*Source: Office Traction @ Glance, Research Team of Knight Frank (India) Private Limited dated July 2012*)

As of the first quarter of 2014, there was 20.7 million square feet of office space under construction and 0.7 million square feet had already completed construction. Cushman & Wakefield predict an increase in transaction activity going forward and that rentals will remain stable. (*Source: Marketbeat Office Snapshot – Bengaluru, India, A Cushman & Wakefield Research Publication, Q1 2014*) Further, DTZ reports that Bengaluru is forecast to account for 30 per cent. of total demand for office space during the remainder of 2014. (*Source: DTZ Occupier Perspective – India Office Demand and Trends Survey*)

CRISIL Research expects that of the total planned office space supply in Bengaluru of 68.3 million square feet, only 18.1 million square feet remains to be completed between 2014 and 2016. The table below sets out the distribution of demand and supply across micro-markets of Bengaluru.

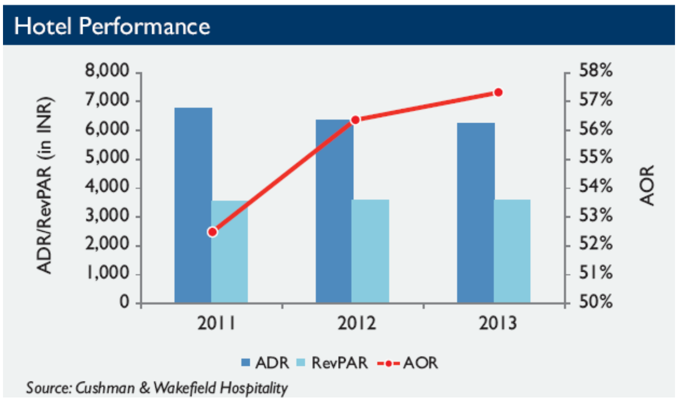
Regions	**Estimated demand (2014-2016)**	**Planned supply**	**CRISIL Research's Estimated supply (2014-2016)**
		(million square feet)	
In and around Hebbal		46.0	12.4
In and around MG Road		0.8	0.3
In and around Whitefield		17.3	3.7
Electronic City		1.4	0.4
Bannerghata Road		2.8	1.3
Marathahalli – Sarjapur		-	-
Total	**10.2**	**68.3**	**18.1**

(*Source: City Real(i)ty, Bengaluru, CRISIL Research, April 2014*)

CRISIL Research expects that commercial lease rentals will remain stable in 2014 due to high vacancy levels in the Whitefield micro-market and a large supply of commercial space in Hebbal. CRISIL also highlights that the commercial real estate market in Bengaluru will continue to be driven by the IT / ITeS sector, which accounts for 80 per cent. of the 10.2 million square feet of estimated commercial real estate demand for the period from 2014 to 2016. *(Source: City Real(i)ty, Bengaluru, CRISIL Research, April 2014)*

Hospitality

According to Cushman & Wakefield, Bengaluru witnessed an increase of 7 per cent. year on year in hotel inventory, largely due to the opening of, *inter alia*, the Bengaluru Marriot Hotel. Demand also increased 8.7per cent. in 2013, measured by room nights sold. By the end of 2014, Cushman & Wakefield expect a further increase in supply by 23.9 per cent. from pipeline projects, which will likely cause occupancy levels to dip. The report further projects that 7,038 keys will be added over the next five years. (*Source: Hospitality Almanac 2014: South Asia Market Overview, A Cushman & Wakefield Research Publication, May 2014*) The graph below shows the performance of the Bengaluru hospitality industry for the years indicated.



(*Source: Hospitality Almanac 2014: South Asia Market Overview, A Cushman & Wakefield Research Publication, May 2014*)

Retail

According to DTZ research, cautious consumer sentiment prevailed in 2013, which led retailers across segments to report only moderate revenue growth. By the end of 2013, lower vacancy levels and minimal transactions pushed rents up marginally. No new malls were added during the entirety of 2013. (*Source: Property Times – India Retail Q4 2013: Single brand retailers active, February 2014*) According to Cushman & Wakefield research, in the first quarter of 2014, rental values across malls remained stable and mall vacancy levels dropped one percentage point. Rentals across all mall micro markets are anticipated to remain stable. (*Source: Marketbeat Retail Snapshot – Bengaluru, India, A Cushman & Wakefield Research Publication, Q1 2014*)

The following table sets out the planned and estimated supply of retail space across micro-markets of Bengaluru during the period from 2014 to 2016.

Location	Region-wise segregation as defined by CRISIL Research	Planned supply	Estimated supply (2014-2016)
		(million square feet)	
Hebbal, Devenahalli	In and around Hebbal	3.7	2.3
Rajajinagar, Rajarajeshwarinagar, Yeswantpur, Malleshwaram	Malleshwaram	2.4	0.8
Vittal Mallya Road, Ulsoor, Kempegowda Road, Brigade Road, Commercial Street	In and around MG Road	0.1	0.1
Whitefield, KR Puram, Old Madras Road	In and around Whitefield	1.4	0.7
Indiaranagar	Indiranagar	1.4	-
Jayanagar, JP Nagar	Jayanagar	-	-
Hosur Road, Bannerghatta Road, Electric City	Hosur Road	2.4	1.8
Total		**11.5**	**5.7**

(*Source: City Real(i)ty, Bengaluru, CRISIL Research, April 2014*)

The Chennai Real Estate Market

Chennai is the fourth largest metropolitan cities of India. The Chennai Metropolitan Area comprises Chennai city and the suburbs of Ambattur and Mogappai to the north-west, Sriperumbudur to the west and areas along the Rajiv Gandhi Salai and the Grand Southern Trunk Road to the south. Real estate activity has mainly shifted to Sriperumbudur and the areas around the Rajiv Gandhi Salai. (*Source: City Real(i)ty, Chennai, CRISIL Research, February 2014*)

Chennai's Key Residential, Commercial, Retail and Hospitality Micro-Markets

Residential

According to CRISIL, the slowdown in the Indian economy coupled with high inflation and high interest rates in India have contributed to the decline in demand for residential real estate in Chennai. Weak demand has also prevented an increase in the residential capital values in the city. CRISIL expects capital values to remain stable in the second half of 2014 before increasing marginally in 2015, across all micro-markets. Developers have planned a total residential real estate supply of approximately 126.6 million square feet, of which CRISIL expects only 80.0 million square feet to be completed by 2016. (*Source: City Real(i)ty, Chennai, CRISIL*

Research, July 2014) According to Colliers research, demand increased during the first quarter of 2014, for premium residential projects. Capital values also increased by approximately two to five per cent. quarter on quarter in Chennai's primary micro-markets like Theagaraya Nagar and Besant Nagar, and remaining micro markets remained stable. Colliers expects demand from both occupiers and investors to continue to grow in the remainder of 2014. (*Source: Colliers: Residential Property Market Overview, May 2014*)

Commercial

According to CRISIL, approximately 16.2 million square feet of office space has been planned in Chennai (including in SEZs), of which CRISIL expects only 5.2 million square feet to be completed by 2016. This is due to the weakness of Chennai's business environment, which has resulted in developers moving very slowly on project execution. Demand for office space through 2016 is estimated at only 4.7 million square feet. CRISIL expects that rentals in certain business districts will remain stable in the second half of 2014, given the weak economic scenario and slowdown in corporate investments. (*Source: City Real(i)ty, Chennai, CRISIL Research, April 2014*)

Hospitality

According to a Cushman & Wakefield report, supply has steadily increased for the hospitality industry in Chennai, despite such developments as the closure of two large hotels in 2013 were are being rebuilt as residential property. Presently, Chennai has a pipeline of 3,508 new keys to be added over the next five years, 25 per cent. of which is expected to be operational in 2014. (*Source: Hospitality Almanac 2014: South Asia Market Overview, A Cushman & Wakefield Research Publication, May 2014*)

Retail

Organized retail, especially malls, is gradually gaining acceptance in Chennai. As of February 2014, there are about 18 operational malls in the city spread over 6.2 million square feet. Developers have planned a total mall supply of 4.3 million square feet, of which CRISIL expects only 0.5 million square feet to become operational by 2016. A majority of the upcoming mall supply is concentrated in the micro-markets of the Rajiv Gandhi Salai, Grand Southern Trunk Road and adjoining localities. (*Source: City Real(i)ty, Chennai, CRISIL Research, April 2014*) According to CBRE research, rental performance in Chennai remained stable throughout 2013. Notably, the Phoenix Mall City was completed in 2013, adding approximately one million square feet of operational retail space. (*Source: CBRE: India Real Estate Overview 2013, Outlook 2014*) According to Cushman & Wakefield research, during the first quarter of 2014 there was no new mall supply, which caused vacancy levels to dip marginally. There is also speculation that, during the remainder of 2014, limited availability of quality mall spaces may result in slight rental appreciation in certain sub-markets of Chennai. (*Source: Marketbeat Retail Snapshot – Chennai, India, A Cushman & Wakefield Research Publication, Q1 2014*)

The Hyderabad Real Estate Market

According to the Andhra Pradesh Reorgnisation Act, 2014, dated March 1, 2014, Hyderabad will be the common capital of the State of Telangana and the State of Andhra Pradesh for a period not exceeding 10 years, and after this period, Hyderabad will be the capital of the State of Telangana, and there will be no new capital for the State of Andhra Pradesh. This city whose commercial landscape was predominantly made up of engineering based industries and trading companies has seen a dramatic change over the last few decades. (*Source: Hyderabad Office Traction @ Glance, Research Team of Knight Frank (India) Private Limited dated February 2014*)

Hyderabad's Key Residential, Commercial, Retail and Hospitality Micro-Markets

Residential

Residential demand in Hyderabad has been fuelled by the growth of the IT / ITeS, biotechnology, defence, aerospace and other knowledge-based industries, the emerging retail segment, the development of infrastructure projects and investments from non-resident Indians. Developers in Hyderabad have planned a total residential real estate supply of 155.1 million square feet, of which CRISIL expects only approximately 94 million square feet to be completed by 2016. Owing to weak demand for residential real estate coupled with political uncertainties over the Telengana area, developers are cautious about launching new projects and are instead looking to sell existing inventories. Consequently, according to CRISIL, capital values have remained stable and are expected to remain stable across most micro-markets in the second half of 2014. *(Source: City Real(i)ty, Hyderabad, CRISIL Research, February 2014)*

Commercial

As of February 2014, the office space market in Hyderabad primarily consisted of the IT/ITeS sector that occupied almost 78 per cent. of the stock while the manufacturing and banking, financial services and insurance ("**BFSI**") sectors occupied 6 per cent. and 4 per cent. respectively. For 2013, the total office space stock in Hyderabad was 55.9 million square feet of which 44.8 million square feet was occupied, resulting in a vacancy level of 18 per cent.. Vacancy levels have been on the rise since 2011 when they were at 13 per cent. as absorption numbers have fallen substantially in the face of continuously increasing supply. The Hyderabad office market witnessed a contraction in absorption levels during 2013 as the impact of regional political upheaval and unfavourable global economic conditions were felt across sectors. The Hyderabad office market lost some traction during 2013 as absorption numbers were down by approximately 9 per cent. compared to 2012. These depressed absorption numbers coupled with over 6.7 million square feet of office space coming online during the year have caused vacancy levels to spike considerably from 14 per cent. in 2012 to almost 18 per cent. at the end of 2013. However, this has not affected rentals yet as the average rental rates have remained stable over the past year. The IT/ITeS sector has been the primary driver of the office space market in Hyderabad and accounted for approximately 2.84 million square feet of absorption in 2013. (*Source: Hyderabad Office Traction @ Glance, Research Team of Knight Frank (India) Private Limited dated February 2014*)

The Suburban Business District's ("**SBD**") market share, which comprise of Madhapur, Kondapur and HITEC City and form the bulk of of the IT/ITeS sector, has stayed practically the same between 2012 and 2013 as approximately 64 per cent. of the transactions during 2013 took place in the SBD market. HITEC City and Kondapur accounted for 91 per cent. of the total space transacted in the SBD. The IT/ITeS and other service sectors took up 71 per cent. and 20 per cent. of the space, respectively. The SBD business district currently had a stock of 29.4 million square feet with vacancy levels at a 11 per cent. in 2013. However, vacancy levels in the SBD rose from 9 per cent. in 2012 to 11 per cent. in 2013 due to almost 4.4 million square feet of office space coming online during the year. (*Source: Hyderabad Office Traction @ Glance, Research Team of Knight Frank (India) Private Limited dated February 2014*)

According to Knight Frank, subdued growth from the IT/ITeS industry which is the primary demand driver in Hyderabad will result in strong headwinds against rental growth during 2014. The sensitive political scenario that added an element of risk which discouraged corporations from making fresh investments in Hyderabad. The division of state will positively impact office space demand as economic considerations will overshadow political motives eventually. Expansion activity from corporations in Hyderabad having a footprint in Hyderabad or for whom relocation is a harder option to exercise, will sustain the market that is expected to contribute approximately 3.8 million square feet of office space absorption in 2014. This coupled with limited inventory coming onboard in 2014 will not exert further pressure on vacancy levels, which is expected to be between 16 per cent. and 18 per cent.. Approximately 3.4 million square feet of office space is expected to come online during 2014, more than half of which is expected in the SBD. The SBD will continue to consolidate its standing as the new commercial core of Hyderabad and see bulk of the action going forward. However, the comparable market dynamics of the peripheral western locations like Gachibowli will be hard to compete against given that the overall absorption pie is not expected to grow significantly. (*Source: Hyderabad Office Traction @ Glance, Research Team of Knight Frank (India) Private Limited dated February 2014*)

Hospitality

There has been a steady increase in supply over the past four years, including increases on 26 per cent., 10 per cent., 6 per cent. and 5 per cent. in 2010, 2011, 2012 and 2013, respectively. In particular, Trident Hyderbad opened in 2013, adding 323 keys. Supply continues to outpace demand, though both continue to increase. Cushman & Wakefield estimate that 4,057 keys are in the pipeline to be added in Hyderabad over the next five years. (*Source: Hospitality Almanac 2014: South Asia Market Overview, A Cushman & Wakefield Research Publication, May 2014*)

Retail

A prominent mall, Manjeera Trinity, was constructed in 2013, adding 0.44 million square feet of operational property. (*Source: CBRE: India Real Estate Overview 2013, Outlook 2014*) The first quarter of 2014 had stable rental trends in all mall micro-markets. Retails across most malls and main street are anticipated to remain stable for the remainder of 2014. A new mall measuring 500,000 square feet is also expected to become operational in 2014. (*Source: Marketbeat Retail Snapshot – Hyderabad, India, A Cushman & Wakefield Research Publication, Q1 2014*) According to CRISIL, approximately 12.8 million square feet of retail space has been planned, of which CRISIL expects only 4.1 million square feet to be completed by 2016. CRISIL expects lease rentals to remain stable through 2015. (*Source: City Real(i)ty, Hyderabad, CRISIL Research, March 2014*)

The Kochi Real Estate Market

The Kochi Metropolitan Area includes Kochi city, the suburbs of Edappally, Nedumasserry and Kakkanad in the north-east, Maradu and Tripunithura to the south-east, along with a cluster of small islands on the west coast. While businesses remain concentrated in the south Kochi region, the city has expanded northwards towards the south-east due to space constraint. Kochi's location along transnational trade corridor and a good communication network have made it a favorable location for industries. Further, upcoming infrastructure projects such as the metro rail, the bus terminal, the liquefied natural gas terminal, the port-based special economic zones and the upgraded traffic system will help boost real estate activity in Kochi. (*Source: City Real(i)ty, Kochi, CRISIL Research, September 2012*)

Kochi's Key Residential, Commercial, Retail and Hospitality Micro-Markets

Residential

According to CRISIL, Kochi continues to experience an excess supply of real estate amid weak demand. Demand for real estate from non-resident Indians, which is a driving force for real estate growth, has declined drastically from 40-50 per cent. in 2009 to 5-10 currently. Developers have planned a total residential real estate supply of approximately 27.8 million square feet. (*Source: City Real(i)ty, Kochi, CRISIL Research, February 2014*)

Commercial

According to CRISIL Research , a lack of major projects and expansion activities by companies has resulted in stagnant demand for commercial projects. Developers have planned a total office space supply of approximately 36 million square feet (including in SEZs). While the growth in commercial real estate supply is slow, demand also continues to be largely stagnant. (*Source: City Real(i)ty, Kochi, CRISIL Research, September 201*2)

Hospitality

According to Cushman & Wakefield, the hospitality market in Kochi is dominated by hotels catering to the leisure segment. Occupancy rates had seen a steady fall from 2008 to 2010. However, the occupancy rate increased to 67 per cent, in 2011 from 65 per cent. in 2010. From 2009 through 2012, ARRs were stagnant, pointing towards an excess of supply over demand. (*Source: Almanac, Hospitality Hotspots Across India, A Cushman & Wakefield Research Publication, April 2012*) Supply in Kochi remained unchanged between 2012 and 2013. In the next four to five years, Kochi is expected to see the addition of two new hotels, as well as for the next four to five years, with an anticipated addition of approximately 1,500 keys. Raw demand grew as well in 2013 and is expected to remain stable in 2014. (*Source: Hospitality Almanac 2014: South Asia Market Overview, A Cushman & Wakefield Research Publication, May 2014*)

Retail

According to CRISIL, developers have planned a total retail space supply of approximately 4.7 million square feet. The decline in the residential real estate demand has also affected the demand for retail space. Many retail projects have either been put on hold or have been modified into other project types. Owing to the excess supply of retail space compared to moderate demand, lease rentals are expected to decline. (*Source: City Real(i)ty, Kochi, CRISIL Research, September 2012*)

Regulations and Policies

Real Estate Bill

The Real Estate Regulation and Development Bill, 2013 (the "**Real Estate Bill**") was approved by the Union Cabinet and tabled before the Rajya Sabha on August 14, 2013. The Real Estate Bill will require the approval of both houses of the Indian Parliament as well as the assent of the President of India, and publication in the Official Gazette prior to becoming law. The Real Estate Bill proposes to establish (i) one or more real estate regulatory authority in each state or union territory for the regulation and promotion of the real estate sector and to ensure the sale of land, apartments and buildings in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and (ii) an appellate tribunal to adjudicate disputes and hear appeals from the decisions or orders of the real estate regulatory authority and for matter connected therewith. The Real Estate Bill proposes mandatory registration of certain real estate projects. The Real Estate Bill also proposes that real estate agents register themselves with real estate regulatory authority. The Real Estate Bill also seeks to prohibit real estate promoters from issuing or publishing any advertisement or prospectus or inviting any members of the public to buy or make bookings in any projects proposed to be developed or taking advances or deposits with respect to such projects without registering such project with the relevant real estate regulatory authority. Under the Real Estate Bill, restrictions have also been proposed on accepting a sum of money greater than 10 per cent. of the cost of the property sought to be sold as advance payment or an application fee from any proposed buyer without first entering into a written agreement for sale with such buyer in the form as may be prescribed. Further, the Real Estate Bill also proposes that the real estate regulatory authority maintain a website containing details of the proposed projects that have been duly registered with the relevant real estate development authority, containing specified information including the sanctions obtained, nature of the title to the property, the agreement executed for the development of the proposed project, and details of all encumbrances on the land. The Real Estate Bill also proposes the refund of any amount paid with respect to such properties, the payment of penalty and other sums of money to the proposed buyers in the event of failure to complete the project and deliver possession of the plot or building in accordance with the agreed terms. There is no certainty on whether the Real Estate Bill will be approved in its current form or amended or enacted at all.

Further, the Land Acquisition, Rehabilitation and Resettlement Bill was passed in the year 2013 to govern processes in relation to land acquisition in India.

For further details in relation to Real Estate Bill and the Land Acquisition Act, please refer to the disclosure under the risk factor "*Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate. Any such acquisition of land or properties by the government for compensation which may not be adequate may adversely affect our business, financial condition and results of operations*"

The Finance Bill, 2014 and the Union Budget 2014

The Ministry of Finance, Government of India has proposed the Union Budget 2014-15 on July 10, 2014 which included proposals that may impact the real estate sector including the following:

Smart Cities

The Finance Minister announced a proposal to develop new "smart cities" to accommodate increasing migration from rural areas. Such "smart cities" are envisaged to consist of satellite towns of larger cities, and modernised existing mid-size cities. These smart cities are proposed to provide affordable housing to the middle class. Projects which commit at least 30% of the total project cost for low cost affordable housing, will be exempted from minimum built up area and capitalisation requirements. However, investment in such projects is proposed to be locked-in for a three year period.

Increase in FDI limit for real estate projects

The Finance Minister proposed that the built up area and capital conditions for FDI be reduced from 50,000 square metres to 20,000 square metres and from USD 10 million to USD 5 million respectively with a three-year post completion lock in.

Allocation to National Housing Bank (NHB)

The Finance Minister announced a proposal to allocate ₹ 80 billion for the NHB to benefit rural populations that avail credit through the Rural Housing Fund. With respect to urban housing, ₹ 40 billion has been allocated to the NHB to increase the availability of cheaper credit for affordable housing to the urban poor/ economically weaker section/ low income group segment.

New taxation regime for Real Estate Investment Trust (REIT)

The Finance Minister also announced proposals to incentivise Real Estate Investment Trusts ("**REIT**s") .REITs are proposed to have pass-through status for the purposes of taxation.

The Finance Bill proposes to introduce a new tax regime for REITs. Currently there are no specific regulations governing REITs in India. The SEBI had issued consultation papers on the draft SEBI (Real Estate Investment Trusts) Regulations, 2013 in October 2013.

Extension of Advance Ruling facility to Residents

Currently, an advance ruling can be obtained with respect to the tax liability arising out of transactions involving non-residents, residents having transactions with non-residents and public sector companies as notified in the official Gazette. The Finance Minister announced a proposal to make this facility available to resident taxpayers with respect to liability above a fixed threshold. The introduction of this facility to residents is expected to assist resident companies to ascertain and quantify the their tax liabilities on various transactions in advance.

Disallowance of expenditure for non-withholding of tax

Presently, 100% of the expenditure on which tax was required to be withheld is disallowed, if tax is not withheld/deposited within the prescribed time in case of specified payments (such as interest, commission, rent, royalty, etc.) to residents. It is proposed that such disallowance would be restricted to only 30% of the expenses incurred during the relevant period

Emphasis on Goods and Service Tax (GST)

The Finance Minister reemphasised the Government's commitment towards early introduction of GST and has suggested the approval of requisite legislative changes for implementation of GST during the course of the fiscal year 2014-15.

Issue of Long Term Bonds by Banks to Finance Infrastructure and Affordable Housing

The Finance Minister announced a proposal to permit banks to raise long term funds for lending to infrastructure sector with minimum regulatory pre-emption such as CRR, SLR and Priority Sector Lending (PSL). Pursuant to a circular dated July 15, 2014, the Reserve Bank of India noted that apart from what is technically defined as infrastructure, affordable housing is another segment of the economy which both requires long term funding and is of critical importance, and permitted banks to issue long-term bonds with a minimum maturity of seven years to raise resources for lending to (i) long term projects in infrastructure sub-sectors, and (ii) affordable housing.

As we have relied on CRISIL for a substantial amount of information in this section, CRISIL has requested us to include the following disclaimer in this Placement Document

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

OUR BUSINESS

In this section, unless the context indicates a contrary intention, any reference to "we", "our" and "us" refers to our Company and our Subsidiaries and Associates and Other Development Entities on a consolidated basis.

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

OVERVIEW

We have over 28 years of experience in real estate development, and are one of the leading real estate developers in south India. As of July 15, 2014, we have completed 177 real estate projects of approximately 57.14 million sq. ft. We have developed a diversified portfolio of real estate projects focusing on projects in the residential (including apartments, villas, plotted developments and integrated townships), commercial (including corporate office blocks, built-to-suit facilities, technology parks and campuses and SEZs), hospitality (including hotels, resorts, spas and serviced apartments) and retail (including shopping malls) segments of the real estate industry. As of July 15, 2014, we own or hold development rights for 87.17 million sq. ft. of Developable Area, which includes 46.66 million sq. ft. of Saleable Area and 10.16 million sq. ft. of Leasable Area.

Our Promoters have been associated with the real estate business since 1981. We were established as Prestige Estates and Properties, a partnership firm, in 1986 and subsequently converted into a private company on June 4, 1997 and into a public company on November 10, 2009. We are experienced in various aspects of the real estate development business, including land identification and acquisition, development, design, project management, sales and marketing, interiors and the provision of property services in relation to real estate projects.

We believe that we have established a strong brand image, have a successful track record of execution and a diversified portfolio of real estate projects. In the period between July 16, 2009 and July 15, 2014, we have completed:

- 11 residential projects with a Developable Area of 13.74 million sq. ft. (of which the Saleable Area is 10.52 million sq. ft.) This includes developments such as *Prestige Oasis* and *Prestige Shantiniketan*;
- 20 commercial projects with a Developable Area of 17.25 million sq. ft. (of which the Saleable Area is 7.58 million sq. ft, and the Leasable Area is 5.15 million sq. ft.). This includes projects such as *Cessna Business Park* Blocks 1 to 7 and *Prestige Technology Park III*;
- two hospitality projects with a Developable Area of 0.45 million sq. ft., (of which the Leasable Area is 0.40 million sq. ft.). This includes projects such as *an internationally branded hotel in Cessna Bengaluru, at Cessna Business Park*; and
- two retail projects with a Developable Area of 1.96 million sq. ft. (of which the Leasable Area is 0.83 million sq. ft.). This includes projects such as *Forum Vijaya Mall and Forum Mangalore*.

Historically, our real estate projects have been focused in the Bengaluru Metropolitan Region, but we have gradually expanded our geographical reach to include other south Indian cities, such as Chennai, Kochi, Hyderabad, Mysore, Mangalore and Goa. We intend to continue our expansion in south Indian cities in future. See "*– Our Strategy – Continue to expand our presence in south Indian cities*", below.

As of July 15, 2014, we had 59 Ongoing Projects which comprised 40 residential projects with a Developable Area of 46.64 million sq. ft. (of which the Saleable Area is 32.16 million sq. ft.), 10 commercial projects with a Developable Area of 7.51 million sq. ft. (of which the Saleable Area is 1.47 million sq. ft. and the Leasable Area is 3.66 million sq. ft.), 2 hospitality projects with a Developable Area of 1.03 million sq. ft. (of which the Leasable Area is 1.03 million sq. ft.) and 7 retail projects with a Developable Area of 4.25 million sq. ft. (of which the Leasable Area is 1.50 million sq. ft.).

As of July 15, 2014, we had 23 Upcoming Projects, which comprised 18 residential projects with a Developable Area of 20.98 million sq. ft. (of which the Saleable Area is 13.02 million sq. ft.), 3 commercial projects with a Developable Area of 4.66 million sq. ft. (of which the Leasable Area is 3.06 million sq. ft.), and 2 retail projects with a Developable Area of 2.10 million sq. ft. (of which the Leasable Area is 0.91 million sq. ft.).

Our real estate projects have achieved recognition at a variety of real estate awards, such as the *CNBC Asia Pacific Property Awards* and the *International Property Awards, Asia Pacific.* We were named *Developer of the Year* in the *Realty Plus Excellence Awards 2013 South* in the residential, commercial and retail category. We were awarded as Top Commercial Space developer by NDTV Property Awards in 2013.

In addition to our Ongoing Projects and Upcoming Projects, we have access to Land Bank (previously defined). As of July 15, 2014, our Land Bank aggregated approximately 414.29 acres, in which our proportional share is 291.48 acres. We believe that continuing to build our Land Bank is critical to our growth strategy and we intend to continue acquiring land in strategic locations across Bengaluru and south India in order to maximize opportunities for projects in the future. See "– *Our Strategy – Continue to expand and develop our Land Bank.*" As of July 15, 2014, the total land forming part of our Land Reserves was 1,503.42 acres.

We typically develop our projects (1) through joint development agreements with land-owners, in terms of which we acquire the development rights to the underlying land; (2) through joint ventures with third parties, with whom we establish SPVs (previously defined) for the purposes of developing projects through such joint venture SPVs; or (3) in fewer occasions, through acquiring land ourselves and retaining the sole development rights in respect of any project. As of July 15, 2014, 77.13 million sq. ft., or 88 per cent., of Ongoing Projects and Upcoming Projects are being developed through joint development agreements. See "– *Our Joint Development and Joint Venture Models*", below.

We have entered into joint ventures with CMIDF, an associate of CapitaMalls Asia Limited for development of retail and commercial projects in south Indian cities such as Bengaluru, Mysore, Mangalore, Hyderabad, Kochi and Goa. See "– *Our Joint Venture with CMIDF*", below.

While our real estate development business continues to be our primary focus, we also offer a variety of services through our real estate services business. This includes the provision of property management services for our commercial and residential developments, sub-leasing and fit-out services, project and construction management services, interior solutions services, mall management services (which include the retail real estate projects that we complete pursuant to our joint ventures with CMIDF) and the operations of our hospitality projects.

Our total consolidated revenue for the year ended March 31, 2014 was ₹ 26,467 million, and our consolidated total revenue for the Fiscal Year ended March 31, 2013 was ₹ 20,112 million

The following map illustrates our geographic presence in cities across south India:

OUR COMPETITIVE STRENGTHS

We believe that our competitive strengths are as follows:

Strong brand name

We believe that we have established a reputable brand name in the real estate market in south India due to the distinctive design, planning and high quality execution. We also have a strong customer focussed sales and marketing team. We believe that our strong and recognizable brand increases customer confidence in our projects and influences our customers' buying decisions.

We believe that we have developed some of the most identifiable landmarks in Bengaluru, including *Prestige Shantiniketan*, an integrated township developments in Bengaluru; *UB City*, a mixed-use developments in Bengaluru's business district; and *Cessna Business Park*, a dedicated IT/ITeS SEZ development which was awarded *Highly Commended Industrial Development, India* at the Asia Pacific Property Awards *2013-14, Forum Koramangala has been awarded as the Shopping Center of the year(South) by Asia Shopping Centre and Mall Awards in 2014.*

We believe, our attention to quality has resulted in us receiving various awards. We currently have DA1 developer rating issued to us by CRISIL. We have also been awarded with Financial rating of A- by ICRA. In addition, we were awarded the *Realty Plus Excellence Awards 2013 South – Developer of The Year in Residential, Commercial and Retail Segments* and *Developer of the Year, 2013- Indian Realty Awards* and several of our real estate projects won numerous awards and prizes. See "– Our Operations – Our Real Estate Development Business", below.

Diversified portfolio of real estate projects

We believe that our portfolio of Ongoing Projects and Upcoming Projects are diversified across our business segments, cities in south India (and at various locations within those cities) and income segments and price-points.

We believe that our Ongoing and Upcoming Projects are diversified across each of the residential, commercial, hospitality and retail segments of the real estate development market in south India, and to which segments our real estate development business corresponds.

As of July 15, 2014, we had 59 Ongoing Projects which comprised –

- 40 residential projects with a Developable Area of 46.64 million sq. ft. (comprising 78.46 per cent. of the total Developable Area of all of our Ongoing Projects) and a Saleable Area of 32.16 million sq. ft. (comprising 95.63 per cent. of the total Saleable Area of all of our Ongoing Projects);

- 10 commercial projects with a Developable Area of 7.51 million sq. ft. (comprising 12.65 per cent. of the total Developable Area of all of our Ongoing Projects), a Saleable Area of 1.47 million sq. ft. (comprising 4.37 per cent. of the total Saleable Area of all of our Ongoing Projects) and a Leasable Area of 3.66 million sq. ft. (comprising 59.16 per cent. of the Leasable Area of all of our Ongoing Projects);

- two hospitality projects with a Developable Area of 1.03 million sq. ft. (comprising 1.73 per cent. of the total Developable Area of all of our Ongoing Projects) and a Leasable Area of 1.03 million sq. ft. (comprising 16.61 per cent. of the Leasable Area of all of our Ongoing Projects); and

- seven retail projects with a Developable Area of 4.25 million sq. ft. (comprising 7.15 per cent. of the total Developable Area of all of our Ongoing Projects) and a Leasable Area of 1.50 million sq. ft. (comprising 24.23 per cent. of the Leasable Area of all of our Ongoing Projects).

As of July 15, 2014, we had 23 Upcoming Projects, which comprised –

- 18 residential projects with a Developable Area of 20.98 million sq. ft. (comprising 75.64 per cent. of the total Developable Area of all of our Upcoming Projects) and a Saleable Area of 13.02 million sq. ft. (comprising 100 per cent. of the total Saleable Area of all of our Upcoming Projects);

- three commercial projects with a Developable Area of 4.66 million sq. ft. (comprising 16.79 per cent. of the total Developable Area of all of our Upcoming Projects), a Leasable Area of 3.06 million sq. ft. (comprising 76.94 per cent. of the Leasable Area of all of our Upcoming Projects); and

- two retail projects with a Developable Area of 2.10 million sq. ft. (comprising 7.57 per cent. of the total Developable Area of all of our Upcoming Projects) and a Leasable Area of 0.91 million sq. ft. (comprising 23.06 per cent. of the Leasable Area of all of our Upcoming Projects).

In addition, we believe that the Ongoing Projects and Upcoming Projects of our residential, commercial, hospitality and retail real estate development business are further diversified across a number of cities in south India, as well as various locations within those cities. For example, in addition to our projects in Bengaluru, we currently have three Ongoing Projects in Chennai, three Ongoing Projects and three Upcoming Projects in Kochi, two Ongoing Projects and two Upcoming Projects in Hyderabad, one ongoing project in Mangalore and two Ongoing Projects in Mysore. Further, we believe that our projects are strategically located within each city in which we develop our real estate projects. Our residential projects benefit from a variety of amenities, and from locations which appeal to both our mid-income, luxury and super-luxury clients. Our commercial projects are located in business areas that we believe are attractive to our corporate clients. Our retail projects located in city centers offer access to the targeted customers of our retail clients. See the description of notable projects and the maps included in "– *Our Operations – Our Real Estate Development Business*", below, for examples of the locations, customer profiles and amenities applicable to our projects.

Furthermore, we believe that our portfolio of residential projects is offered across varying price-points for different income groups in the cities and locations in which our projects are situated. For example, the projects of our residential real estate development business target customers in the mid-income segment (priced at ₹ 4,000 per square foot to ₹ 6,000 per square foot), luxury segment (priced at ₹ 6,000 per square foot to ₹ 8,000 per square foot) and super-luxury segment (priced from above ₹ 8,000 per square foot). See "– *Our Operations – Our Real Estate Development Business – Our Residential Business*" below. We believe, our projects are carefully planned and we conduct comprehensive market research and analysis of proposed projects to analyse absorption trends, competitive factors, market prices and product gaps. As a result, we are able to customize our product offerings to cater to customer and market demand in the particular location of the project.

We believe that this diversity in our portfolio of projects, created by our range of offerings, cities in south India (and variety of locations within such cities) and price ranges will help us cater to different segments of the market and diversify our risk of dependence on a particular segment.

Recurring income streams from commercial and retail operations

We believe that we benefit from recurring income streams in our commercial and retail real estate development businesses. Our ability to achieve strong recurring income streams is driven by our ability to successfully establish and nurture relationships with reputable commercial and retail clients for whom we have undertaken numerous developments, and to achieve growing rental income from our projects.

In our commercial business, we lease our projects to repeat clients. (see " – *Our Operations – Our Real Estate Development Business – Our Commercial Business*", below). The area leased across our commercial, hospitality and retail segments has increased over the last two years.

We have entered into joint ventures with CMIDF, an associate of CapitaMalls Asia Limited for development of retail and commercial projects in south Indian cities such as Bengaluru, Mysore, Mangalore, Hyderabad and Kochi. See "– *Our Joint Venture with CMIDF*", below. We estimate that the total Developable Area to be developed pursuant to these joint ventures will be 6.25 million sq. ft. We have also entered into a joint venture with CapitaMalls Asia for the purpose of managing the retail malls developed by the joint ventures with CMIDF. We typically retain the ownership of our retail projects and primarily generate revenue from these projects through the lease of retail space. Our relationships with certain retailers have led to their leasing space in a number of our retail developments. We also generate revenues from the provision of mall management services, and leasing advertising and product promotion space in our malls.

We believe that the rental income generated from the lease of our commercial and retail projects provides us with a stable source of revenue and cash flow.

Ability to pre-sell residential projects

We believe that our strong execution capability, strategic pricing of residential projects across the mid-income, luxury and super-luxury price segments, broad range of locations within the cities in which we develop residential projects and strong brand name and reputation contributes to our residential real estate projects being sold prior to the commencement of construction.

We also believe that the quality of the construction has helped us to build a loyal client base which further enhances our ability to achieve repeat sales and acquire leads through customer referrals for new residential project launches. For example, Prestige Sunrise Park, Prestige Down Town, Prestige Royale Gardens, Prestige Lakeside Habitat were partially sold prior to their official launch and without us having undertaken any active sales and marketing activities. Nevertheless, we also undertake specific marketing activities to existing clients in order to increase the proportion of pre-sales of our residential projects. See "– *Sales and Marketing*", below.

Access to Land Bank through Joint Development / Joint Venture Model

We believe that our Land Bank forms an important asset of our real estate development business. In line with our asset-light business, we acquire access to Land Bank either through entering into a joint development agreement with the land-owner, in terms of which the land-owner contributes the land upon which our projects are developed; or pursuant to a joint venture, in terms of which we jointly acquire the land upon which our projects are to be developed with our joint venture partner. See "— *Our Joint Development and Joint Venture Models*", below). We believe that this approach has allowed us to gain access to premium and strategic locations with minimal initial cash investments. For example, our *UB City*, *UB Plaza* and *Kingfisher Towers* projects have been developed with the same land-owner group. Further, we leverage on our joint development and joint venture arrangements to scale up and diversify our portfolio.

Our Land Bank, aggregating 414.29 acres of land, is situated in Bengaluru and Goa. As of July 15, 2014, 240.56 acres of our Land Bank, aggregating to 58.07 per cent of our total Land Bank, was acquired through joint development and joint venture arrangements. We have made partial payments for the lands comprising our Land Bank. See "– *Our Land Bank*", below.

A strong execution track-record and capability to deliver quality projects

We have over 28 years of experience in real estate development with a proven track-record of execution across a diversified portfolio of real estate projects. As of July 15, 2014, we had completed construction of 57.14 million sq. ft. of Developable Area across the residential, commercial, hospitality and retail segments of the real estate market. Amongst others, we have developed an integrated township development in Bengaluru, *Prestige Shantiniketan*; a mixed-use development in Bengaluru's business district, *UB City*; and a dedicated IT/ITeS SEZ development, *Cessna Business Park*. Our operations span different stages of the real estate development process, including the identification of potential projects and the acquisition of land, project planning, design, construction management and project management. See "– *Our Real Estate Project Development and Execution Methodology*", below. As of July 15, 2014, we had approximately 280 technically qualified personnel who oversee and execute many of the key aspects of real estate development, such as architecture, engineering, procurement and contracts and project management. We also leverage the expertise of external professionals such as architects, construction contractors, interior designers, landscape experts, building services consultants and advertising agencies. We place emphasis on cost management and rigorously monitor our projects to ensure that costs remain within the budgeted amounts. To mitigate the risks related to cost and time overruns, we typically award different aspects of the construction of our projects to different contractors. In recognition of our process for the development of our projects, we received and have been reaffirmed the CRISIL DA1 rating in 2012 in recognition of our ability to execute real estate projects in accordance with specified quality levels and for delivering Completed Projects to our customers on time. We are currently the only CRISIL DA1 rated Developer in India (*Source: http://crisil.com/ratings/real-estate-rating-list.jsp*).

In addition, our partnership firm, Prestige Property Management and Services, maintains our various Completed Projects, which we believe helps to retain a comparable high resale value of, and therefore helps to enhance the demand for, our Completed Projects. See "– *Our Real Estate Services Business – Property Management Services*", below.

Further, we believe that our ability to enter into joint development agreements and joint ventures with a variety of domestic and international partners and investors (see "– *Our Joint Development / Joint Venture Model*", below), both individually or in combination, allows us to develop and execute larger real estate projects in a shorter period of time, thereby providing us with the ability to scale up both the size and number of real estate projects across the residential, commercial, hospitality and retail segments of our real estate development business. We believe that the leverage we gain from our joint development / joint venture model gives us the ability to develop a diversified portfolio of real estate projects, enhances our brand name and reputation, optimizes our cash flows and provides us with access to premium and strategically located Land Bank.

Experienced management team

Our management team has over two decades of experience in the Bengaluru and south Indian real estate development market. Our professional staff covers a variety of disciplines, including finance, engineering, project management, architecture, accounting, marketing and sales. Few of our key management personnel have been employed by our Company for an average of over 12 years. Our management has experience in identifying market trends, strategic locations for land acquisitions, new markets and potential sites for development and acquiring land and development rights, as well as in the design, engineering, construction management, supervision and marketing of real estate projects.

We believe that these strengths in addition to our ability to pre-sell residential projects, access to premium land bank and strong execution track record make us a preferred partner for joint ventures and joint developments in the real estate market in south India, and with leading international developers such as CMIDF and investors such as Red Fort Capital. See "– *Our Joint Venture with CMIDF*", below.

OUR STRATEGY

The key elements of our business strategy are:

Diversify our revenue streams

We intend to continue to diversify our revenues by developing a wide price-range of apartments, corporate office space, integrated townships and mixed-use developments, hotels, malls, multiplexes and shopping complexes, for sale and for lease, across various price-points and in various cities in south India and locations within such cities. See "– *Our Competitive Strengths – Diversified portfolio of real estate projects*", above.

In our residential business, we aim to continue to diversify our revenues from the mid-income, luxury and super-luxury segments of the residential real estate market. See "– *Our Operations – Our Real Estate Development Business – Our Residential Business*", below.

In our commercial and retail business, we are developing a number of Ongoing Projects and Upcoming Projects specifically for the purposes of increasing our Leasable Area and therewith, our rental income, which we believe will enhance the predictability, reliability and stability of our revenues and cash flow See "– *Our Competitive Strengths – Recurring income streams from commercial and retail operations*", above.

In addition, we believe that our strategy to continue to expand our geographical presence in south India will enhance our ability to diversify our revenue streams.

Continue to expand and develop our Land Bank through joint development/joint venture model

As of July 15, 2014 we had Land Bank of 414.29 acres. ₹ 6,288.00 million of the amounts payable in respect of the acquisition of our Land Bank had been paid as of July 15, 2014 and we believe that a significant portion of our Land Bank have been accumulated at a competitive cost. We believe that continuing to expand and develop our Land Bank through joint development agreements and/or joint ventures (as part of our joint development / joint venture model), is critical to increasing our market penetration across the various market segments in which we operate. In particular, growing our Land Bank through joint developments and joint ventures will, we believe, provide us with the continued ability to source premium land in strategic locations with minimal initial cash investment, help us to continue to focus on and execute projects with land-owners with whom we have developed projects in the past, under either a joint development or joint venture agreement. See "– *Our Competitive Strengths – Access to Land Bank through Joint Development / Joint Venture Model*", above.

In addition, the time it takes to develop a project varies depending on a variety of factors, including the size of a project, and we aim to develop and sell our Land Bank within a development time of 24 to 60 months from the time the approval to commence construction is received. Increasing our market share in the residential, commercial, hospitality and retail segments is central to our growth strategy and we intend to continue acquiring land at strategic locations in Bengaluru and across south India generally. We focus on geographic areas where we see capital appreciation opportunities by developing such projects for sale or lease in our market segments.

Focus on and increase our recurring income streams

We intend to continue to focus on the development of commercial and retail projects for ownership by us (either directly, or through our joint development / joint venture model) for lease to third parties in order to increase our recurring income streams, and thereby achieve stability of our revenues and cash flow, and better manage cyclical risks in the real estate segments in which we operate. We believe that increasing the proportion of our projects which we lease, and therewith, the total Leasable Area of our Completed Projects, we will achieve stable recurring income streams which will help to compensate for any volatility in the sales of our residential or commercial projects.

Continue to expand our geographical presence in south Indian cities

Our real estate development activities have been focused in south India, where we believe we are one of the leading real estate developers. Apart from Bengaluru, where approximately 80% of our projects are located, we also have Ongoing / Upcoming Projects and recently completed projects in major south Indian cities like Chennai, Kochi, Hyderabad, Mangalore and Mysore where we plan to increase our foothold in the coming years. These developments include our first residential real estate development in Chennai, *Prestige Bella Vista*, our first retail real estate development in Chennai, *Forum Vijaya Mall*, which we completed in March 2013, and our third commercial real estate development in Chennai, *Prestige Polygon*, which we completed in February 2013.

In addition to expanding our projects in south Indian cities, we intend to continue to expand the locations of our projects within those cities in order to continue to offer locations which appeal to both our mid-income, luxury and super-luxury clients of our residential business; that we believe are attractive to our corporate clients in our commercial business; and which offer access to targeted customers of our retail clients in our retail business.

Continue to pursue our integration strategy

We intend to integrate our business and operations by further developing our in-house construction management, property management and interior design capabilities.

In 2009, we acquired 75 per cent. of the paid-up share capital of K2K Infrastructure India Private Limited, with the aim of developing an in-house capability to construct our own projects and also third party projects. K2K Infrastructure India Private Limited has already been integrated into our Company, and is currently undertaking 4.79 million sq. ft., or 8.06 per cent, of the construction of our Ongoing Projects, and also provides construction management services and civil works for our projects and also to third parties. We intend to increase the proportion of construction activity of our real estate projects for which K2K Infrastructure (India) Private Limited is responsible in the future. Our revenue from contractual projects increased by ₹ 350.3 million, or 74.8 per cent., from ₹ 468.2 million for Fiscal Year 2013 to ₹ 818.5 million for Fiscal Year 2014 primarily due to an increase in projects taken up by K2K Infrastructure (India) Private Limited. See "*– Our Real Estate Project Development and Execution Methodology – Project Planning, Design, Construction and Management*".

Prestige Property Management and Services, our in-house property management division was established in 1996, and as of July 15, 2014 it had approximately 2,580 employees which deal with all aspects of property management for our projects, including safety and security, cleaning, maintenance, landscaping and general facilities management. We believe that having a dedicated in-house property management team differentiates us from our competitors, who traditionally outsource the property management function, in that we are able to maintain stronger control over the quality and maintenance of our projects.

Our in-house interior design division provides both customized and standardized interior design and construction services for our residential and commercial projects, and liaises with our clients, architects, consultants and suppliers to ensure that the interior design and fit-out of premises is in accordance with our clients' specifications, and remains within budget and timelines for those projects. See "*— Our Real Estate Services Business – Property Management Services*", below.

Through this integration, we hope to set more efficient budgets and better control the timing of completion and quality standards of our various projects, which we believe will help us to build and maintain relationships with our clients across our residential, commercial, hospitality and retail business, and in turn, lead to a greater proportion of repeat business from such clients in the future.

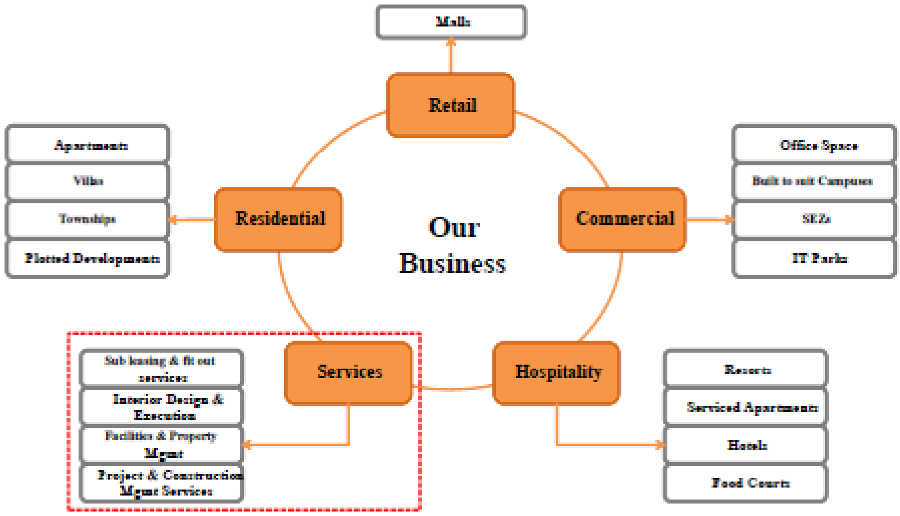
OUR OPERATIONS

Our business operations are divided into two main segments, namely:

- Our real estate development business, which is our principal business and focuses on the development of real estate projects in the residential (including plotted developments), commercial (including built-to-suit developments), hospitality and retail segments of the real estate industry. In addition, we generate revenues from leasing commercial, hospitality and retail space; and

- Our real estate services business, which focuses on property management services for our real estate projects, sub-leasing and fit-out services, project and construction management services and mall management and facilities management (including the operation of our hospitality business) services.

The following diagram illustrates the two main segments of our business (and the sub-segments of our real estate development business):



Our Real Estate Development Business

Our real estate development business focuses on the development of four principal types of real estate development projects under the registered brand name, "Prestige", namely -

- Residential Projects: such as apartments, villas and integrated townships (aimed at the mid-income, luxury and super-luxury segments of the residential real estate market) and plotted developments;
- Commercial Projects: such as corporate office blocks, SEZs, technology parks, and built-to-suit facilities;
- Hospitality Projects: such as hotels, resorts, spas and serviced apartments; and
- Retail Projects: primarily, shopping malls and related retail space.

The following table represents the aggregate Developable Area, Saleable Area and Leasable Area of our Completed Projects, Ongoing Projects and Upcoming Projects in each of our four types of real estate development projects, as of July 15, 2014:

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)				
Residential	26.59	23.28	n/a	46.64	32.16	n/a	20.98	13.02	n/a
Commercial	17.24	7.58	5.15	7.51	1.47	3.66	4.66	n/a	3.06
Hospitality	1.37	n/a	1.11	1.03	n/a	1.03	0.00	n/a	0.00
Retail	3.33	n/a	1.69	4.25	n/a	1.50	2.10	n/a	0.91
Total	**48.53**	**30.86**	**10.38**	**59.42**	**33.63**	**6.20**	**27.74**	**13.02**	**3.97**

Our Residential Business

We develop a wide range of residential projects, from apartments and villas to integrated townships, focussing on the mid-income, luxury and super-luxury segments of the residential property market in south India. We classify the mid-income, luxury and super-luxury segments as follows:

- *Mid-income segment*: residential unit prices range from approximately ₹ 4,000 per square foot to ₹ 6,000 per square foot. Unit sizes range from 1,000 sq. ft. to 2,800 sq. ft. Mid-income segment developments are typically apartments;
- *Luxury segment*: residential unit prices range from approximately ₹ 6,000 per square foot to ₹ 8,000 per square foot. Unit sizes range from 3,000 sq. ft. to 6,000 sq. ft. Luxury segment developments are typically high-end apartments and villas; and
- *Super-Luxury segment*: unit prices are above ₹ 8,000 per square foot and unit sizes are above 6,000 sq. ft. Super Luxury segment developments are typically villas.

Our residential projects typically include amenities such as gymnasia, health clubs, tennis courts, badminton courts, squash courts and jogging tracks.

We aim to ensure that our residential projects reflect what we believe to be innovative designs and modern architectural styles. As such, each of our residential projects differ from each other according to aesthetic features, location, design and specification, and are in some instances, such as Prestige Exotica, incorporated into a larger development (such as townships). We generate revenue from our residential projects through the sale of residential units. In addition, we also supervise the construction of and sell, plotted developments, which comprise structural amenities such as internal roads, electricity supply, sanitation facilities and water supply for residential projects.

Our residential business projects comprised 78.47 per cent of all Developable Area of our Ongoing and 75.64 per cent of our Upcoming Projects as of July 15, 2014. We have completed 11 Projects in the period between July 16, 2009 and July 15, 2014, and have 40 Ongoing Projects and 18 Upcoming Projects in our residential business.

Our Completed Projects – Residential

The following table details our Completed Projects in the period between July 16, 2009 and July 15, 2014:

Project	Developing Entity[(1)]	City	Developable Area (square feet)	Our economic interest	Saleable area (square feet)	Number of units	Completion date
Prestige Wellington Park	Prestige Estates Projects Ltd	Bengaluru	1,059,834	100%	1,059,834	482	Aug-09
Prestige Kensington Gardens	Silverline Estates	Bengaluru	928,685	30.33%	281,670	419	Aug-09
Prestige Melbrook	Prestige Estates Projects Ltd	Bengaluru	34,063	50%	17,032	12	Jul-10
Prestige White Lodge	Prestige Estates Projects Ltd	Bengaluru	34,218	50%	17,109	6	Feb-10
Prestige Silverdale	Prestige Estates Projects Ltd	Bengaluru	187,629	100%	187,629	91	Feb-11
Prestige Ashcroft	Prestige Estates Projects Ltd	Bengaluru	39,400	50%	19,700	8	Feb-11
Presitge Shanthiniketan	Prestige Estates Projects Ltd	Bengaluru	8,252,433	73.61%	6,074,616	3,003	Dec-10
Prestige Oasis	Prestige Estates Projects Ltd	Bengaluru	614,535	100%	614,535	166	Mar-11
Prestige South Ridge	Prestige Estates Projects Ltd	Bengaluru	856,966	100%	856,966	264	Jun-11
Prestige Nottinghill	Prestige Notting Hill Investments	Bengaluru	650,995	47%	305,968	288	Aug-10
Prestige Neptune's Courtyard	Prestige Estates Projects Ltd	Kochi	1,080,156	100%	1,080,156	374	Mar-12
TOTAL			**13,738,914**		**10,515,214**	**5,113**	

1. *The Company, Subsidiary or Associate as the case may be, which holds title to the project and underlying land.*

Set forth below is a brief description of two notable Completed Projects of our residential business in the period between July 16, 2009 and July 15, 2014:

- *Prestige Shanthiniketan* – is Bengaluru's first integrated township covering 105 acres in Whitefield, Bengaluru and has been designed by Raglan, Square & Partners (Singapore). The residential component, known as the "Residential Precinct", spans over 60 acres and comprises 3,002 units ranging from one-, two-, three-, three- (with study), and four-bedroom apartments and penthouses. It offers a wide range of amenities including swimming pool, wading pools, health clubs, party halls, library, coffee shop, children's play area, jogging track, badminton courts, tennis courts and squash courts. This project was targeted at the luxury and super-luxury segment. It was completed in December 2010 and has won awards for *Best Mixed Use Architecture and Best Mixed Use Development, India at the Asia Pacific Property Awards* in 2011.

- *Prestige Oasis* – is built over 33.5 acres of land with 43 per cent. public space and 57 per cent. of plot area with 182 villas. Prestige Oasis is located off Dodballapur Road, behind North West County and Angsana Spa & Resort, North of Bengaluru and is 28 kilometers from Vidhanasoudha. The 182 luxury independent villas are either with 3 or 4 bedrooms and areas ranging from 2,710 sq. ft. to 4,430 sq. ft. The project is expected to have a swimming pool, indoor badminton court, squash court, pool table, tennis court, health club, gymnasium, party hall, provision for convenience store and children's play area.

Our Ongoing Projects – Residential

In relation to all the Ongoing Projects mentioned in the table below, construction or development activities have commenced, all approvals for commencing construction and development have been obtained (other than as indicated in the table below), and the right and/or interest in the land is held directly by our Company and/or the Subsidiaries and/or Associates in which the Company has a shareholding.

The following table details our residential Ongoing Projects as at July 15, 2014*:*

Project	**Developing Entity**[(1)]	**City**	**Developable Area** *(square feet)*	**Our economic interest**[(2)]	**Saleable area** *(square feet)*	**Number of units**
Prestige Golfshire- Villas	Prestige Estates Projects Limited	Bengaluru	1,750,000	100.00%	1,750,000	228
Prestige White Meadows - 1[(3)]	Prestige Estates Projects Limited	Bengaluru	1070000	100.00%	1,070,000	163
Prestige White Meadows -2	Prestige Estates Projects Limited	Bengaluru	1,160,000	62.50%	725,000	191
Kingfisher Towers	Prestige Estates Projects Limited	Bengaluru	1,090,000	45.51%	496,059	82
Prestige Royal Woods	Prestige Estates Projects Limited	Hyderabad	630,000	50.00%	315,000	152
Prestige Edwardian[(3)]	Prestige Estates Projects Limited	Bengaluru	70,000	100.00%	70,000	12
Prestige Hermitage	Prestige Estates Projects Limited	Bengaluru	230,000	50.00%	115,000	26
Prestige Tranquility[(3)]	Prestige Estates Projects Limited	Bengaluru	4,570,000	100.00%	4,570,000	2,368
Prestige Park View	Prestige Estates Projects Limited	Bengaluru	930,000	71.00%	660,300	376
Prestige Silver Oak[(4)]	Silver Oak Projects	Bengaluru	660,000	33.46%	220,836	178
Prestige Bella Vista	Prestige Estates Projects Limited	Chennai	5,040,000	60.00%	3,024,000	2,613
Prestige Sunny Side[(3)]	Prestige Estates Projects Limited	Bengaluru	980,000	100.00%	980,000	395
Prestige Garden Bay	Prestige Estates Projects Limited	Bengaluru	640,000	72.00%	460,800	184
Prestige Glen Wood	Prestige Estates Projects Limited	Bengaluru	370,000	65.00%	240,500	116
Prestige Mayberry-1	Prestige Estates Projects Limited	Bengaluru	120,000	75.00%	90,000	40
Prestige Mayberry-2	Prestige Estates Projects Limited	Bengaluru	390,000	60.39%	235,513	126
Prestige Silver Crest[(3)]	Prestige Hitech Properties	Bengaluru	250,000	92.35%	230,875	122
Prestige Summer Fields[(5)]	Villaland Developers Private Limited	Bengaluru	310,000	50.85%	157,641	83
Prestige Silver Sun[(5)]	Villaland Developers Private Limited	Bengaluru	210,000	33.60%	70,565	102
Prestige Hillside Retreat	Prestige Estates Projects Limited	Bengaluru	110,000	75.00%	82,500	58
Prestige Philadelphia	Prestige Estates Projects Limited	Bengaluru	30,000	45.00%	13,500	8
Prestige Ferns Residency	Prestige Estates Projects Limited	Bengaluru	3,290,000	62.00%	2,039,800	1,483
Prestige Misty Waters[(4)]	Prestige South City Holdings	Bengaluru	1,020,000	51.00%	520,200	558
Prestige West Holmes	Prestige Estates Projects Limited	Mangalore	60,000	65.00%	39,000	20
Prestige Tech Vista	Prestige Estates Projects Limited	Bengaluru	120,000	60.00%	72,000	30
Prestige Brooklyn Heights	Prestige Estates Projects Limited	Bengaluru	270,000	62.00%	167,400	94
Prestige Spencer Heights[(3)]	Prestige Estates Projects Limited	Bengaluru	110,000	100.00%	110,000	34
Prestige Royale Garden - Phase I	Prestige Estates Projects Limited	Bengaluru	430,000	68.50%	294,550	384
Prestige Sunrise Park - Phase I	Prestige Sunrise Investments	Bengaluru	1,690,000	99.00%	1,673,100	1,046
Prestige West Woods	Prestige Estates Projects Limited	Bengaluru	1,020,000	60.00%	612,000	574
Prestige Augusta Golf Village	Prestige Estates Projects Limited	Bengaluru	1,380,000	67.00%	924,600	460
Prestige Casabella	Prestige Estates Projects Limited	Bengaluru	480,000	75.00%	360,000	210
Prestige Jade Pavilion[(5)]	Villaland Developers Private Limited	Bengaluru	680,000	46.91%	318,988	266
Prestige Royale Gardens - Phase II	Prestige Estates Projects Limited	Bengaluru	2,460,000	68.50%	1,685,100	1312
Prestige Sunrise Park - Phase II	Prestige Sunrise Investments	Bengaluru	1,580,000	99.00%	1,564,200	864
Prestige Silver Spring[(5)]	Villaland Developers Private Limited	Chennai	490,000	27.54%	134,946	125
Prestige Down Town[(3)$]	Prestige Estates Projects Limited	Chennai	210,000	100.00%	210,000	84
Prestige Ivy Terraces	Prestige Estates Projects Limited	Bengaluru	570,000	62.00%	353,400	315
Prestige Lakeside Habitat- Phase I & II[(4) and (6)]	Prestige Habitat Ventures	Bengaluru	5,600,000	69.30%	3,880,800	2,488
Prestige Falcon City- Phase I[(4)]	Prestige Nottinghill Investments	Bengaluru	4,570,000	35.70%[#]	1,631,490	1,890

Project	Developing Entity[(1)]	City	Developable Area *(square feet)*	Our economic interest[(2)]	Saleable area *(square feet)*	Number of units
TOTAL			**46,640,000**		**32,169,662**	**19,860**

* *Unless indicated, all projects have been developed under a joint development agreement.*

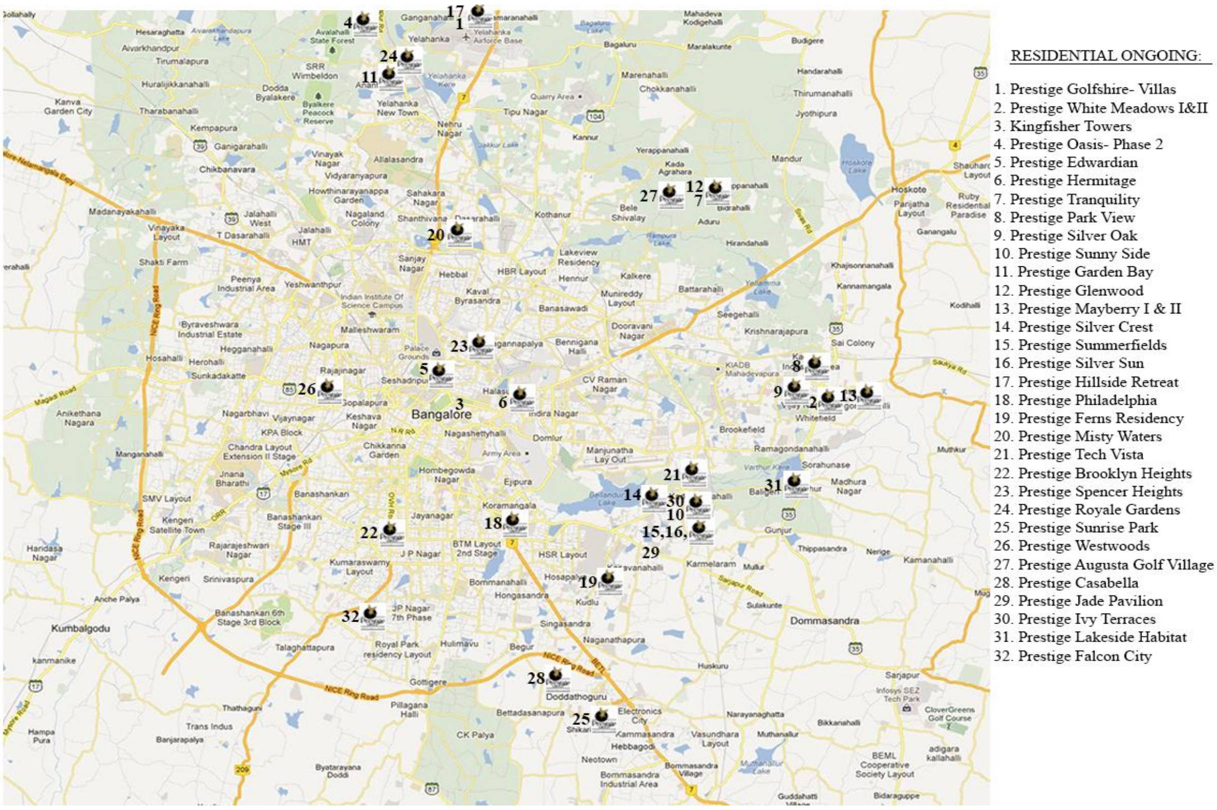
1. *The Company, Subsidiary, Associate, or Other Development Entity, as the case may be, which develops the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of sale proceeds from the 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 SPV.*
3. *Fully owned and developed by the developing entity*

$ *We have received a letter from the Principle Secretary, Housing and Urban Development Department Chennai, granting approval of the 'Sanction Plan' subject to the fulfilment of certain conditions and the payment of the specified fee.The approval of the Sanction Plan from Chennai Development Authority is awaited.*

4. *Joint Venture.*
5. *Partly owned and partly developed by the developing entity pursuant to the development agreement.*
6. *The developing entity has entered into an MOU to purchase the underlying land/develop the underlying land pursuant to a joint development agreement.*

\# *In addition to the existing economic interest, pursuant to the purchase of 2.20 acres of land by the Company, the Company is entitled to additional 90,000 sq.ft of the saleable area.*

The following map illustrates the locations of our residential Ongoing Projects in Bengaluru:



Set forth below is a description of three of the notable Ongoing Projects of our residential business:

- *Prestige Lakeside Habitat Phase I & II* – is located at Gunjur, Bengaluru, in close proximity to Whitefield. This project spans 70 acres and is expected to comprise approximately 2,284 apartment units housed in thirty towers and 188 villas. The project is expected to have amenities including a swimming pool, tennis courts, squash courts, play area, badminton courts, gymnasium, health club, cycling and jogging tracks and two club-houses spanning approximately 1,50,000 sq ft. This project has a Developable Area of approximately 8.40 million sq. ft. and a Saleable Area of approximately 5.88 million sq ft. and is launched in 3 phases and will be targeted at the mid-income/premium segment of the residential market in Bengaluru.

- *Prestige Sunrise Park* Phase I & II– is located in Electronic City, Phase 1, Bengaluru. The project comprises two blocks, namely, Birchwood and Norwood, 1,910 multi-leveled apartments. The project is expected to include one, two, two bed with study and three bedroom homes, set in 15 Towers spread across 25 landscaped acres. The residential development is also equipped a recreational area with two individual clubhouses. Facilities at the project are expected to include aerobics/yoga room, badminton court, billiards, children's play area, gym, health club, mini theatre, super market, tennis court, swimming pool and other amenities

- *Prestige Falcon City Phase I* – is an approximately 30.75 acre development located on Kanakapura Road. It is a mixed use development with five 32 storey tall residential blocks consisting of 1,890 units overlooking a lake, spreading across 4.57 million sq. ft. of developable area.

Our Upcoming Projects – Residential

In relation to all the residential Upcoming Projects mentioned in the table below, the relevant approvals for conversion of the land (wherever applicable) have been obtained, the remaining land is in the process of being acquired and internals designs and plans have been finalized. The process of making applications for approvals for commencing construction and development have commenced or are yet to commence in relation to any of these projects.

The following table details our residential Upcoming Projects as at July 15, 2014:

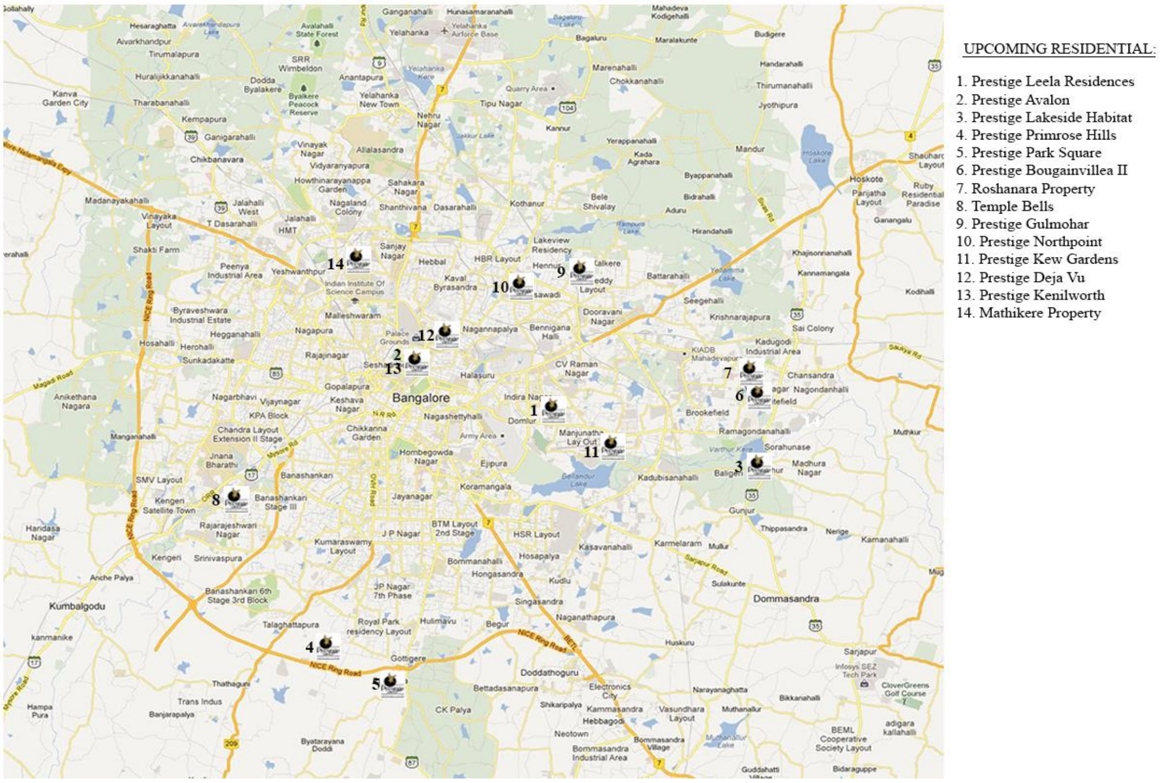
Project	**Developing Entity[(1)]**	**City**	**Developable Area** *(square feet)*	**Our economic interest[(2)]**	**Saleable area** *(square feet)*
Prestige Leela Residences[(5)]	Prestige Estates Projects Limited	Bengaluru	360,000	60.00%	216,000
Kakanad Property[(5)]	Prestige Estates Projects Limited	Kochi	800,000	70.00%	560,000
Prestige Lakeside Habitat-Phase III[(5)]	Prestige Habitat Ventures	Bengaluru	2,800,000	70.00%	1,940,400
Prestige Primerose Hills	Prestige Estates Projects Limited	Bengaluru	2,040,000	62.00%	1,264,800
Prestige Park Square[(4)]	Prestige South City Holdings	Bengaluru	654,000	35.70%	233,478
Prestige Bougainvillea – II[(5)]	Prestige Estates Projects Limited	Bengaluru	120,000	60.00%	72,000
Prestige Ivy League	Prestige Estates Projects Limited	Hyderabad	860,000	60.00%	516,000
Roshanara Property[(5)]	Prestige Estates Projects Limited	Bengaluru	220,000	100.00%	220,000
Prestige Temple Bell	Prestige Estates Projects Limited	Bengaluru	1,550,000	70.00%	1,085,000
Prestige Gulmohar[(3)]	Prestige South City Holdings	Bengaluru	868,319	51.00%	442,843
Prestige Northpoint	Prestige Kammanahalli Investments	Bengaluru	400,000	51.00%	204,000
Prestige Kew Gardens	Prestige Estates Projects Limited	Bengaluru	2,000,000	60.00%	1,200,000
Prestige High Fields	Prestige Estates Projects Limited	Hyderabad	6,200,000	68.34%	4,237,080
Prestige Déjà vu	Prestige Estates Projects Limited	Bengaluru	150,000	48.00%	72,000
Prestige Kenilworth	Prestige Estates Projects Limited	Bengaluru	190,000	40.00%	76,000
Prestige Avlon	Prestige Estates Projects Limited	Bengaluru	75,000	40.00%	30,000
Matthikere Property	Prestige Estates Projects Limited	Bengaluru	170,000	65.00%	110,500
Prestige Falcon City- Phase II[(4)]	Prestige Nottinghill Investments	Bengaluru	1,522,320	35.70%[#]	543,468
TOTAL			**20,979,639**		**13,023,569**

* *Unless indicated, all projects have been developed under a joint development agreement.*

1. *The Company, Subsidiary or Associate, as the case may be, which holds title to the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of sale proceeds from the 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 SPV.*
3. *Joint Venture*
4. *Partly owned by the developing entity pursuant to joint development agreement.*
5. *The developing entity has entered into an MOU to purchase the underlying land/develop the underlying land pursuant to a joint development agreement.*

\# *In addition to the existing economic interest, pursuant to the purchase of 2.20 acresof land by the Company, the Company is entitled to additional 90,000 sq.ft of the saleable area.*

The following map illustrates the locations of our residential Upcoming Projects in Bengaluru:



Set forth below is a description of two of the notable Upcoming Projects of our residential business

- *Prestige Kew Gardens* – Prestige Kew Gardens is planned as a high quality development on a 15.75 acres urban site located in Yamlur, Bengaluru. The development is planned as a private community and is expected to comprise 1,154 living units in 28 towers.

- *Prestige High Fields* – Prestige High Fields is a residential development located at Papalaguda, Hyderabad. It is spread over 21.85 acres. The project is expected to comprise 10 towers with 2,660 living units with a range of bedroom combinations from two to four bedrooms. The total built up for the residential development is about 6.2 million sq. ft.

Our Commercial Business

We develop a number of commercial projects such as corporate office space, SEZs, technology parks and campuses and built-to-suit facilities, which are developments that are customized to the specifications of our clients. We generate revenue from our commercial developments through the sale and lease of our commercial projects, and from professional fees charged for contractual projects, which include built-to-suit projects (that we do not retain ownership of) for sale or lease.

Our commercial business projects comprised approximately 12.65 per cent. of all Developable Area of our Ongoing and 16.79 per cent Upcoming Projects as of July 15, 2014. We have 20 Completed Projects in the period between July 16, 2009 and July 15, 2014, and have 10 Ongoing Projects and 3 Upcoming Projects for our commercial business.

Our Completed Projects – Commercial

The following table details our commercial Completed Projects for the period between July 16, 2009 and July 15, 2014:

Project	**Developing Entity**[(1)]	**City**	**Developable Area** *(square feet)*	**Our economic interest**[(2)]	**Saleable area** *(square feet)*	**Leaseable area** *(square feet)*
Cessna Business Park (B1-B6 &CH)	Cessna Garden Developers Pvt Ltd	Bengaluru	3,487,566	85%		2,964,431
Nebula - II	Prestige Estates Projects Pvt Ltd	Bengaluru	52,591	55%	28,925	
Dynasty-1	Prestige Estates Projects Pvt Ltd	Bengaluru	192,563	100%	192,563	
Lion Gate	Prestige Estates Projects Ltd	Bengaluru	23,214	50%	11,607	
Exora Business Park- Phase -1	Exora Business Services Pvt Ltd	Bengaluru	920,413	55%		506,227
Cyber Towers	Prestige Estates Projects Ltd	Chennai	688,460	72%	495,691	
Prestige Shantiniketan	Prestige Estates Projects Ltd	Bengaluru	4,553,909	83.20%	3,788,852	
Prestige Zeenath House	RRR Investments	Bengaluru	53,151	50%	26,576	
Prestige Atrium	Prestige Estates Projects Ltd	Bengaluru	171,540	50%	85,770	
Prestige Palladium	Prestige Estates Projects Ltd	Chennai	299,545	45%	134,795	
Dynasty- II	Prestige Estates Projects Ltd	Bengaluru	143,540	100%	143,540	
Prestige Shantiniketan (C Block)	Prestige Estates Projects Ltd	Bengaluru	758,000	61.00%	462,380	-
Prestige Polygon	Prestige Constructions Ventures Pvt Ltd	Chennai	659,499	100.00%	659,499	
Forum Vijaya – Commercial	Vijaya Productions Pvt Ltd	Chennai	550,000	50.00%		275,000
Prestige Star I	Prestige Estates Projects Ltd	Bengaluru	40,000	64.00%		25,600
Cessna Business Park B7	Cessna Garden Developers Pvt Ltd	Bengaluru	770,000	85.00%		654,500
Prestige TechPark III	Prestige Estates Projects Ltd	Bengaluru	1,553,959	100.00%	1,553,959	
Exora Business Park – Phase II	Exora Business Parks Private Limited	Bengaluru	1,020,376	32.46%		331,214
Exora Business Park - Phase III	Exora Business Parks Private Limited	Bengaluru	1,020,376	32.46%		331,214
Excelsior Tech Park	Exora Business Parks Private Limited	Bengaluru	290,000	21.75%		63,075
TOTAL			**17,248,702**		**7,584,157**	**5,151,261**

1. *The Company, Subsidiary or Associate, as the case may be, which holds title to the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of sale proceeds from the 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 SPV.*

Set forth below is a brief description of three of the notable Completed Projects of our commercial business:

- *Exora Business Park* – is a commercial project located on the Outer Ring Road, Bengaluru that was completed in December 2010. This project was designed by RSP Architects Planner & Engineers (Pte.) Limited of Singapore. *Exora Business Park Block 1* has a developable area of 0.92 million sq. ft. and a leasable area of 0.29 million sq. ft., and comprises three nine-floor towers housing commercial office space to let, and includes a basement area and a 640 bay multi-level car park. Exora Business Park Blocks II & III have a developable area of 1.02 million sq. ft. each and a leasable area of 0.33 million sq. ft. This project has facilities such as 100 per cent. diesel generator power back-up and central air conditioning.

- *Cessna Business Park Blocks 1 to 7* – is a commercial project located on the Outer Ring Road, Bengaluru that was completed in November 2013. This project has a Developable Area of 4.25 million sq. ft. and a Leasable Area of 3.61 million sq. ft. and comprises Seven blocks housing commercial office space to let. *Cessna Business Park* is an approved IT/ITeS SEZ. This project was the winner of the *CNBC AWAAZ-CRISIL CREDAI Real Estate Awards 2008 - Best Commercial Property for Southern Region*. It also was awarded *Highly Commended Industrial Development, India at the International Property Awards, Asia Pacific 2012*.

- *Prestige Tech Park III* – is a commercial project located on the IT Corridor on Sarjapur-Marathahalli Outer Ring Road, Bengaluru. Spread across 8.15 acres, it has three independent towers arranged around a central landscaped court. With a total developable area of 1.55 million sq. ft., the towers have been designed with unobstructed floor plates with segregated core areas aimed at providing efficient and functional work spaces.

Our Ongoing Projects – Commercial

In relation to all the Ongoing Projects mentioned in the table below, construction or development activities have commenced, all approvals for commencing construction and development have been obtained, and the right and/or interest in the land is held directly by our Company and/or the Subsidiaries and/or Associates in which the Company has a shareholding.

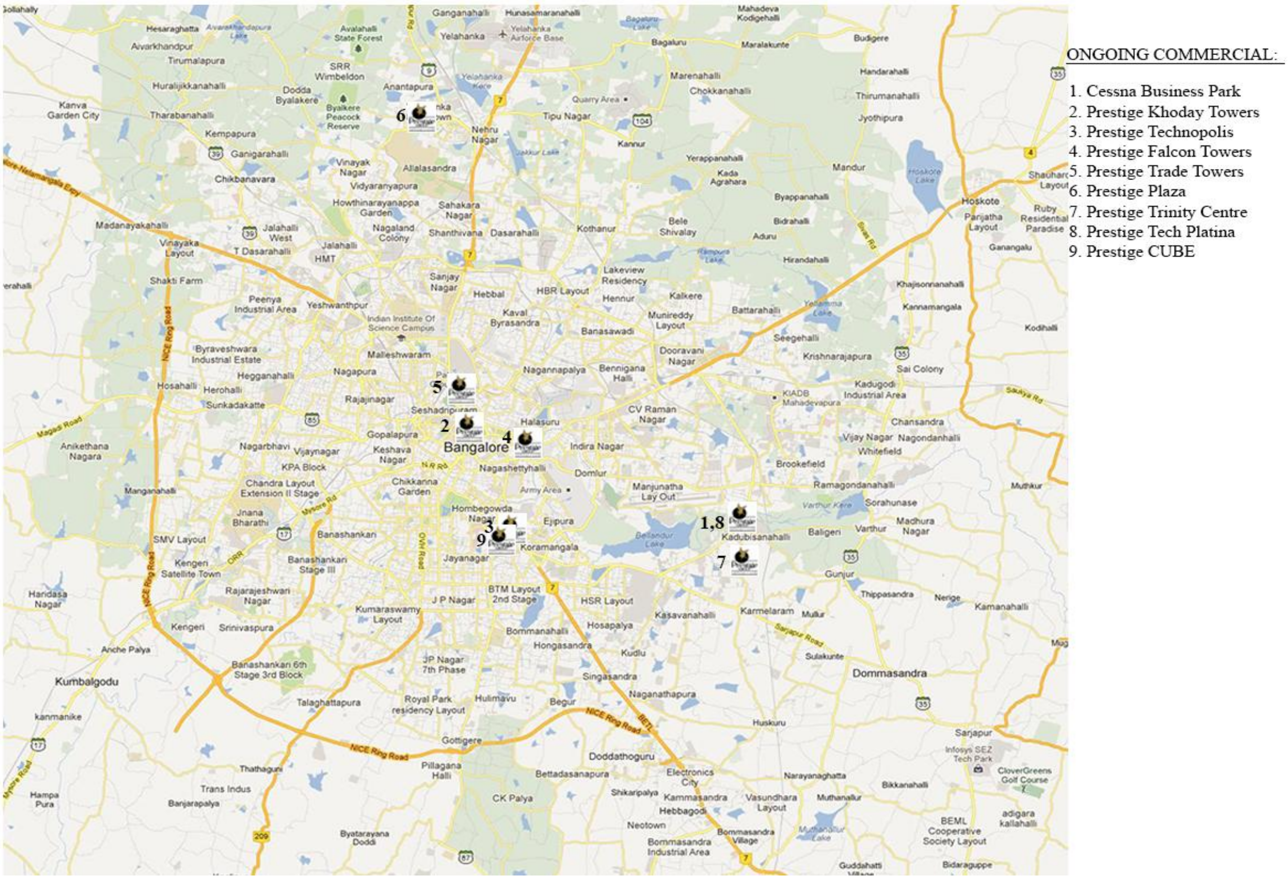
The following table details our Ongoing Projects as at July 15, 2014:

Project	**Developing Entity**[1]	**City**	**Developable Area** *(square feet)*	**Our economic interest**[2]	**Saleable area** *(square feet)*	**Leaseable area** *(square feet)*
Cessna Business Park B8[3]	Cessna Business Developers Private Limited	Bengaluru	618,252	85.00%		525,514
Cessna Business Park B9 - B11	Cessna Business Developers Private Limited	Bengaluru	2,940,000	85.00%		2,499,000
Prestige Khoday Towers	Prestige Estates Projects Limited	Bengaluru	260,000	48.53%	126,178	
Prestige Technopolis	Prestige Estates Projects Limited	Bengaluru	470,000	56.80%	266,960	
Prestige Trade Towers	Prestige Estates Projects Limited	Bengaluru	610,000	45.00%		274,500
Prestige Platina	Prestige Estates Projects Limited	Bengaluru	1,430,000	66.66%	953,238	
Prestige TMS Square	Prestige Estates Projects Limited	Kochi	170,000	58.00%		98,600
Prestige Trinity Centre[4]	Villaland Developers Private Limited	Bengaluru	450,000	26.84%	120,780	
Prestige Falcon Towers	Prestige Estates Projects Limited	Bengaluru	486,102	45.00%		218,746
Prestige Star II	Prestige Estates Projects Limited	Bengaluru	80,000	64.00%		51,200
TOTAL			**7,514,354**		**1,467,156**	**3,667,560**

* *Unless indicated, all projects have been developed under a joint development agreement.*

1. *The Company, Subsidiary, Associate, or Other Development Entity, as the case may be, which develops the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of sale proceeds from the Developable Area and/or percentage of rental income from the Leasable 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 SPV.*
3. *Fully owned and developed by the developing entity.*
4. *Partly owned and partly developed by the entity pursuant to a joint development agreement.*

The following map illustrates the locations of our commercial Ongoing Projects in Bengaluru:



Set forth below is a brief description of two notable Ongoing Projects of our commercial business:

- *Prestige Platina* – Prestige Platina comprises three independent towers having two basements + ground + 10 upper floors with a total developable area of 1.43 million sq. ft. Each block has an average floor plate of 35,000 to 40,000 sq. ft. The development is designed to comply with National Building Codes and standards. A typical floor in the building is designed for a load of 400 Kg/sqm. with designated areas strengthened to 1,000 Kg/sqm. Prestige Tech Platina is an extension of Prestige Tech Park.

- *Prestige Falcon Towers* – This project has two basements, an entrance lobby and a coffee shop, three levels of multilevel parking with 4.5 meter wide ramps on either side and 23 floors of office space with a helipad at terrace level. The total developable area of this project is 493,867 sq. ft. The projects east and west side have been cladded with A.C.P and aluminium louvers to prevent ingress of direct sun light and to minimise energy consumption. Larger area of glazing is facing towards north and south side to get maximum amount of lighting. We believe that the building represents a new type for the region and that its architecture is light and airy, in direct contrast to the historic masonry towers that currently dominate the skyline on the MG Road.

Our Upcoming Projects – Commercial

In relation to all the Upcoming Projects mentioned in the table below, the relevant approvals for conversion of the land (wherever applicable) have been obtained, the remaining land is in the process of being acquired and internals designs and plans have been finalized. The process of making applications for approvals for commencing construction and development have commenced or are yet to commence in relation to any of these projects.

The following table details our Upcoming Projects as at July 15, 2014:

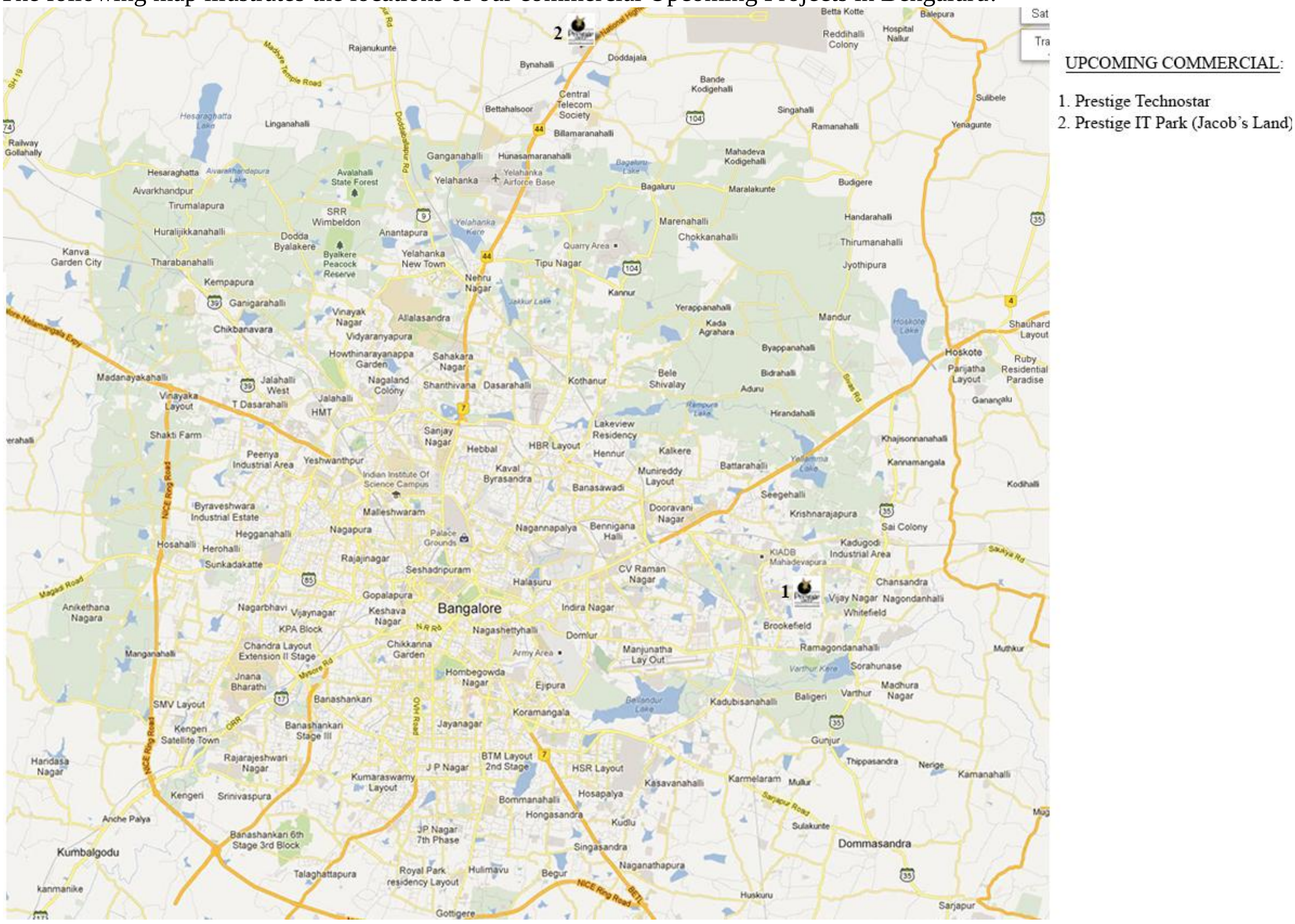
Project	**Developing Entity**[1]	**City**	**Developable Area** *(square feet)*	**Our economic interest**[2]	**Saleable area** *(square feet)*
Kakanad Property[3]	Prestige Estates Projects Limited	Kochi	200,000	70.00%	140,000
Prestige Technostar[4]	Prestige Whitefield	Bengaluru	1,646,601	51.00%	839,767

Project	Developing Entity[1]	City	Developable Area *(square feet)*	Our economic interest[2]	Saleable area *(square feet)*
	Investment & Developers Private Limited				
Jacobs Land - IT Park[3]	Prestige Realty Ventures	Bengaluru	2,809,200	73.93%	2,076,842
TOTAL			**4,655,801**		**3,056,608**

* *Unless indicated, all projects have been all developed under a joint development agreement.*

1. *The Company, Subsidiary or Associate, as the case may be, which holds title to the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of sale proceeds from the Developable Area and/or percentage of rental income from the Leasable 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 SPV.*
3. *The developing entity has entered into an MOU to purchase the underlying land/develop the underlying land pursuant to a joint development agreement.*
4. *Previously known as Graphite Property.*

The following map illustrates the locations of our commercial Upcoming Projects in Bengaluru:



Our Hospitality Business

We develop a number of hospitality projects, such as hotels, resorts, spas, and serviced residences, in cities where we carry out our other real estate development operations. We believe that our real estate development operations provide us with opportunities to acquire and develop sites for the development of hospitality projects, or to integrate hospitality infrastructure into our residential and commercial developments. We have three Completed Projects in the period between June 2009 and June 2014, and have two Ongoing Projects in our hospitality business. Currently there are no Upcoming Projects for our hospitality business. We generate revenue from our hospitality developments through the lease of our hospitality projects. In addition, we generate revenue from the operation of our hospitality projects themselves. See "*– Our Real Estate Services Business – Hospitality Operations*", below.

Our hospitality business projects comprised approximately 1.03 per cent of our Ongoing Projects as of July 15, 2014.

Our Completed Projects – Hospitality

The following table details our hospitality Completed Projects in the period between July 16, 2009 and July 15, 2014:

Project	Developing Entity[(1)]	Location	Developable Area *(square feet)*	Our economic interest[(2)]	Leaseable area *(square feet)*	Number of keys	Management
Prestige Golfshire - Clubhouse + Spa	Northland Holding Company Private Limited	Nandi Hills Road	156,648	100%	156,648	N/A	Northland Holding Company Private Limited
Aloft Cessna Bengaluru	Cessna Garden Developers Pvt Ltd	Whitefield	290,000	85.00%	246,500	191	An international hotel and resort chain
TOTAL			**446,648**		**403,148**		

1. *The Company, Subsidiary or Associate, as the case may be, which holds title to the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of sale proceeds from the Developable Area and/or percentage of rental income from the Leasable 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 SPV.*

Set forth below is a brief description of one of the Completed Projects of our hospitality business:

- *Aloft Cessna Bengaluru* – is a 191 room business hotel, located at Cessna Business Park on the Sarjapur Marathalli Ring Road at Bengaluru. Offering four-star first class hospitality in a trendy, colorful ambience, the hotel is located within the Prestige Cessna Business Park.

Our Ongoing Projects – Hospitality

In relation to all the Ongoing Projects mentioned in the table below, construction or development activities have commenced, all approvals for commencing construction and development have been obtained, and the right and/or interest in the land is held directly by our Company and/or the Subsidiaries and/or Associates in which the Company has a shareholding interest.

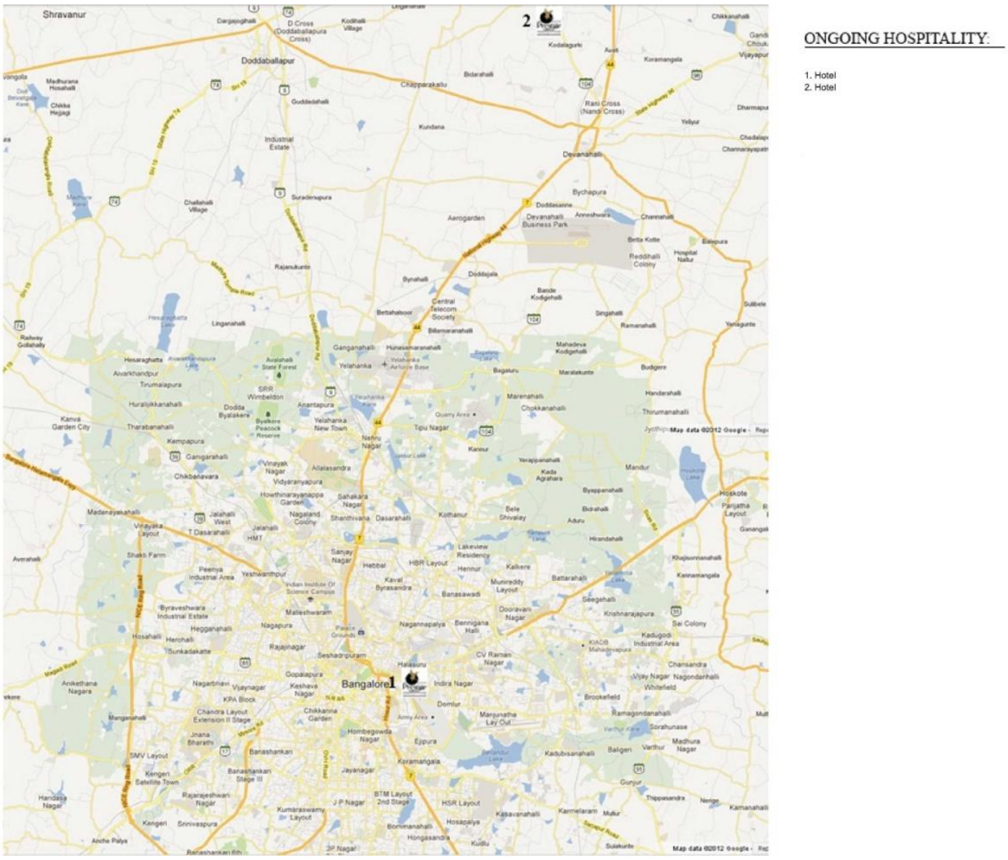
The following table details our Ongoing Projects as at July 15, 2014:

Project	Developing Entity[(1)]	City	Developable Area *(square feet)*	Our economic interest[(2)]	Leaseable area *(square feet)*	Number of keys
Comrad (Hilton)	Prestige Estates Projects Limited	Bengaluru	450,000	100.00%	450,000	285
Marriott + Convention Centre	Northland Holding Company Private Limited	Bengaluru	580,000	100.00%	580,000	307
TOTAL			**1,030,000**		**1,030,000**	**592**

* *Unless indicated, all projects have been owned and developed by the developing entity.*

1. *The Company, Subsidiary, Associate, or Other Development Entities, as the case may be, which develops the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of rental income from the Leasable 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 SPV.*

The following map illustrates the locations of our hospitality Ongoing Projects in Bengaluru:



Set forth below is a brief description of one of the notable Ongoing Projects of our hospitality business:

- *Marriott Hotel* — a luxury hotel located within Prestige Golfshire, at Bengaluru. The hotel occupies an area of 21 acres. The project is expected to include a golf course, a unique spacious club house and tropical gardens. The hotel is expected to have 307 rooms including 30 luxury suites and seven pool villas. It also has a convention center.

Our Retail Business

We develop a number of retail projects, primarily shopping malls. We typically retain ownership of our retail projects as well as manage our malls in order to control the quality of the retail space and maintain an appropriate mix of tenants (See "*– Our Real Estate Services Business –Mall Management*", below). Our retail business projects comprise approximately 7.16 per cent of our Ongoing and 7.57 per cent Upcoming Projects as of July 15, 2014. We have completed two Projects in the period between July 16, 2009 and July 15, 2014 and have seven Ongoing Projects and two Upcoming Projects in our retail business. We generate revenue from our retail projects through the lease of our retail developments, which in certain cases, includes revenue sharing arrangements in terms of either a fixed percentage of the tenant's revenues, a fixed amount and a percentage of net sales, or the higher of a fixed amount and a percentage of net sales, accrue to us. In addition, we generate revenue from our retail projects through the provision of advertising space and product promotion space for short-term lease in our malls, and fees charged for parking space at our malls.

Our Completed Projects – Retail

The following table details our Completed Projects for the period between July 16, 2009 and July 15, 2014:

Project	Holding Entity[1]	Location	Developable Area *(square feet)*	Our economic interest[2]	Leaseable area *(square feet)*
Forum Vijaya Mall	Vijaya Productions Pvt Ltd	Vadapalani	1,011,411	50%	505,706
Forum Mangalore	Mangalore Retail Ventures	Attavar	948,291	34%	322,419

Project	Holding Entity[(1)]	Location	Developable Area *(square feet)*	Our economic interest[(2)]	Leaseable area *(square feet)*
TOTAL			**1,959,702**		**828,124**

1. *The Company, Subsidiary or Associate, as the case may be, which holds title to the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of sale proceeds from the Developable Area and/or percentage of rental income from the Leasable 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 SPV.*

Set forth below is a brief description of one of the notable Completed Projects of our retail business:

- *Forum Vijaya Mall* – is located in a unique, high density catchment and offers the potential to become a landmark development of approx 1.1 million sq. ft. The mall and the office area is located at Vadapalani, an area of Chennai that we believe to be accessible from Arcot Road as well as Jawaharlal Nehru Road with a large frontage.

Our Ongoing Projects – Retail

In relation to all the Ongoing Projects mentioned in the table below, construction or development activities have commenced, all approvals for commencing construction and development have been obtained, and the right and/or interest in the land is held directly by our Company and/or the Subsidiaries and/or Associates in which the Company has a shareholding interest.

The following table details our Ongoing Projects as at July 15, 2014:

Project	Developing Entity[(1)]	City	Developable Area *(square feet)*	Our economic interest[(2)]	Leaseable area *(square feet)*
Forum Sujana[$]	Babji Realtors Private Limited	Hyderabad	1,470,000	24.50%	360,150
Forum Shantiniketan[(4)]	Prestige Shantiniketan Leisures Private Limited	Bengaluru	1,060,000	65.00%	689,000
Forum Mysore	Prestige Mysore Retail Ventures Private Limited	Mysore	550,000	50.99%	280,445
Prestige TMS Square[(4)]	Prestige Estates Projects Limited	Kochi	120,000	58.00%	69,600
Forum Thomsun[(3)]	Thomsun Realtors Private Limited	Kochi	910,000	0.002%	18
Prestige Mysore Central[(4)]	Prestige Estates Projects Limited	Mysore	110,770	65.00%	72,001
Prestige Cube	Prestige Estates Projects Limited	Bengaluru	31,000	100.00%	31,000
TOTAL			**4,251,770**		**1,502,214**

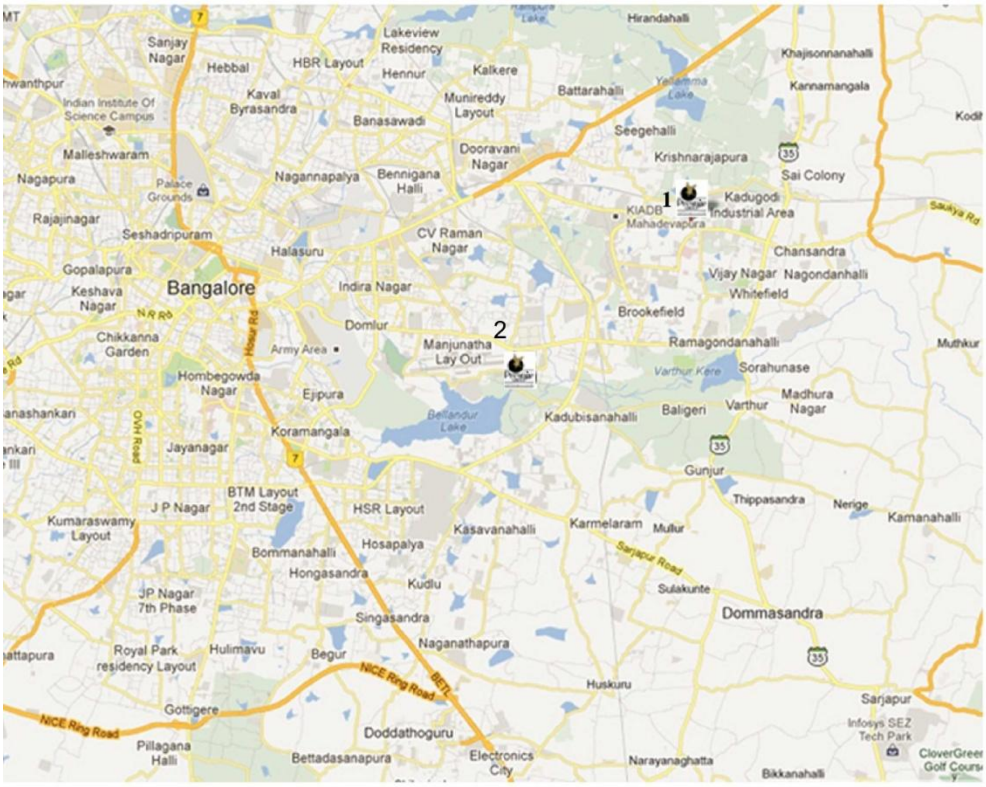
* *Unless indicated, all projects have been developed pursuant to a joint venture.*
1. *The Company, Subsidiary, Associate, or Other Development Entities, as the case may be, which develops the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of rental income from the Leasable 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 SPV.*
3. *As of July 15, 2014, our Company has 0.002 percent stake in Thomsun Realtors Private Limited, which stake will increase to 25 percent in accordance with capital commitments agreed upon.*
4. *Developed under the terms of a joint development agreement.*

$ *Although we have received the occupancy certificate as on March 24, 2014, there is still substantial interior and related services work to be completed before the Forum Sujana Mall can be operational.*

Set forth below is a brief description of one of the notable Ongoing Projects of our retail business:

- *Forum Sujana Mall* - is located at Kukkatpally in Hyderabad, and is in close proximity to Hi-Tech City, a hub for IT companies, and a large residential and university area. The project is situated on a corner site, and will have multiple approach roads leading to it, in addition to a train station within one kilometre. The project will feature a nine-screen multiplex cinema with approximately 2,355 seats, a Hypermarket (of approximately 75,000 sq. ft.), a department store (of approximately 15,000 sq. ft.), a book store and a retail space housing international and domestic brands. This mall was awarded *Best Retail Development Asia Pacific* at the *International Property Awards, Asia Pacific 2012*.

The following map illustrates the location of our retail Ongoing Project in Bengaluru:



ONGOING RETAIL:

1. FORUM SHANTINIKETAN
2. PRESTIGE CUBE

Our Upcoming Projects — Retail

In relation to the retail Upcoming Projects mentioned in the table below, the relevant approvals for conversion of the land (wherever applicable) have been obtained, the remaining land is in the process of being acquired and internal designs and plans have been finalized. The process of making applications for approvals for commencing construction and development have commenced or are yet to commence in relation to any of these projects.

The following table details our Upcoming Projects as at July 15, 2014:

Project	Developing Entity(1)	City	Developable Area *(square feet)*	Our economic interest(2)	Leaseable area *(square feet)*
Kakanad Property(3)	Prestige Estates Projects Limited	Kochi	400,000	76.50%	306,000
Falcon City Forum Mall	Prestige Nottinghill Investments	Bengaluru	1,700,000	35.70%	606,900
TOTAL			**2,100,000**		**912,900**

1. *The Company, Subsidiary or Associate, as the case may be, which holds title to the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of rental income from the Leasable 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 SPV.*
3. *Developed under the terms of a joint development agreement.*

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 lands upon which there is no present development, and may be broadly classified into (i) lands owned by our Company, (ii) lands in relation to which our Company and/or our Subsidiaries and/or our Associates have entered into a memorandum of understanding, agreement to acquire for the purchase of, and (iii) land under which joint development agreements have been entered into.

The continued expansion and development of our Land Bank is an important part of our strategy (see "– Our Strategy – *Continue to expand and develop our Land Bank through Joint Development/Joint Venture Model*", above), and we actively attempt to enhance our existing Land Bank by identifying and acquiring land or development rights for land in areas and locations which we believe will see increased demand.

The following is a summary of our Land Bank as of July 15, 2014 and the amounts paid, amounts due from us and amounts that represent refundable deposits:

Entity name[1]	**Location**	**Land area** *(acres)*	**Our economic interest**[2]	**Land cost – amount paid** *(Rs. Millions)*	**Land cost – amount due** *(Rs. Millions)*	**Refundable deposits paid** *(Rs. Millions)*
Prestige Bidadi Holdings Pvt Ltd	Bidadi	143.20	100.00%	1,135	-	-
Prestige Projects Pvt Ltd[3]	Sarjapur Road	157.33	32.68%	1,030	-	-
Prestige Garden Resorts Pvt Ltd	Bellary Road	7.19	100.00%[4]	47	-	-
Prestige Estates Projects Ltd	Whitefield	1.13	100.00%	74	-	-
Prestige Estates Projects Ltd	Tubarahalli	0.83	72.00%	-	-	5
Village D Nandi Pvt Ltd	Nandi Hills Road	22.21	100.00%	19	-	-
Eden Investments	Goa	74.03	77.50%	335	-	-
Prestige City Properties	Koramangala	8.37	99.99%	3,643	-	-
TOTAL		**414.29**		**6,288**	**-**	**5**

1. *The Company, Subsidiary or Associate, as the case may be, which holds title to the project and underlying land.*
2. *Reflects the percentage of our economic interest in the project. In the case of joint development agreements, this reflects the percentage of sale proceeds from the Developable Area and/or percentage of rental income from the Leasable Area that we are entitled to retain under the joint development agreement entered into in respect of the land.*
3. *Joint venture.*
4. *We have increased our stake in Prestige Garden Resorts Private Limited from 50.00 per cent. to 100.00 per cent. on January 28, 2013.*

OUR REAL ESTATE SERVICES BUSINESS

Property Management Services

Our property management services are provided through one of our partnership firms, Prestige Property Management and Services. The key focus of our property management services is to maintain the quality of the real estate projects of our real estate development business after their completion.

As of July 15, 2014, our property management services had a workforce of approximately 2,580 full-time employees who are assigned to specific developments that we maintain. We believe that having a dedicated property management and services team on site for each of the projects we maintain allows us to deliver a higher standard of service to our clients.

Our property management services teams are responsible for the provision of maintenance and management services such as safety and security, cleaning, general maintenance, civil and electrical maintenance, landscaping and gardening, swimming pool and health club maintenance and general facilities management, which includes the operation and maintenance of facilities such as power distribution, back-up power generation, central air-conditioning, water supply, drainage pumping, janitorial services, parking management, pest control, fire detection and solid waste disposal and management. In 1996, we began offering rental and re-sale services to our clients, which is aimed at assisting buyers of our real estate projects in renting out their apartments or villas.

We offer a range of flexible billing options to our client, from fixed-rate billing to cost-plus billing alternatives. In addition, we also offer pre-agreed service levels on a range of property management services that we provide, and our clients have the option of choosing either a "bundle" of services, as above, or individual services on a stand-alone basis.

We currently provide property management services to 49 commercial properties (which includes retail space), with a total of 13.16 million sq. ft. of built up space under management. In the residential sector, we provide property management services to 36 properties, with a total of 18.00 million sq. ft, of built up space under management. We also undertake park management services for the *Cessna Business Park* SEZ.

Sub-Leasing and Fit-Out Services

Our Company also provides sub-letting and fit-out services. Our typical model for the provision of sub-leasing and fit-out services is as follows:

- Our real estate business develops a commercial project, which is then sold to investors in commercial property projects;

- In a sub-lease and fit-out transaction, these investors will lease the acquired commercial project back to us, on arms-length commercial terms after we identify a tenant for the property which will utilize it as the ultimate user;

- Our interior solutions team (See " — *Interior Solutions Services — Commercial Interiors*", below) conducts a fit-out, which is typically comprised of the installation of all fixtures and fittings required by the ultimate user of the commercial property; and

- Once the fit-out is complete, the project is then sub-leased to a commercial end-user who takes occupation of the property accordingly.

We generate revenues from our sub-leasing and fit-out services through the charging of fees for the fit-out (See " - *Interior Solutions Services*", below) as well as a profit on the difference in rentals between the sub-lease to the commercial end-user and lease-back transaction from the investor.

Project and Construction Management Services

Our project and construction management services are provided through one of our Subsidiaries, K2K Infrastructure India Private Limited. Our project and construction management services business specialises in providing project management and construction execution services to corporate and commercial clients who seek to construct built-to-suit projects (being developments that are customized to the specifications of the client) or interiors on a contractual basis, which we do not retain ownership of, for sale or lease (as is the case for projects in our commercial real estate development business).

Our project and construction management team provides the following services:

- project managing the development by acting as the single point of contact for the client in completing the project, with an emphasis on ensuring completion of the project on time and within budget;

- procuring all requisite statutory approvals for the project; and

- managing the entire construction process, including consulting with the client on the design and specifications of the project, sourcing, negotiating and awarding supply and construction contracts, ensuring compliance by construction contractors with pre-agreed standards of construction and ultimately ensuring hand-over of the project to the client.

In conducting such a 'contractual' project for a client, we typically enter into an agreement with the client which sets out our responsibilities and the fee structure. We generate revenues from our project and construction management services through these professional fees.

We also sell available parcels of land from our Land Bank to clients, on the condition that we retain the right to develop the land on their behalf on a "cost-plus" basis. For each of these contractual projects we have a senior business development executive and project head who negotiates and finalizes such transactions. The delivery team consists of the engineers and an administrative support team that deals with procurement and contractor- and government-liaison.

Interior Solutions Services

Our interior solutions services business provides customized interior design and construction solutions for the customers of our commercial and residential development business. We have a dedicated interior solutions team which is responsible for project managing any interior design and construction, with an emphasis on ensuring completion of the interiors on time (ordinarily by the time the project is handed- over to the client) and within the budget stipulated by the client.

Our interior solutions team provides the following services in conducting the interior solutions services business:

- consulting with the client and in conjunction with our sales team or leasing team, as the case may be (See - "*Sales and Marketing*", below), ascertaining the interior design requirements and specifications of the client;

- coordinating with the client, architects, consultants and interior vendors to ensure that the interior design and construction is on time and within budget; and
- remaining in continued contact with the client to ensure that any required modifications or repairs are dealt with.

Residential Interiors

We have provided residential interiors service in a number of our residential developments to date, including *Prestige Shanthiniketan, Prestige Wellington Park and Prestige Kensington Gardens* and we intend to provide interior solutions for our future residential developments. Our interior solutions service for residential developments comprises providing clients with a number of standardized options for the interior design and fittings of their apartment or villa. In turn, we have numerous vendor relationships which supply our interior solutions business with the fixtures, fittings and materials required to implement the interior option that our client has chosen. We co-ordinate with our residential real estate development business to ensure that the interior is completed and in place at the time that the residential unit is handed over to the clients.

Commercial Interiors

We typically develop and lease commercial space on a "bare shell" basis and where a client for such development requires a commercial fit-out (i.e., customization of the interior of the premises for the specific commercial operations and requirements of that client), we provide such services through our interior solutions services. Ordinarily, our commercial leasing team (See -"*Sales and Marketing — Our Leasing Team*", below) will liaise with a commercial client where a fit-out is required, and our interior solutions team will then implement the fit-out on the basis of agreed designs and specifications which are prepared by our interior solutions team, in conjunction with our leasing team, and in accordance with the requirements of the client. We ensure that any costs incurred for such a fit-out undertaken for a commercial lessor is secured by way of lock-in leases for a minimum period of three to five years so as to ensure minimum cash flows from the project. We also provide this service to purchasers of our commercial real estate projects and similarly, in conjunction with our sales team (See "- *Sales and Marketing - Our Sales Team*", below).

We generate revenues from our interior solutions services business through the charging of professional fees for the services performed.

Mall Management Services

Our mall management services were initially established to provide mall management services to The *Forum Mall* in Koramangala, our first retail development. Our mall management services are now undertaken as part of our joint venture with CapitaMalls India (See "– *Our Joint Venture with CMIDF*", below). Whilst we offer property management services (See "– *Property Management Services*", above), we also believe that managing public spaces, such as a mall, have distinct and specialized property management requirements.

Our mall management business provides the following services:

- general maintenance of our mall;
- creating footfalls by initiating and conducting special events, festivals and promotions in our malls;
- managing relations with our mall tenants and conducting studies of retail market trends and customer preferences;
- designing and reviewing tenant and trade mixes for current and upcoming retail developments of our retail real estate development business;
- managing and monitoring revenue sharing arrangements with our tenants (See "— *Our Operations – Our Real Estate Development Business – Our Retail Business*", above);
- identifying potential tenants and negotiating and finalizing the commercial terms of the retail leases with our tenants;
- ensuring compliance with applicable laws, renewals of required permits and insurance; and

- providing reports on footfalls, buying patterns and general retail trends.

We generate revenues from our mall management business through the charging of fees for the maintenance and services provided to our tenants, as above.

Hospitality Operations

We develop our hospitality projects in the cities where we are carry out our real estate development operations. Our hospitality business comprises managing and operating serviced apartments, hotels, convention centres, resorts and spas, food courts (in our retail developments) and club houses (in our residential developments). We outsource the management and technical direction of our hospitality projects to leading international companies. This outsourcing is done pursuant to an operating, marketing and technical services agreement pursuant to which the operator is paid a management fee (which is typically an escalating percentage of gross revenue from the business) for the operation of the hospitality development.

Our current hospitality operations are as follows:

- *Prestige Oasis Angsana Spa & Resort* – a 79-room spa and resort in north Bengaluru;
- *Oakwood Premier Prestige* – a 177-room serviced apartment operation in *UB City* in Bengaluru's central business district, which is managed by an international service apartment operator pursuant to an management, marketing and technical services agreement;
- *Oakwood Prestige Serviced Residences* – a 145 room serviced apartment in Forum Value Mall Whitefield, Bengaluru which is managed by an international service apartment operator pursuant to an operating marketing and technical services agreement.
- *Aloft Bengaluru Cessna Business Park* – a 191 room hotel situated in the Cessna Business Park development and managed by an international hotel operator pursuant to an operating and management agreement; and
- *Transit Food Courts* – Our Subsidiary, Prestige Leisure Resorts Private Limited, owns the *Transit* brand, which operates and manages food courts in the malls developed as part of our retail development business. Transit has a presence in *The Forum Mall*, Koramangala, and *The Forum Value Mall*, Whitefield. We intend to have Transit food courts in our future retail developments.

In addition to our current operations, we intend to expand our hospitality business as follows:

- *Marriott Hotel* — a 300 room hotel to be situated in the Prestige Golfshire development and to be managed by an international hotel operator, pursuant to an operating and management agreement; and
- *Hilton Hotel* – a 285 room hotel to be situated just off MG Road, Bengaluru which is managed by an international hotel operator pursuant to an operating and management agreement.

OUR JOINT VENTURE WITH CMIDF

We have entered into joint ventures with CMIDF, an associate of CapitaMalls Asia Limited for development of retail and commercial projects in south Indian cities such as Bengaluru, Mysore, Mangalore, Hyderabad and Kochi. We estimate that the total Developable Area that will be developed pursuant to these joint ventures will be 6.25 million sq. ft. We have also entered into a joint venture with CapitaMalls Asia for the purpose of managing the retail malls developed by the joint ventures with CMIDF.

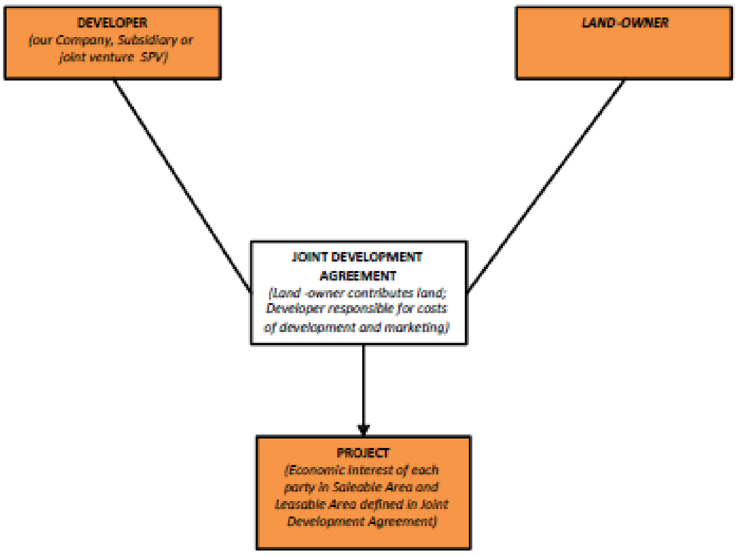
We believe that these arrangements will create opportunities to exploit new sources of revenue.

OUR JOINT DEVELOPMENT AND JOINT VENTURE MODELS

We typically develop our projects (1) through joint development agreements with land-owners, in terms of which we acquire the development rights to the underlying land; (2) through joint ventures with third parties, with whom we establish SPVs for the purposes of developing projects through such joint venture SPVs; or (3) in fewer occasions, through acquiring land ourselves and retaining the sole development rights in respect of any project. As of July 15, 2014, 70.32 million sq. ft., or 84 per cent., of Ongoing Projects and Upcoming Projects are being developed through joint development.

Typical Joint Development Model

The following diagram illustrates a typical joint development:

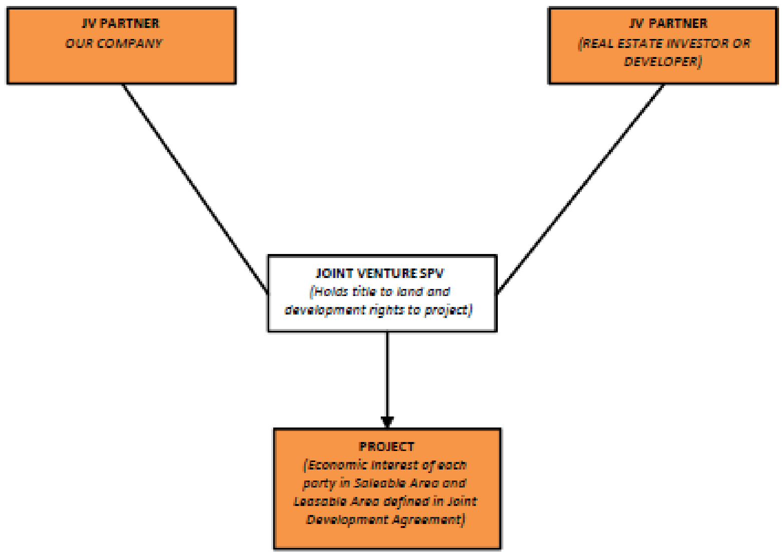


In terms of each joint development agreement we conclude with land-owners, the land-owner contributes the underlying land, and we, as the project developers, either directly through our Company, Subsidiaries or a joint venture SPV (see "— *Typical Joint Venture Model*", below), are responsible for the cost and execution of the development of the project on the land contributed by the land-owner, as well as the marketing and sale of the project upon launch or completion.

The joint development agreement also typically sets out the economic interest of each of the land-owner and developer, which is expressed as a percentage of the total Developable Area in respect of which each party is entitled to the sale proceeds or rental income from its share in the built-up area of the project, as the case may be. Each party is also entitled to a certain percentage of the land area which is same as the share in the land area. Accordingly, our economic interest in a given project developed pursuant to a joint development agreement represents the percentage of sale proceeds from the Developable Area, and/or percentage of rental income from the Leasable Area and the percentage of the share in the land area conveyed to us, that we are entitled to retain under the terms of the joint development agreement.

Typical Joint Venture Model

The following diagram illustrates a typical joint venture:



Each party's economic interest, or share in the joint development, is based on a number of parameters which vary dependent on the project being developed, but which typically include factors such as the size of the land being developed, its location and the total achievable floor space index for the project.

When developing a project through a joint venture, we typically enter into a joint venture agreement with a partner (for example, CMIDF. See "— *Our Joint Venture with CMIDF*") for the development of one or more projects.

In terms of each joint venture agreement we conclude with a partner, an SPV is incorporated in which each party to the joint venture invests a stipulated amount of equity capital. The acquisition of land for the project and the development costs are born by the SPV, which holds the development rights to the land, and the project is typically sold and marketed under the "Prestige" brand name.

The equity investment constitutes each party's economic interest in the project, and which translates to a percentage of the total Developable Area in respect of which each party is entitled to the sale proceeds or rental income, as the case may be, which are distributed to the joint venture partners in the form of a profit or dividend distribution. Accordingly, our economic interest in a given project developed pursuant to a joint venture represents the percentage of sale proceeds from the Developable Area, and/or percentage of rental income from the Leasable Area, that we are entitled to receive as a distribution from the SPV company in which we are a shareholder.

We also undertake projects through joint venture SPVs which may enter into joint development agreements, as described in "— *Typical Joint Development Model*", above. In such cases, our economic interest is represented by our share of the joint venture SPV's economic interest in the joint development.

OUR REAL ESTATE PROJECT DEVELOPMENT AND EXECUTION METHODOLOGY

We have adopted a systematic methodology for the process of our real estate projects, which can be divided into the following distinct activities:

Identification of Potential Projects and Land

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, and we conduct comprehensive market research and analysis of proposed projects to analyze absorption trends, competitive factors, market prices and product gaps. We also use our experience to evaluate locations where we can gain an "early-to-market" advantage, such as in the Forum Vijaya Mall and Forum Sujana malls in Chennai and Hyderabad respectively.

The process of land identification starts from the stage of selecting an appropriate land parcel which has growth potential. This is done by our projects research team which gathers market data on possible prospects while selecting a land parcel for development which is verified with the information that we have already collated. We also obtain a title opinion of the proposed lands, and consult with local real estate marketing professionals.

Thereafter, a survey is conducted at the proposed site and a preliminary feasibility report is prepared. The report is based on an analysis of specific criteria, including, among other things (a) the financial viability of the project, (b) the available or planned infrastructure surrounding the land that we have identified for our project, (c) the standard of living and disposable income of the population of the location, and (d) the growth prospects of the cities and towns in terms of trade and industry. The next step, after area identification, involves identifying the type of project to be undertaken in that particular area and deciding on the scale of the project. Typically, decisions at this stage involve examining the viability of developing residential, commercial, hospitality or retail projects on the identified project site. The final decision on the location, nature, financial feasibility and scale of each project is taken by our senior management.

Legal Analysis and Regulatory Approvals

While evaluating the feasibility of a location for the implementation of a project, we believe it is important to understand the legal regime governing land acquisition and development in that location, which varies according to state and intra-state locations. We also evaluate the factors which affect the obtaining of the approvals required for the development and implementation of the project. The approvals which are typically required for a real estate development project include approvals for building plans, the conversion of agricultural lands to non-agricultural lands (where applicable), the approval of lay-outs and approvals relating 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 in accordance with applicable law from the appropriate authorities after the projects have been completed.

Acquisition of title

As discussed under "— *Legal Analysis and Regulatory Approvals*", above, the right to purchase land is primarily dependent upon the laws and regulations governing the location of the proposed real estate project. The properties in our existing Land Bank have been acquired by us and are held directly by us (either directly or through long leases), or through joint development agreements or joint ventures. (See "— *Our Business – Our Land Bank*")

Project Planning, Design, Construction and Management

The planning of our projects is completed by our in-house planning department and design is undertaken by external architects and structural consultants appointed by us for that purpose. The majority of the architects and structural consultants engaged by us are specific to a particular project and are drawn from a pool of designers and architects. The architect we appoint provides us with the architectural design of the project and the structural design is provided by an external structural consultant. A tender process is conducted with an approved panel of contractors who are pre-qualified at the time they are placed on the panel. Our in-house project and planning department conducts the estimates of the requirements for manpower, materials and machinery. The external consultants may continue to advise us during the course of the project.

Once the design and the estimates for the project have been finalized, we set up a project team under the supervision of a senior engineer which is dedicated to that particular project, and who is responsible for centralized coordination and reports to our senior management.

The purchase of materials is centralized and is based on the estimates given by the planning department or the architect, as the case may be. We are not dependent on any single contractor, builder or supplier for our construction activities. The orders are placed by us on the basis of arms-length negotiations and we conduct tender and bidding processes accordingly.

In 2009, we acquired 75 per cent. of the share capital of Team United, now known as K2K Infrastructure India Private Limited, a construction company in south India, with the aim of developing an in-house construction capability. K2K Infrastructure India Private Limited offers construction services to us and to third party developers outside of our group.

We seek to ensure that raw materials and other goods and services sourced from third party vendors are delivered in a timely and cost effective manner, that payment is made to suppliers promptly, and that any scrap or waste from project sites is effectively disposed of.

We have developed a system of internal reporting in order to monitor the status and progress of all the projects being developed by us on a weekly basis. The system helps us to reduce 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 the 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. As we do not employ site labor, we insist on our contractors ensuring compliance with relevant regulatory and statutory obligations in relation to their labor force.

Pricing

The prices of our properties are determined principally by market forces of supply and demand. We price our sales and rental properties by reference to market rates for similar types of properties in their locality. The sales and rental prices of our properties will therefore depend on the location, number, square footage and mix of properties we sell or rent during each fiscal period, and on prevailing market supply and demand conditions. Supply and demand conditions in the real estate market in the areas in which we operate, and hence the prices we may charge for our properties, are affected by various factors outside our control, including prevailing local economic, income and demographic conditions, interest rates available to purchasers requiring financing, the availability of comparable properties completed or under development, changes in governmental policies relating to zoning and land use, changes in applicable regulatory schemes, and competition from other real estate development firms.

In light of the above market forces, we price our projects for sale by taking the following factors into account:

- Cost of the land and final estimated construction costs;
- A premium, depending on the location of the project (e.g.: we typically include a higher premium where a project is situated in a suburban area or a central business district) and by reference to our targeted internal rates of return;
- The prevailing market for similar developments in that segment; and
- The maximum premium on a project which we believe to be achievable in the segment of the particular project.

We ordinarily conduct this pricing exercise prior to pre-launch marketing of a project, and review the prices reached by considering the above factors on a periodic basis.

Project Completion and Hand-Over

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.

SALES AND MARKETING

We have a dedicated sales team which focuses on the sales of residential and commercial projects, and a dedicated leasing team which focuses on the leasing of commercial (including sub-lease and fit-out services) and retail projects. In our hospitality projects, marketing is undertaken by the hotel operator, in terms of the operating, marketing and technical services agreements that we enter into with them. We sell projects both on a pre-sale basis as well as during and after construction.

Our Sales Team

We undertake direct sales efforts, either through our sales team, which comprises of 85 professionals as of July 15, 2014, or through our external network of accredited marketing associates.

We maintain a detailed database of our existing clients for purposes of marketing new residential and commercial projects to them. In addition, all enquiries, whether from existing or new clients, are captured by a separate enquiries database. Both databases are used to target clients for any new real estate offering, and typically constitute the first reference list that our sales team uses in marketing any new project. We believe that these databases are one of the key factors in our ability to achieve high rates of pre-sales of projects. See "— *Our Competitive Strengths – Ability to pre-sell residential projects*".

Our marketing activities typically begin immediately following the finalization of the pricing of a real estate project, at which stage our sales team targets potential purchasers. Our sales team conducts an extensive marketing launch where they brief our marketing associates on the development in question, and provide them with all relevant information and materials necessary for the marketing of the development.

Our sales team also utilizes a mix of traditional marketing methods such as advertising and publicity in the leading newspapers and magazines of the region. In addition we also publish two in-house newsletters, Falcon News and UB Collection, which enable us to maintain contact with our clients periodically. We also utilise the internet to market our developments by advertising on property portals and search engines in order to reach potential clients outside of India and in parts of India outside of the south Indian region.

Finally, we typically build, furnish and landscape show units for residential projects and maintain an on-site sales office for each development. These show units are intended to provide potential clients with a virtual experience of our residential projects, and provides us with an opportunity to address and focus on the unique requirements of each potential client.

Our Leasing Team

Our leasing team has established a relationship with international property consultant Jones Lang LaSalle, through whom we source a number of our commercial lease clients. In consideration for providing such services to us, we pay Jones Lang LaSalle a monthly fee. Our leasing team maintains contacts with Jones Lang LaSalle and regularly updates them on the availability of commercial space in our developments. In addition, our leasing team also conducts independent marketing activities aimed at procuring new lease clients, such as exhibiting at commercial trade fairs and events.

Our leasing team also recommends the terms of leases to management based on prevailing market conditions, and provides input to the project design process in order to ensure that our projects meet the prevailing demands of the market.

The leasing team retains responsibility for legal documentation, the collection of lease deposits and the timely collection of rentals. (See "— *Collections*", below).

Collection

As part of our sales process we typically ensure that we collect 15 per cent. to 20 per cent. of the purchase price at the time of booking the sale of the unit, with structured installment payments to follow in terms of our agreement with the client. In instances where our clients default on the payment of the balance of a purchase price, our agreements include appropriate provisions which allow for the forfeiture of the pre-booking payment, though these amounts can be refunded in the event that the property is subsequently sold to another client.

All receivables of our real estate development business are managed using integrated ERP and accounting software (see "— *Information Technology*", below) to monitor the performance of our clients' purchase and rental installment obligations. This integrated software also generates both statements for our clients, as well as the appropriate data for our management information systems.

We send statements to our clients on a periodic basis (dependant on the agreed schedule of payments for purchase price installments or rental payments) and any outstanding payment obligations are promptly followed up on by our customer relationship management department, which has a dedicated collections team, with the client in question. Our collections team draws any significant arrears to the attention of our senior management, and where necessary, we meet with our clients who are in arrears to restructure, and otherwise facilitate, payments. We charge interest on payment obligations that are in arrears, and the amount is determined on a transaction-by-transaction basis, and agreed prior to the conclusion of a property transaction with our client.

COMPETITION

We operate in highly competitive markets and competition in these markets is based primarily on the availability and cost of land. To remain competitive, we strive to reduce procurement costs and improve operating efficiencies. We also face competition from both domestic and foreign companies in bidding for new property development projects.

The real estate development sector is still largely fragmented in India. Among the few organized entities in this sector, our chief competitors in south India in certain of our business segments are large developers such as Brigade Enterprises, Embassy Group, Puravankara Projects, RMZ Corp and Sobha Developers.

Competition in the market for leased commercial real estate space is driven principally by the location of the development and the pricing of rentals. In central business districts, competition in this segment comes from both new developments and existing developments which subsequently become vacant.

EMPLOYEES

As at July 15, 2014, our Company had 537 employees consisting of finance, technical (engineering and architecture), marketing, property management, legal and administrative and non-technical staff. We do not take into count any manpower employed by our sub-contractors in calculating our personnel members. We expect that human resources and employee recruitment activities will increase as our business grows.

We believe that our employees are key contributors to our business success. We make a concerted effort to provide training and development to newly hired professionals in order to maximize the performance of our employees. Our work force consists of (i) our permanent employees, (ii) consultants who we engage 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. In order to engage contract laborers for projects sites, we are required to be registered under certain regulations. For further information see – "*Risk Factors – 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*".

Insurance

In relation to our real estate development business, we obtain specialized insurance for construction risks and third-party liabilities for most projects for the duration of the project and the defect liability period. We may also be subject to claims resulting from defects arising from engineering, procurement or construction services. We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate. Our contractor's all-risk insurance policy covers risks relating to physical loss or damage to materials and property, including contract works. Under the contractor's all-risks insurance policy, we are also provided with coverage for price escalation, debris removal and for damage to surrounding properties. Our general public liability insurance policy also indemnifies us against legal liability to pay damages for third-party civil claims arising out of bodily injury or property damage caused by an accident occurring in the ordinary course of business. We also maintain directors and officers liability for indemnification against certain losses such prosecution costs and damages to reputation.

Intellectual Property

We have obtained trademark registrations for our various logos, labels and brands which we use in our Business. We have registered trademarks over the name and logo *Prestige Group*, *Prestige Estates Projects Private Limited*, *The Falcon House* and *The Forum* for various classes of goods and services. Our Promoter and members of our Promoter Group have registered a trademark over the name and logo Prestige Group in relation to certain goods in the nature of paper, printed materials, clothes and toys. We have registered trademarks for the names Prestige Oasis, Prestige Golfshire and Prestige Royal Woods. Our Subsidiary Prestige Amusements Private Limited also holds registered trademark over the name “The Forum” for various classes of goods and services. Our Promoters and our subsidiary, Prestige Amusements Private Limited, have licensed to our Company the use of the trademark Prestige Group and "the Forum" through licensing agreements dated December 30, 2005 and March 28, 2008, respectively, for a one-off fixed consideration of ₹ 10,000 each. Our Subsidiary Prestige Leisure Resorts Private Limited also holds registered trademark over the name "Transit".

Information Technology

We have incorporated modern software systems in our businesses and operations. In addition to standard software systems for word processing, providing secure access to applications and content from clients and other systems used by our employees, we have recently implemented an ERP package based on Quadra software to integrate and effectively manage our financial and procurement systems.

Our Office Property

We lease our Registered Office, located in our Falcon House premises in Bengaluru, India, from Cutchi Memon Union for a period of 15 years starting from April 1, 2004. The lease expires on March 31, 2019. Upon expiry, the Company is entitled to renew the lease by executing a new lease deed.

We have our branch offices at the following locations in India:

No.	Property and location	Status of Title
1.	Marine Drive, Kochi*	Leased
2.	T Nagar, Chennai	Leased
3.	Banjara Hills, Hyderabad	Leased
4.	Geras Imperium II Patto Plaza, Panjim Goa	Leased

***** *The lease agreement dated July 1, 2011 entered into by our Company with respect to this property expired on June 30, 2014 and the Company is in the process of getting the lease agreement renewed.*

Litigation

For further information on material litigation involving our Company, its Subsidiaries and Associates, see -"*Legal Proceedings*".

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The Board of Directors presently consists of seven Directors, and in accordance with the Articles of Association, our Company shall not have less than three Directors and not more than 12 Directors.

At every AGM, 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 multiple of three, then the number nearest to one-third shall retire from office. The Directors are not required to hold any Equity Shares to qualify to be a Director.

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 the number of interested directors exceeds or equals two thirds of the total strength of the Board, the remaining directors shall constitute the quorum.

The following table sets forth details regarding the Board of Directors as of the date of this Placement Document:

Sr. No.	Name	Age (years)	Designation
1.	**Irfan Razack** **Address:** No. 21/22-3, Craig Park Layout, M.G. Road, Bengaluru 560 001 **DIN:** 00209022 **Term:** Re-appointed on October 20, 2009 with effect from October 1, 2009 for a term of five years **Occupation:** Business **Nationality:** Indian	60	Chairman and Managing Director
2.	**Rezwan Razack** **Address:** No. 12, Magrath Road, Bengaluru 560 025 **DIN:** 00209060 **Term:** Re-appointed on October 20, 2009 with effect from October 1, 2009 for a term of five years **Occupation:** Business **Nationality:** Indian	59	Joint Managing Director
3.	**Noaman Razack** **Address:** No. 21/22-5, Craig Park Layout, M.G. Road, Bengaluru 560 001 **DIN:** 00189329 **Term:** Appointed on July 28, 2011 for a term of five years **Occupation:** Business	56	Whole-Time Director

Sr. No.	Name	Age (years)	Designation
	Nationality: Indian		
4.	**Jagdeesh K. Reddy** **Address:** Flat B-1, Chartered Court, Rathna Avenue, 51/B, Richmond Road, Bengaluru 560 025 **DIN:** 00220785 **Term:** Liable to retire by rotation **Occupation:** Business **Nationality:** Indian	46	Independent Director
5.	**B.G. Koshy** **Address:** No. 14, Versova Layout, 1st Cross, Kaggadaspura Road, C.V. Raman Road, Bengaluru 560 093 **DIN:** 01651513 **Term:** Liable to retire by rotation **Occupation:** Consultancy **Nationality:** Indian	66	Independent Director
6.	**Noor Ahmed Jaffer** **Address:** No. 3, 1st Cross, 8th Main, 4th Block, Koramangala, Bengaluru 560 034 **DIN:** 00027646 **Term:** Liable to retire by rotation **Occupation:** Business **Nationality:** Indian	64	Independent Director
7.	**Dr. Pangal Ranganath Nayak** **Address:** No. 141, 18th Main, 6th Block, Koramangala, Bengaluru 560 095 **DIN:** 01507096 **Term:** Liable to retire by rotation **Occupation:** Consultancy **Nationality:** Indian	56	Independent Director

Biographies of the Directors

Irfan Razack, holds a Bachelors degree in Commerce from St. Joseph's College, Bengaluru University where he was awarded the Lifetime Achievement Award by St. Joseph's Old Boys Association. He has also attended a course by the United Nations University International's Leadership Academy (UNU/ILA) in Jordan. He has been the Honorary Secretary of the Al-Ameen Educational Society for 16 years and the President of Bengaluru Commercial Association (BCA), Chairman of the real estate committee of CREDAI Karnataka for four years. He is also a special invitee to the Southern Regional Council of Confederation of Indian Industries (CII) and conducted and chaired three editions of the Estate South summit organized by them. He is also the receipient of the "Entrepreneur Extraordinaire award 2010" awarded by the Builders Association of India and Confederation of Real Estate Developers Association of India. He was also awarded with the Best Developer Award in 2009-10 by Karnataka State Town Planning Department. As past president of Rotary Midtown, Bengaluru, he is still actively involved in the club's activities, and is also a Paul Harris Fellow.

He has been our Managing Director since 1997. He has overall experience of 40 years in the retail and real estate industry and established our Company in 1986. He is responsible for the overall management of our Company and oversees a gamut of activities from corporate strategic planning to decision making.

Rezwan Razack, holds a Bachelors degree in Commerce from the St. Joseph's College, Bengaluru University. He established our Company in 1986. He assumes overall responsibility for the construction (including aesthetic developments) and engineering activities of our Company and also guides our overall decision making processes. He has been our Joint Managing Director since 1997. He has over 38 years experience in the retail and real estate industry.

He has completed his research on Indian paper currency and has co-authored a book titled 'Indian Paper Money', which is a reference and guide on currency in India. He is currently the Chairman of the International Banknotes Society - India Banknote Collectors' Chapter, Bengaluru.

Noaman Razack, holds a Bachelors degree in Commerce from Bengaluru University. He is one of the founding members of the Company and the Whole-time Director of the Company since July 28, 2011. He is currently the head of the Company's retail division and also the Managing Director of Prestige Fashions Private Limited (a company under the same management). He has over 35 years of work experience in business development.

Jagdeesh K. Reddy, holds a Bachelor of engineering degree from the Mangalore University and a Master of Business Administration degree from Joseph M. Katz Graduate School of Business, University of Pittsburgh. He is currently engaged in the transport business. He has been a member of our Board since November 10, 2009.

B.G. Koshy holds a Master of Arts degree in English from the University of Bombay. He has served as a member of the advisory panel of Central Board of Film Censors at Bombay. He is also serving a as a member of the advisory cell pertaining to minorities attached to the Karnataka DG & IG of Police. He has been a member of our Board since November 10, 2009.

Noor Ahmed Jaffer holds a Bachelor of Commerce degree in Commerce from St. Joseph's College, Bengaluru University. He co-founded Paper Packaging Private Limited in Bengaluru. He is also a director on the boards of Accupak Private Limited, a packaging unit in Bengaluru and Shimoga Infrastructure Private Limited. He has extensive business experience and specialises in strategic decision making. He has been a member of our Board since November 24, 2009.

Dr. Pangal Ranganath Nayak holds a Bachelors degree in Medicine and Surgery from the St. John's Medical College and Hospital, Bengaluru University and Doctorate in Medicine from Command Hospital, Bengaluru University. He also holds a Doctor of Medicine degree in Cardiology from Christian Medical College, Vellore. He is currently Senior Consultant Cardiology at Vikram Hospital, Bengaluru. He also has extensive business experience in the fields of healthcare, pharmaceutical sciences and clinical research. He was awarded the Hargobind Overseas Training Fellowship in 1991 for training in interventional cardiology in Australia and France. He has been a member of our Board since November 24, 2009.

Relationship with other Directors

Three of the directors, Irfan Razack, Rezwan Razack and Noaman Razack are related to each other. None of the other directors are related to each other.

Borrowing powers of the Board of Directors

In terms of the Articles of Association, the Board may, from time to time, at its discretion 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 resolution of the Company passed through a postal ballot on July 26, 2014, 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 ₹ 40,000 million at any time.

Interest of the Directors

Except as stated in "**Financial Statements – Related Party Transactions**" all of the Directors may be deemed to be interested to the extent of fees payable to them for attending Board or Board committee meetings. All of the Directors may also be regarded as interested in any Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them. All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, the companies, firms and trust, in which they are interested as directors, members, partners, trustees.

Our Promoters are further interested in the operations of our Company to the extent of the personal guarantees issued by them as security for most of our borrowings.

Other than as disclosed in this Placement Document, as of March 31, 2014, there were no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors were interested parties.

There are no existing or potential conflicts of interest between any duties owed to our Company by the Directors and the private interests or external duties of the Directors. As part of their investment portfolio, certain of the Directors and executive officers may from time to time hold direct or beneficial interests in securities of our Company or other companies, with which our Company has engaged or may engage in transactions, including those in the ordinary course of business. Our Company does not believe that the holdings in such other companies create a conflict of interest because transactions typically engaged between the issuers of such securities and our Company are not likely to have a material effect on the prices of such securities.

Our Promoters may also be deemed to be interested in the Company to the extent that they or any entities promoted by them hold an interest in any of our existing, ongoing or upcoming projects or the lands on which they are being developed. Further, our Promoters received ₹ 24 million each as rental income for the Fiscal 2014. For further details see section "**Financial Statements – Related Party Transactions**" on page F- pages.

Except as stated in "**Financial Statements – Related Party Transactions**" our Company has not entered into any contract, agreement or arrangement during the preceding two years from the date of this Placement Document in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. The Directors have not taken any loans from our Company.

Shareholding of Directors

The following table sets forth the number of Equity Shares held by the Directors as of July 25, 2014:

Name	Number of Equity Shares	Percentage (%)
Irfan Razack	65,625,000	18.75
Rezwan Razack	65,625,000	18.75
Noaman Razack	65,625,000	18.75
Jagdeesh K. Reddy	-	-
B.G. Koshy	-	-
Noor Ahmed Jaffer	-	-
Dr. Pangal Ranganath Nayak	-	-

***** *Less than 1.00%*

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 during the current Financial Year 2015 (to the extent applicable) and the Fiscal 2014, 2013 and 2012:

Irfan Razack

Financial Year	Remuneration	Perquisities and allowances	Commission	Total
2015 (to the extent applicable)	6,000,000	-	-	6,000,000
2014	24,000,000	-	-	24,000,000
2013	24,000,000	-	50,000,000	74,000,000
2012	24,000,000	-	-	24,000,000

Rezwan Razack

Financial Year	Remuneration	Perquisities and allowances	Commission	Total
2015 (to the extent applicable)	6,000,000	-	-	6,000,000
2014	24,000,000	-	-	24,000,000
2013	24,000,000	-	50,000,000	74,000,000
2012	24,000,000	-	-	24,000,000

Noaman Razack

Financial Year	Remuneration	Perquisities and allowances	Commission	Total
2015 (to the extent applicable)	750,000	-	-	750,000
2014	3,000,000	-	-	3,000,000
2013	3,000,000	-	-	3,000,000
2012	2,025,000	-	-	2,025,000

The remuneration by way of salary and commission payable to Irfan Razack, Chairman and Managing Director, Rezwan Razack, Joint Managing Director and Noaman Razack, Whole-Time Director is within the limits of the Companies Act.

Except Irfan Razack and Rezwan Razack, we do not have employment contracts with any other Directors.

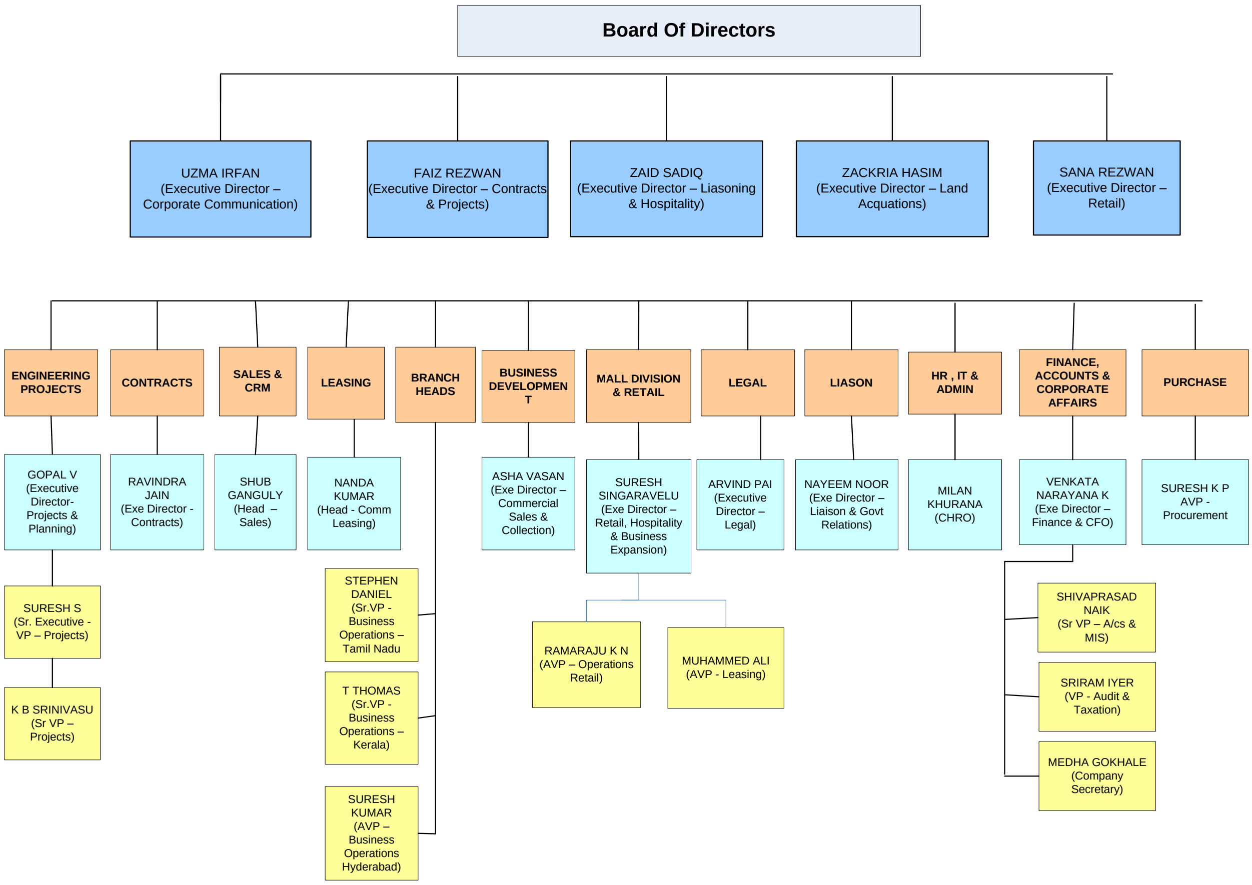
Non-Executive Directors

Our Non-Executive Directors (Independent Directors) are not paid any remuneration except for sitting fees. The Non-Executive Directors are paid ₹15,000 as sitting fees for attending board meetings and ₹ 10,000 for attending any committee meetings.

The sitting fees paid for the Fiscal 2015 (until date), Fiscal 2014, 2013 and 2012 to our Non-Executive Directors are as follows:

Sl. No	Name of the Non-Executive Director	Sitting Fees for FY 2015 (until date)	Sittings Fees for FY 2014	Sittings Fees for FY 2013	Sittings Fees for FY 2012
1.	Jagdeesh K. Reddy	25,000	100,000	100,000	100,000
2.	B.G. Koshy	25,000	75,000	135,000	110,000
3.	Noor Ahmed Jaffer	25,000	45,000	60,000	45,000
4.	Dr. Pangal Ranganath Nayak	0	100,000	115,000	60,000

Organisational structure of our Company



Key managerial personnel of our Company

The following table sets forth details regarding the key managerial personnel of our Company as of the date of this Placement Document:

Faiz Rezwan, Executive Director (Contracts & Projects), aged 35 years is the son of Rezwan Razack. He joined our Company as a Director on June 1, 2005. He has been appointed as Executive Director (Contracts & Projects) with effect from October 1, 2009. He is currently the head of the procurement department and is engaged in the development and planning of Prestige Golfshire Project. He was also actively involved in the formation of the Inventure Academy which marked the entry of the group into the field of education.

Uzma Irfan, Executive Director (Corporate Communications), aged 35 years is the daughter of Irfan Razack. She joined our Company as a Director on January 1, 2007. She has been appointed as Executive Director (Corporate Communications) with effect from October 1, 2009. She holds a Bachelors degree in Business Administration and a dual degree (English and American) from the American Inter Continental University, London and a Degree of Bachelor of Arts. She is currently handling corporate communications and oversees the media relationships of the group.

Zackria Hashim, Executive Director (Land Acquisition), aged 69 years joined our Company as a Director on June 1, 2005. He has been appointed as Executive Director (Land Acquisition) with effect from October 1, 2009. He has an experience of over 39 years in the real estate industry. He has been associated with our Company for over six years. He is involved in land surveying and land acquisition for our Company.

Zaid Sadiq, Executive Director (Liasioning & Hospitality), aged 37 years joined our Company as a Director on January 1, 2007. He has been appointed as our Executive Director (Liasioning and Hospitality) with effect from October 1, 2009. He holds degree in B.A. (Hons) Hospitality Management and Masters in Business Management Administration from Thames Valley University, U.K. He also holds Hospitality Management diploma (American Hotel and Lodging Association) from The London Hotel School, and he completed his internship in the Copthorne Tara Hotel, London for a period of one year. He has an over five years experience in the hospitality sector. He has been associated with our Company for the past 7 years and currently handles the public relations affairs of our Company.

Sana Rezwan, **Executive Director (Retail)**, aged 30 years is the daughter of Rezwan Razack. She has been appointed as the Executive Director of Retail with effect from February 1, 2012. She holds a degree in Bachelor of Fine Arts in Fashion Marketing from the American Inter Continental University, London. She has been admitted as a member of the Dean's list (Spring term 2006) for academic excellence by the Amercian Inter Continental University, London. She is actively involved with the retail vertical of the Prestige Group.

T. Arvind Pai, Executive Director (Legal), aged 47 years joined our Company on June 1, 1999. He holds a Bachelors degree in commerce and a Bachelors degree in law from the Mangalore University. Prior to joining us he was working with the Taj Group of Hotels, Bengaluru as a legal officer for the Bengaluru hotels. He has an experience of over 24 years and has been working as the head of the legal department of our Company for 15 years. He looks after the legal affairs of our Company, supports our land acquisition and development activities and is responsible for the management of our general contracting and legal processes and documentation.

V. Gopal, Executive Director (Project & Planning), aged 51 years joined us on March 23, 1992. He holds a Bachelor of Engineer degree in civil engineering from the Bengaluru University. He is also a Fellow of The Institution of Engineers (India) since 2006 and a Professional Member of The Royal Institution of Chartered Surveyors (RICS) since July 2013. He has an experience of over 29 years and has been associated with our Company for the past 22 years. He is currently the head of the engineering, construction and planning division of our Company and is in charge of project execution.

Venkata K. Narayana, Executive Director (Finance & Chief Financial Officer), aged 35 years joined us on July 1, 2003. He holds a Bachelors degree in Commerce from Indira Gandhi National Open University and is also a qualified Company Secretary, Chartered Accountant, costs accountant and is a member of the Institute of Chartered Secretaries and Administration (UK). He has an experience of over 14 years and has been associated with our Company for over ten years and is responsible for the overall finance function of our Company, corporate taxation and planning and corporate affairs. He was instrumental in introducing private equity investments into the group and for entering into several key strategic joint ventures.

Shivaprasad Naik, **Senior Vice President (Accounts)**, aged 49 years joined our Company on December 16, 1996. He holds a Bachelors degree in commerce from the Mangalore University and is a Chartered Accountant (Inter). He has an experience of over 28 years in finance and accounts. He has been associated with our Company for the past 17 years and is in charge of transaction processing, accounts and audit, MIS and budgeting.

Asha Vasan, Executive Director (Commercial Sales & Collection), aged 41 years joined us on May 4, 1992. She holds a diploma from the Bengaluru University. She has over 21 years of experience with our Company and has served in various business functions including guest relations, administration, collections, customer relations to sales and marketing and has been associated with our Company. She is currently the Executive Director – Business Development. She is responsible for sales of office and commercial space and resolving customer issues.

Nayeem Noor, Executive Director (Liaison & Government Relations), aged 54 years joined us on February 2, 1992. He has an experience of over 38 years and has been associated with our company for over 23 years. Prior to joining us, he was working with the Aluminium Etrusion Company in Saudi Arabia. He is currently the head of the department of public relations and liaison and is an interface between the Company, governmental departments and statutory authorities.

Ravindra Jain, Executive Director (Contracts), aged 67 years joined us on October 6, 2008. He holds a Bachelors degree in civil engineering from IIT Kanpur and a master's degree in business administration from the University of Allahabad. Prior to joining our Company he has worked with Topnotch Infrastructure Private Limited. He has an experience of over 39 years and has been associated with our Company for six years. He is currently the head of the contracts and procurement department and is responsible for procurement, tender negotiations, awarding contracts, quality assurance, budgeting, cost monitoring etc.

Suresh Singaravelu, Executive Director (Retail, Hospitality & Business Expansion), aged 62 years joined our Company on June 01, 2014. He holds a Master's degree in management sciences from the University of Madras. Prior to joining our Company he has worked with Raheja Group and has an overall work experience of over 10 years. He is currently the head of the retail department and is responsible for hospitality and business expansion activities at our Company.

Shubamay Ganguly, Head (Sales), aged 44 years joined our Company on March 29, 2013. He has completed an executive programme in Business Management from Indian Institute of Management, Calcutta. He has over 7 years of work experience. He is currently the head of the residential sales department at our Company.

Suresh K. P., Assistant Vice President (Procurement), aged 46 years joined our Company on October 30, 2013. He holds a Bachelors degree in mechanical engineering from Mahatma Gandhi University. Prior to joining our Company he has worked with Mumbai Metro One Private Limited and has an overall work experience of over 15 years. He is currently the head of the purchase department in our Company.

Lt. Col. (Retd.) Milan Khurana, (Chief Human Resource Officer), aged 47 years joined us on September 4, 2008. He holds a degree of Bachelor of Arts from the Jawarharlal Nehru University and participated in the eighth month of the Strategic HR Leader Programme organized by Totus HR School. He has an experience of 20 years in the Indian Army on various assignments that include Planning, HRD/Personnel, Training & Development, Security & Safety and General Administration. He has been associated with our company for the past six years. He is responsible for all the HR, IT & Admin activities that encompass recruitment, training and development.

Nanda Kumar O. P., Head (Leasing), aged 41 years joined our Company on January 4, 2006. He holds a degree of Bachelor of engineering in industrial engineering and management from Bangalore University. Prior to joining our Company he has worked with Sigma Group and has an overall work experience of over 18 years. He is currently the head of the commercial leasing department in our Company.

V.V.B.S. Sarma, Sr. Vice President (Finance & Accounts), aged 57 years was associated with the group since 1992 as a Consultant & joined Prestige Property Management & Services on May 1, 2009. He holds a Bachelor degree in Commerce from Bengaluru University and is also a qualified Chartered Accountant. He has over 29 years of experience in finance and accounting and currently manages the finance and accounting function for Prestige Property Management & Services and other firms.

Except for V.V.B.S. Sarma who is the employee of Prestige Property Management and Services all the other Key Management Personnel are permanent employees of our Company.

Shareholding of key managerial personnel

The following table sets forth the details regarding the shareholding of the key managerial personnel of our Company as of July 25, 2014:

Name	No. of Equity Shares held	Percentage of shareholding (%)
Uzma Irfan	5,475,750	1.56
Faiz Rezwan	5,465,250	1.56
T. Arvind Pai	2,100	0.00*
V. Gopal	3,270	0.00*
Venkata K. Narayana	27,200	0.00*
Shivaprasad Naik	10	0.00*
Asha Vasan	3,270	0.00*
Nayeem Noor	540	0.00*
Lt. Col. (Retd.) Milan Khurana	270	0.00*

**Less than 0.01%*

Interest of key managerial personnel

The Key Managerial Personnel of the Company do not have any other interest in the 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.

Certain of our Key Managerial Personnel have availed of loans and services of our Company to lease out immovable property which they have purchased from our Company. They consequently receive lease rentals from such immovable property through our Company. Further certain of our Key Managerial Personnel are partners in a partnership firm which provides automobile leasing services to the Company and earns lease revenue.

Corporate governance

Our Company has been complying with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchanges and the SEBI guidelines, in respect of corporate governance including constitution of the Board of Directors and committees thereof.

The Board of Directors presently consists of seven Directors. In compliance with the requirements of the Listing Agreement and the Companies Act 2013, the Board of Directors consists of four Independent Directors.

The corporate governance framework is based on an effective independent Board of Directors, separation of the supervisory role of the Board of Directors from the executive management team and proper constitution of committees of the Board of Directors. The Board of Directors functions either as a full Board or through various committees constituted to oversee specific operational areas.

Committees of the Board of Directors

As of the date of this Placement Document, there are five 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) Audit Committee; (ii) the Stakeholders Relationship Committee; (iii) Management Sub-Committee; (iv) Nomination and Remuneration Committee; and (v) CSR Committee.

The members of the aforesaid committees as of the date of this Placement Document are:

Committee	Members
Audit Committee	Jagdeesh K. Reddy (Chairman), B.G. Koshy, Irfan Razack and Dr. Pangal Ranganath Nayak
Stakeholders Relationship Committee	B.G. Koshy (Chairman), Irfan Razack and Rezwan Razack
Management Sub-Committee	Irfan Razack, Rezwan Razack and Noaman Razack
Nomination and Remuneration Committee	Dr. Pangal Ranganath Nayak, Jagdeesh K. Reddy, Noor Ahmed Jaffer
CSR Committee	Irfan Razack, Rezwan Razack, Noor Ahmed Jaffer and Venkat K. Narayana

The Company has also constituted another Board level committee being the QIP Committee with Irfan Razack, Rezwan Razack and Noaman Razack as members, *inter alia* to take decisions on matters arising out of QIP. Our Company will also be required to comply with new corporate governance requirements under Clause 49 of the Listing Agreement with effect from October 1, 2014.

Policy on disclosures and internal procedure for prevention of insider trading

Regulation 12(1) of the SEBI Prohibition of Insider Trading Regulations applies to our Company and its employees and requires our Company to implement a code of internal procedures and conduct for the prevention of insider trading. Our Company has implemented a code of conduct for prevention of insider trading in accordance with the SEBI Prohibition of Insider Trading Regulations.

Under the Companies Act, 2013, the directors and key managerial personnel are prohibited from (a) acquiring an option over, or entering into forward dealings in, securities of our Company, its Subsidiaries or associated companies; and (b) engaging in insider trading.

Other Confirmations

None of the Directors, Promoters or key managerial personnel of our Company has any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three Fiscal Years, as per the requirements under AS 18 issued by the Institute of Chartered Accountants in India, see the section "Financial Statements" on page F-pages.

PRINCIPAL SHAREHOLDERS

The following table sets forth the details regarding the shareholding pattern of our Company, as on July 25, 2014:

Sr. no.	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		Equity Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	Number of Equity Shares	As a % of Total no. of Equity Shares
(A)	**Shareholding of Promoter and promoter group**							
(1)	**Indian**							
	Individuals / Hindu Undivided Family	3	196,875,000	196,875,000	56.25	56.25	-	-
	Bodies Corporate	-	-	-	-	-	-	-
	Persons acting in concert	6	65,625,000	65,625,000	18.75	18.75	-	-
	Sub Total	**9**	**262,500,000**	**262,500,000**	**75.00**	**75.00**	**-**	**-**
(2)	**Foreign**							
	Total shareholding of Promoter and promoter group (A)	**9**	**262,500,000**	**262,500,000**	**75.00**	**75.00**	**-**	**-**
(B)	**Public Shareholding**							
(1)	**Institutions**							
	Mutual Funds / UTI	41	18,835,009	18,835,009	5.38	5.38	-	-
	Financial Institutions / Banks	3	16,372	16,372	0.00	0.00	6,526	39.86
	Insurance Companies	-	-	-	-	-	-	-
	Foreign Institutional Investors	123	63,263,544	63,263,544	18.08	18.08	-	-
	Sub Total	**167**	**82,114,925**	**82,114,925**	**23.46**	**23.46**	**6,526**	**0.01**
(2)	**Non-Institutions**							
	Bodies Corporate	311	3,229,282	3,229,282	0.92	0.92	68,154	2.11
	Individuals							
	Individual shareholders holding nominal share capital up to ₹ 0.1 million	8,874	1,494,647	1,494,644	0.43	0.43	28,652	1.92
	Individual shareholders holding nominal share capital in excess of ₹ 0.1 million	7	172,913	172,913	0.05	0.05	-	-
	Any Others (Specify)							
	Individual Director	-	-	-	-	-	-	-
	Non Resident Indians	215	137,841	137,841	0.04	0.04	-	-
	Trusts	1	5,955	5,955	-	-	-	-
	Overseas Corporate Bodies							
	Clearing Members	229	344,437	344,437	0.10	0.10	3,326	0.97
	Sub Total	**9,637**	**5,385,075**	**5,385,072**	**1.54**	**1.54**	**100,132**	**1.86**
	Total Public Shareholding (B)	**9,804**	**87,500,000**	**87,499,997**	**25**	**25**	**106,658**	**0.12**
	Total (A) + (B)	**9,813**	**350,000,000**	**349,999,997**	**100**	**100**	**106,658**	**0.03**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**							
	Promoter and Promoter Group	-	-	-	-	-	-	-
	Public	-	-	-	-	-	-	-
	Sub Total	-	-	-	-	-	-	-
	Grand Total (A)+(B)+(C)	**9,813**	**350,000,000**	**349,999,997**	**100**	**100**	**106,658**	**0.03**

The following table sets forth the details regarding the shareholding of the Promoter and Promoter Group as at July 25, 2014:

Sr. No.	Name of the shareholder	Total Equity Shares held	
		Number of Equity Shares	Total shareholding as A % of grand total (A) + (B) + (C)
1.	Irfan Razack	65,625,000	18.75
2.	Rezwan Razack	65,625,000	18.75
3.	Noaman Razack	65,625,000	18.75
4.	Badrunissa Irfan	16,406,250	4.69
5.	Almas Rezwan	16,406,250	4.69
6.	Sameera Noaman	16,406,250	4.69
7.	Uzma Irfan	54,75,750	1.56
8.	Faiz Rezwan	54,65,250	1.56
9.	Zayd Noaman	54,65,250	1.56
	Total	**262,500,000**	**75.00**

The following table sets forth the details regarding the shareholding of persons belonging to the category "Public" and holding more than 1% of the total number of Equity Shares as at July 25, 2014:

Sr. No.	Name of the shareholder	Number of Equity Shares	Total shareholding as a % of total no. of Equity Shares
1.	HSBC Bank (Mauritius) Limited a/c Jwalamukhi Investment Holdings	13,370,583	3.82
2.	Reliance Capital Trustee Company Limited a/c- Reliance Monthly Income Plan	8,942,936	2.56
3.	Government of Singapore	8,654,885	2.47
	Total	**30,968,404**	**8.85**

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 to be issued pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and investors are presumed to have apprised themselves of any such changes from our Company or the Lead Managers. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. See the sections "***Selling Restrictions***" *and* "***Transfer Restrictions***" *on pages 167 and 173 respectively.*

Qualified Institutions Placement

The Issue is being made to Eligible QIBs in reliance upon Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013, through the mechanism of a QIP. Under Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company may issue equity shares to Eligible QIBs provided that certain conditions are met by the company. Certain of these conditions are set out below:

- the shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must specify (a) that the allotment of securities is proposed to be made pursuant to the QIP; and (b) the Relevant Date;
- equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution;
- the aggregate of the proposed issue and all previous QIPs made by the issuer in the same financial year does not exceed five times the net worth (as defined in the SEBI Regulations) of the issuer as per the audited balance sheet of the previous financial year;
- the issuer shall be in compliance with the minimum public shareholding requirements set out in the SCRR;
- the issuer shall have completed allotments with respect to any offer or invitation made by the issuer and has not withdrawn or abandoned any invitation or offer made by the issuer;
- the issuer shall offer to each Allottee such number of the securities in the issue which would aggregate to at least ₹ 20,000 calculated at the face value of the securities.
- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- the offer must be made through a private placement offer letter and an application form serially numbered and addressed specifically to the Eligible QIB to whom the offer is made and is sent within 30 days of recording the names of such Eligible QIBs;
- Prior to circulating the private placement offer letter, the issuer must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such persons whose names are recorded by the issuer prior to the invitation to subscribe;
- the offering of securities by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public about the issue is prohibited.

At least 10 per cent. of the Equity Shares issued to Eligible QIBs must be allotted to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw their Bids after the Bid/Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. However, a discount of up to 5% of the Floor Price is permitted in accordance with the provisions of the SEBI Regulations.

The "Relevant Date" referred to above, for Allotment, will be the date of the meeting in which the committee of Directors duly authorised by the Board decides to open the Issue and "stock exchange" means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the Relevant Date.

Our Company has applied for and received the in-principle approval of the Stock Exchanges under Clause 24 (a) of its Equity Listing Agreements for the listing of the Equity Shares on the Stock Exchanges. Our Company has also delivered a copy of the Preliminary Placement Document and this Placement Document to the Stock Exchanges.

Our Company shall also make the requisite filings with the RoC and SEBI within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The Issue has been authorized by (i) the Board pursuant to a resolution passed on May 26, 2014 and (ii) the shareholders resolution through a postal ballot passed on July 26, 2014.

The Equity Shares will be Allotted within 12 months from the date of the shareholders' resolution approving the QIP and within 60 days from the date of receipt of subscription money from the successful Bidders. For details of refund of application money, see the section "**Issue Procedure – Pricing and Allocation – Designated Date and Allotment of Equity Shares**".

The Equity Shares issued pursuant to the QIP must be issued on the basis of the Preliminary Placement Document and this Placement Document that shall contain all material information including the information specified in Schedule XVIII of the SEBI Regulations and the requirements prescribed under Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select investors through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹ 2.5 billion; and
- five, where the issue size is greater than ₹ 2.5 billion.

No single allottee shall be allotted more than 50% of the issue size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes "same group" or "common control", see the section "**Issue Procedure—Application Process—Application Form**".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Securities allotted to Eligible QIBs pursuant to this Issue shall not be sold for a period of one year from the date of allotment except on the floor of a recognised stock exchange in India.

Issue Procedure

1. Our Company and the Lead Managers shall circulate serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to the Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(7) of the Companies Act, 2013, our Company shall maintain complete records of the Eligible QIBs to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC

and SEBI within the time period as stipulated under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form is addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs may submit an Application Form, including any revisions thereof, during the Bidding Period to the Lead Managers.

4. Bidders will be required to indicate the following in the Application Form:

   - name of the Eligible QIB to whom Equity Shares are to be Allotted;
   - number of Equity Shares Bid for;
   - price at which they are agreeable to subscribe for the Equity Shares, provided that Eligible QIBs may also indicate that they are agreeable to submit a Bid at “Cut-off Price”; which shall be any price as may be determined by our Company in consultation with the Lead Managers at a price not more than 5% discount on the floor price in terms of Regulation 85 of the SEBI Regulations, such price assuming a maximum 5% discount is ₹ 235.32 per Equity Share;
   - details of the depository participant account to which the Equity Shares should be credited; and
   - a representation that it is either (i) outside the United States, or (ii) an institutional investor meeting the requirements of a “qualified institutional buyer” as defined in Rule 144A, and (iii) it has agreed to certain other representations set forth in the Application Form.

Note**: Each sub-account of an FII other than a sub-account which is a foreign corporate or a foreign individual will be considered as an individual Eligible QIB and separate Application Forms would be required from each such sub-account for submitting Bids.**

5. Once a duly completed Application Form is submitted by an Eligible QIB, such Application Form constitutes an irrevocable offer and cannot be withdrawn after the Bid/Issue Closing Date. The Bid/Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

6. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.

7. Upon receipt of the Application Form, after the Bid/Issue Closing Date, our Company shall determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue in consultation with the Lead Managers. Upon determination of the final terms of the Equity Shares, the Lead Managers will send the serially numbered CAN along with the Placement Document to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Eligible QIB to pay the entire Issue Price for all the Equity Shares Allocated to such Eligible QIB. The CAN shall contain details such as the number of Equity Shares Allocated to the Eligible QIB and payment instructions including the details of the amounts payable by the Eligible QIB for Allotment of the Equity Shares in its name and the Pay-In Date as applicable to the respective Eligible QIB. **Please note that the Allocation will be at the absolute discretion of our Company and will be based on the recommendation of the Lead Managers.**

8. Pursuant to receiving a CAN, each Eligible QIB shall be required to make the payment of the entire application monies for the Equity Shares indicated in the CAN at the Issue Price, only through electronic transfer to our Company’s designated bank account by the Pay-In Date as specified in the CAN sent to the respective Eligible QIBs. No payment shall be made by Eligible QIBs in cash. Please

note that any payment of application money for the Equity Shares shall be made from the bank accounts of the relevant Eligible QIBs applying for the Equity Shares. Monies payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the application. Pending Allotment, all monies received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013 i.e. the Escrow Account. See "**Issue Procedure-Bank Account for Payment of Application Money**" on page 163.

9. Upon receipt of the application monies from the Eligible QIBs, our Company shall Allot Equity Shares as per the details in the CANs sent to the Eligible QIBs.

10. After passing the Board or committee (as the case maybe) resolution for Allotment and prior to crediting the Equity Shares into the depository participant accounts of the successful Bidders, our Company shall apply to the Stock Exchanges for listing approvals. Our Company will intimate to the Stock Exchanges the details of the Allotment and apply for approvals for listing of the Equity Shares on the Stock Exchanges prior to crediting the Equity Shares into the beneficiary account maintained with the Depository Participant by the Eligible QIBs.

11. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the Depository Participant accounts of the respective Allottees.

12. Our Company will then apply for the final trading approvals from the Stock Exchanges.

13. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

14. Upon receipt of intimation of final trading and listing approval from the Stock Exchanges, our Company shall inform the Allottees of the receipt of such approval. Our Company and the Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing 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. Eligible QIBs are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible Qualified Institutional Buyers

This issue is being made only to Eligible QIBs. Only the following categories of QIBs are eligible to invest in this Issue:

- alternate investment funds registered with SEBI
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- Mutual Fund;
- pension funds with minimum corpus of ₹ 250 million;
- provident funds with minimum corpus of ₹ 250 million;
- public financial institutions as defined in Section 4A of the Companies Act, 1956 (Section 2(72) of the Companies Act, 2013);
- scheduled commercial banks;

- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and
- venture capital funds registered with SEBI;

Note: FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in this Issue.

FIIs (other than a sub-account which is a foreign corporate or a foreign individual) and Eligible FPIs are permitted to participate through the foreign portfolio investment scheme under Schedule 2 and Schedule 2A of FEMA 20 respectively. In this Issue, FIIs and Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA 20, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the shareholders of our Company. The existing investment limit for FPIs (including FIIs) in our Company is 49% of the paid up capital of our Company.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

An FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account (other than a sub-account which is a foreign corporate or a foreign individual) may participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. If the registration of an FII or sub-account has expired or is about to expire, such FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the FEMA 20, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Under Regulation 86(1)(b) of the SEBI Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being, or any person related to, the Promoters. Eligible QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or persons related to the Promoters;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that an Eligible QIB which does not hold any shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company and the Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the Takeover Code.

Note: *Affiliates or associates of the Lead Managers who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Application Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations and warranties and the representations, warranties and agreements made under the sections "**Notice to Investors**", "**Representations by Investors**", "**Selling Restrictions**" and "**Transfer Restrictions**" on pages 1, 3, 167, and 173, respectively:

1. The Bidder confirms that it is an Eligible QIB;

2. The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters;

3. The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or persons related to the Promoters, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoters;

4. The Eligible QIB acknowledges that it has no right to withdraw its Bid after the Bid/Issue Closing Date;

5. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

6. The Eligible QIB confirms that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted. The Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;

7. The Eligible QIB confirms that its Bids would not eventually result in triggering a tender offer under the Takeover Code;

8. The Eligible QIB confirms that to the best of its knowledge and belief, the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

   4 The expression 'belong to the same group' shall derive meaning from the concept of 'companies under the same group' as provided in sub-section (11) of Section 372 of the Companies Act; and

   5 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Code;

9. The Eligible QIBs shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

ELIGIBLE QIBS MUST PROVIDE THEIR DEPOSITORY ACCOUNT DETAILS, PAN, THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, EMAIL ID AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. FOR THIS PURPOSE, ELIGIBLE SUB ACCOUNTS OF AN FII WOULD BE CONSIDERED AS AN

INDEPENDENT ELIGIBLE QIB.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of an Application Form by an Eligible QIB shall be deemed a valid, binding and irrevocable offer for the Eligible QIB to pay the entire Issue Price for the Equity Shares (as indicated by the CAN) and becomes a binding contract on the Eligible QIB upon issuance of the CAN by our Company in favour of the Eligible QIB.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for. All Application Forms duly completed along with payment and a copy of the PAN card or PAN allotment letter shall be submitted to the Lead Managers as per the details provided in the respective CAN. The Application Forms may also be submitted to the Lead Managers either through electronic form or through physical delivery at the following address:

Name of Lead Manager	Address	Contact person	Email	Phone (telephone and fax)
CLSA India Limited	8/F, Dalamal House, Nariman Point, Mumbai 400 021, Maharashtra, India	Sarfaraz Agboatwala	sarfaraz.agboatwala@clsa.com	Tel: +91 22 6650 5050 Fax: +91 22 2284 0271
J.P. Morgan India Private Limited	J.P. Morgan Tower Off. C.S.T. Road Kalina, Santacruz - East Mumbai 400 098 Maharashtra, India	Ranjan Sharma	ranjan.b.sharma@jpmorgan.com	Tel: +91 22 6157 3000 Fax: +91 22 6157 3911

The Lead Managers shall not be required to provide any written acknowledgement of the same.

Permanent Account Number or PAN

Each Eligible QIB should mention its PAN allotted under the IT Act in the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. Eligible QIBs should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Pricing and Allocation

Build up of the Book

The QIBs shall submit their Bids (including the revision of bids) within the Bidding Period to the Lead Managers. Such Bids cannot be withdrawn after the Bid/Issue Closing Date. The book shall be maintained by the Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the SEBI Regulations.

After finalisation of the Issue Price, our Company shall update the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Lead Managers on a discretionary basis and in compliance with Chapter VIII of the SEBI Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE LEAD MANAGER IS OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on the Application Forms received, our Company, in consultation with the Lead Managers, in their sole and absolute discretion, shall decide the Eligible QIBs to whom the serially numbered CAN shall be sent, pursuant to which the details of the Equity Shares Allocated to them and the details of the amounts payable for Allotment of such Equity Shares in their respective names shall be notified to such Eligible QIBs. Additionally, a CAN will include details of the relevant Escrow Bank Account into which such payments would need to be made, address where the application money needs to be sent, Pay-In Date as well as the probable designated date, being the date of credit of the Equity Shares to the respective Eligible QIB's account.

The Eligible QIBs would also be sent a serially numbered Placement Document either in electronic form or by physical delivery along with the serially numbered CAN.

The dispatch of the serially numbered Placement Document and the serially numbered CAN to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIB to furnish all details that may be required by the Lead Managers and to pay the entire Issue Price for all the Equity Shares Allocated to such Eligible QIB.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

Bank Account for Payment of Application Money

Our Company has opened the "PEPL – QIP Escrow Account" with HDFC Bank Limited in terms of the arrangement among our Company, the Lead Managers and HDFC Bank Limited as escrow bank. The Eligible QIB will be required to deposit the entire amount payable for the Equity Shares Allocated to it by the Pay-In Date as mentioned in, and in accordance with, the respective CAN.

Payments are to be made only through electronic fund transfer.

Note: Payments through cheques are liable to be rejected.

If the payment is not made favouring the "PEPL – QIP Escrow Account" within the time stipulated in the CAN, the Application Form and the CAN of the Eligible QIB are liable to be cancelled.

Our Company undertakes to utilise the amount deposited in PEPL – QIP Escrow Account only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of application money if our Company is not able to Allot Equity Shares in the Issue.

In case of cancellations or default by the Eligible QIBs, our Company and the Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new Eligible QIBs at their sole and absolute discretion.

Designated Date and Allotment of Equity Shares

The Equity Shares will not be Allotted unless the Eligible QIBs pay the Issue Price to the "PEPL – QIP Escrow Account" as stated above.

The Equity Shares in the Issue will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Our Company, at its sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, our Company will apply for final trading and listing approvals from the Stock Exchanges.

In the case of Eligible QIBs who have been Allotted more than 5% of the Equity Shares in the Issue, our Company shall disclose the name and the number of the Equity Shares Allotted to such Eligible QIB to the Stock Exchanges and the Stock Exchanges will make the same available on their website.

The Escrow Bank shall release the monies lying to the credit of the Escrow Bank Account to our Company after Allotment of Equity Shares to Eligible QIBs.

In the event that our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of application money, our Company shall repay the application money within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at the rate of 12% per annum from expiry of the sixtieth day. The application money to be refunded by our Company shall be refunded to the same bank account from which application money was remitted by the Eligible QIBs.

Other Instructions

Right to Reject Applications

Our Company, in consultation with the Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company and the Lead Managers in relation to the rejection of Bids shall be final and binding.

Equity Shares in Dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Allotment to a successful Eligible QIB will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Eligible QIB.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all Eligible QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on part of the Eligible QIBs.

PLACEMENT

Placement Agreement

The Lead Managers have entered into a Placement Agreement with our Company, pursuant to which the Lead Managers have severally (and not jointly, or jointly and severally) agreed to manage the Issue and to act as placement agents in connection with the proposed Issue and undertake to use their reasonable efforts as placement agents to seek to procure subscription for Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VIII of the SEBI Regulations.

The Placement Agreement contains customary representations, warranties and indemnities from our Company and the Lead Managers, and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

In connection with the Issue, the Lead Managers (or their respective affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the 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 Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. See the section "**Offshore Derivative Instruments**" on page 8.

Lock-up

Our Company has agreed that it will not, without the prior written consent of the Book Running Lead Managers, from the date of the placement agreement and for a period of up to 90 days from the Closing Date, 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.

Each of the Promoters and the members of the Promoter Group has agreed that, without the prior written consent of the Book Running Lead Managers, they will not, during the period commencing on the date hereof and ending 90 days after the date of Allotment of the Issue Shares 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.

The restrictions described in the foregoing paragraph do 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 th e 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.

SELLING RESTRICTIONS

General

No action has been or will be taken in any jurisdiction by our Company or the Lead Managers that would permit a public offering of the Equity Shares or the possession, circulation or distribution of this Placement Document or any other material relating to our Company or the Equity Shares in the Issue in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares in the Issue may not be offered or sold, directly or indirectly and neither this Placement Document nor any other offering material or advertisements in connection with the Equity Shares issued pursuant to 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 and will not impose any obligations on our Company or the Lead Managers. The Issue will be made in compliance with the SEBI Regulations. Each subscriber of the Equity Shares in the Issue will be required to make, or will be deemed to have made, as applicable, the acknowledgments and agreements as described under the section "*Transfer Restrictions*" on page 173.

Australia

We are not registered as a foreign company in Australia. The provision of this Placement Document to any person does not constitute an offer of the Equity Shares to that person or an invitation to that person to apply for Equity Shares. Any such offer or invitation will only be extended to a person in Australia if that person is:

- a sophisticated or professional investor for the purposes of section 708 of the Corporations Act of Australia; and
- a wholesale client for the purposes of section 761G of the Corporations Act of Australia.

This Placement Document is not intended to be distributed or passed on, directly or indirectly, to any other class of persons in Australia.

This Placement Document is not a disclosure document under Chapter 6D of the Corporations Act or a product disclosure statement under Part 7.9 of the Corporations Act. It is not required to, and does not, contain all the information which would be required in a disclosure document or a product disclosure document. It has not been lodged with the Australian Securities and Investments Commission. Any person to whom an Equity Share is issued or sold must not, within 12 months after the offering, offer, transfer or assign that Equity Share to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act.

No person referred to in this Placement Document holds an Australian financial services license. The information in this Placement Document has been prepared without taking into account any investor's investment objectives, financial situation or particular needs. Before acting on the information the investor should consider its appropriateness having regard to their investment objectives, financial situation and needs.

This Placement Document has not been prepared specifically for Australian investors. It:

- may contain references to dollar amounts which are not Australian dollars;
- may contain financial information which is not prepared in accordance with Australian law or practices;
- may not address risks associated with investment in foreign currency denominated investments; and
- does not address Australian tax issues.

This Placement Document is issued by us. We are not licensed in Australia to provide financial product advice in relation to the Equity Shares. An investor in the Equity Shares will not have cooling off rights.

Bahrain

This Placement Document has been prepared for private information purposes of intended investors only. This Placement Document is intended to be read by the addressee only. No invitation has been made in or from the Kingdom of Bahrain and there will be no marketing or offering of the Equity Shares to any potential investor in Bahrain. All marketing and offering is made and will be made outside of the Kingdom of Bahrain. The Central Bank of Bahrain or any other regulatory authority in Bahrain has not reviewed, nor has it approved, this offering document or the marketing of the Equity Shares and takes no responsibility for the accuracy of the statements and information contained in this Placement Document, nor shall it have any liability to any person for any loss or damage resulting from reliance on any statements or information contained herein.

Dubai International Financial Centre

This Placement Document relates to an exempt offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority. This Placement Document 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 Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with exempt offers. The Dubai Financial Services Authority has not approved the Equity Shares or this document nor taken steps to verify the information set out in it, and has no responsibility for it. The securities to which this Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser. In relation to its use in the Dubai International Financial Centre ("**DI FC**"), this Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the Equity Shares may not be offered or sold directly or indirectly to the public in the DIFC.

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 of the Lead Managers has represented 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 the Equity Shares which are the subject of the offering contemplated by this Placement Document to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
(b) 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), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Lead Managers; or
(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall require our Company or the 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 the 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 any Equity Shares to be offered so as to enable an investor to decide to purchase any Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and 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.

Hong Kong

Each of the Lead Managers has represented, warranted and agreed that:

(a) 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 Securities 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 (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32)of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
(b) 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 applicable 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 Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The Equity Shares have not been and will not be registered under the Financial Instrument and Exchange Law of Japan (the "**FIEL**"). The Equity Shares have not been offered or sold and will not be offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term shall mean any person resident in Japan or any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and other applicable laws, regulations and governmental guidelines in Japan.

India

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefits of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs only and is not an offer to the public. This Placement Document is neither a public issue nor a prospectus nor a statement in lieu of a prospectus under the Companies Act or an advertisement and should not be circulated to any person other than those to whom the offer is made. This Placement Document has not been and will not be registered as a prospectus with the RoC. The offering of Equity Shares pursuant to this Placement Document by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public at large about this Issue is prohibited. This Placement Document will be circulated only to Eligible QIBs whose names are recorded by our Company prior to making an invitation to subscribe to Equity Shares. The minimum value of offer or invitation to subscribe to each Eligible QIB is ₹ 20,000 of the face value of the Equity Shares.

Korea

The Equity Shares have not been and will not be registered under the Securities and Exchange Act of Korea and none of the Equity Shares may be offered or sold, directly or indirectly, in Korea or to any resident of Korea or to any persons for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its Enforcement Decree) except pursuant to an exemption from the registration requirements of the Securities and Exchange Act of Korea available thereunder and/or in compliance with applicable laws and regulations of Korea.

Kuwait

The Equity Shares have not been licenced for offering in Kuwait by the Ministry of Commerce and Industry in Kuwait, the Central Bank of Kuwait or any other relevant Kuwaiti government agency. The offering of the Equity Shares in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Decree Law No. 31 of 1990, as amended, and Ministerial Order No. 113 of 1992, as amended. No private or public offering of the Equity Shares is being made in Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in Kuwait.

Malaysia

No approval, authorization or recognition from, or registration with, the Securities Commission of Malaysia ("**SC**") has been applied for or will be obtained for the offer for subscription or purchase of, or invitation to subscribe for or purchase, the Equity Shares or any other securities under the Capital Markets and Services Act 2007. Neither this Placement Document nor any prospectus or other offering document has been or will be approved by, or registered or lodged with, the SC or any other authority in connection with the offering or invitation in Malaysia.

Accordingly, no offering or invitation in respect of the Equity Shares or any other securities is or will be made in Malaysia pursuant to this Placement Document or any amendment or supplement hereto. This Placement Document or any amendment or supplement hereto or any other offering document in relation to the Equity Shares may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

New Zealand

Each Lead Manager represents and agrees that:

- it has not offered or sold, and will not offer or sell, directly or indirectly, any Equity Shares;and

- it has not distributed and will not distribute, directly or indirectly, any offering materials or advertisement in relation to any offer of the Equity Shares, in each case in New Zealand other than:
  - (i) to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money;
  - (ii) to persons who in all the circumstances can properly be regarded as having been selected otherwise than as members of the public;
  - (iii) to persons who are each required to pay a minimum subscription price of at least NZ$500,OOO for the Equity Shares before the allotment of the Equity Shares (disregarding any amounts payable, or paid, out of money lent by our Company or any associated person of our Company);
  - (iv) to persons who are eligible persons within the meaning of section 5(2CC) of the Securities Act 1978; or
  - (v) in other circumstances where there is no contravention of the Securities Act 1978 of New Zealand (or any statutory modification or re-enactment of, or statutory substitution for, the Securities Act 1978 of New Zealand).

Oman

By receiving this Placement Document, the person or entity to whom it has been issued understands, acknowledges and agrees that this Placement Document has not been approved by the Capital Market Authority of Oman (the "**CMA**") or any other regulatory body or authority in the Sultanate of Oman ("**Oman**"), nor have the Lead Managers or any placement agent acting on their behalf received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute interests in the Equity Shares within Oman.

No marketing, offering, selling or distribution of any interests in the Equity Shares has been or will be made from within Oman and no subscription for any interests in the Equity Shares may or will be consummated within Oman. Neither the Lead Managers nor any placement agent acting on their behalf is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. Neither the Lead Managers nor any placement agent acting on their behalf advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Memorandum is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Qatar (excluding the Qatar Financial Centre)

The Equity Shares have not been, and are not being, offered or sold, directly or indirectly, in the State of Qatar, except (i) in compliance with all applicable laws and regulations of the State of Qatar; and (ii) through persons or corporate entities authorised and licenced to provide investment advice and/or engage in brokerage activity and/ or trade in respect of foreign securities in the State of Qatar.

Qatar Financial Centre

This Placement Document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Center ("**QFC**"), and accordingly should not be construed as such. This Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

Saudi Arabia

This Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated 20/08/1424H (corresponding to 04/10/2004G), as amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18 August 2008. The Capital Market Authority does not make any representation as to the accuracy or completeness of this Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Placement Document you should consult an authorised financial advisor.

Singapore

This Placement Document has not been registered as a Prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**Securities and Futures Act**"). Accordingly, the Equity Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Placement Document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Equity Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act) pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person (as defined in Section275(2) of the Securities and Futures Act) pursuant to Section 275(1) of the Securities and Futures Act, or any person pursuant to an offer referred to in Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Equity Shares are acquired by persons who are relevant persons specified in Section 276 of the Securities and Futures Act, namely:

(a) a corporation (which is not an accredited investor) (as defined in Section 4A of the Securities and Futures Act) 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

(b) 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 six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the Securities and Futures Act except:

(i) to an institutional investor (under Section 274 of the Securities and Futures Act) or to a relevant person as defined in Section 275(2) of the Securities and Futures Act, 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 or 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(1A) or Section 276(4)(i)(B) of the Securities and Futures Act;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the Securities and Futures Act; or

(v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Placement Document has been prepared without regard to the disclosure standards for issuance prospectuses under Article 652a or Article 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under Articles 27 ff. of the SIX Listing Manual or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares or the Issue may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares or the Issue or us have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Placement Document will not be filed with, and the Issue will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA ("**FIMA**"), and the Issue has not been and will not be authorised under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the Equity Shares.

The Equity Shares are being offered in Switzerland by way of a private placement, i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Placement Document, as well as any other offering or marketing material relating to the Shares, is confidential and it is exclusively for the use of the individually addressed investors in connection with the offer of the Equity Shares in Switzerland and it does not constitute an offer to any other person. This Placement Document may only be used by those investors to whom it has been handed out in connection with the Issue and may neither directly nor indirectly be distributed or made available to other persons without our express consent. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in or from Switzerland.

The Cayman Islands

This Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

United Kingdom

Each Lead Manager has represented and agreed that:

(a) 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 2000 (as amended) ("**FSMA**")) received by it in connection with the issue or sale of the Equity Shares in circumstances in which Section 21(1) of FSMA does not apply to our Company; and

(b) it has complied with, and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom.

United Arab Emirates

This Placement Document is strictly private and confidential and is being distributed to a limited number of investors. This Placement Document must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. By receiving this Placement Document, the person or entity to whom it has been issued understands, acknowledges and agrees that none of our Equity Shares or this Placement Document have been approved by or filed with the U.A.E. Central Bank, the U.A.E. Ministry of Economy and Planning, the Securities and Commodities Authority ("**SCA**") or any other authorities in the United Arab Emirates, nor has the placement agent, if any, or any Lead Manager received authorisation or licensing from the U.A.E. Central Bank, the U.A.E. Ministry of Economy and Planning, the SCA or any other authorities in the United Arab Emirates to market or sell our Equity Shares within the United Arab Emirates. No marketing of our Equity Shares has been or will be made from within the United Arab Emirates other than in compliance with the laws of the U.A.E. and no subscription to our Equity Shares may or will be consummated within the United Arab Emirates. It should not be assumed that the placement agent, if any, or any Placement Manager is a licensed broker, dealer or investment adviser under the laws applicable in the United Arab Emirates, or that any of them advise individuals resident in the United Arab Emirates as to the appropriateness of investing in or purchasing or selling securities or other financial products. The interests in our Equity Shares may not be offered or sold directly or indirectly to the public in the United Arab Emirates. This does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise.

United States of America

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States and to U.S. Persons only to persons who are qualified institutional buyers (as defined in Rule 144A under the Securities Act and referred to in this Placement Document as "**U.S. QI Bs**"), and (b) outside the United States to non-U.S. persons in an "offshore transaction" in reliance on Regulation S.

TRANSFER RESTRICTIONS

The Equity Shares being Allotted shall not be sold for a period of one year from the date of Allotment, except on the Stock Exchanges. Due to the following restrictions, investors are advised to consult legal counsel prior to making any resale, pledge or transfer of the Equity Shares.

Subscribers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the BSE or the NSE. Additional transfer restrictions applicable to the Equity Shares are listed below.

The Equity Shares are subject to restrictions on transferability and resale and may not be offered, transferred or resold in the United States, except as permitted under the US Securities Act and applicable state securities laws pursuant to registration or an exemption from, or a transaction not subject to, registration requirements under the US Securities Act and in accordance with the restrictions below. In addition, until 40 days after the commencement of the placement, an offer or sale of Shares within the United States by any dealer (whether or not participating in the placement) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

Rule 144A Restrictions

Prospective purchasers are hereby notified that the seller of Equity Shares may be relying on the exemption from the provisions of Section 5 of the US Securities Act provided by Rule 144A.

Each purchaser of Equity Shares within the United States in reliance on Rule 144A, by accepting delivery of this Placement Document, will be deemed to have acknowledged, represented and agreed with us and the Lead Managers as follows (terms that are defined in Rule 144A or Regulation S are used in the following as defined therein):

1) It is (A) a "*qualified institutional buyer*" within the meaning of Rule 144A, (B) aware, and each beneficial owner has been advised, that the sale of the Equity Shares to it is being made in reliance on Rule 144A and (C) acquiring such Equity Shares for its own account or for the account of a qualified , as the case may be;

2) It understands that the Equity Shares have not been and will not be registered under the US Securities Act and may not be reoffered, resold, pledged or otherwise transferred except (A) (i) to a person that it and any person acting on its behalf reasonably believe is a US QIB purchasing for its own account or for the account of a US QIB in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S or (iii) pursuant to any other available exemption from registration under the US Securities Act, and (B) in each case, in accordance with all applicable securities laws of any state of the United States and any other jurisdiction;

3) It understands that the Equity Shares purchased pursuant to Rule 144A (to the extent they are in certificated form) will bear a legend to the following effect, unless we determine otherwise in compliance with applicable law:

"THE EQUITY SHARES EVIDENCED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON WHOTHAT THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVESBELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING (A "US QIB") THAT IS ACQUIRING THE SHARES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A ONE OR MORE QIBS, (2) IN AN OFFSHORE TRANSACTION COMPLYINGIN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER ("RULE 144"), IF AVAILABLE), AND (B) IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND

ANY OTHER JURISDICTION.”

4) It is not an affiliate of ours or a person acting on behalf of such affiliate.

5) We, the Lead Managers and our and their respective affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Equity Shares for the account of one or more US QIBs, 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 each such account.

Regulation S Restrictions

Each purchaser of Equity Shares outside the United States in reliance on Regulation S will be deemed to have acknowledged, represented and agreed with us and the Lead Managers as follows (terms that are defined in Regulation S are used in the following as defined therein):

1) The Equity Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer.
2) It and the person, if any, for whose account it is acquiring the Equity Shares are acquiring such Equity Shares in an offshore transaction meeting the requirements of Regulation S.
3) It is not an affiliate of ours or a person acting on behalf of such affiliate.

We, the Lead Managers and our and their respective affiliates, and others, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Equity Shares for the account of other persons, 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 each such account.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Lead Managers or any of their respective affiliates or advisors.

India has a long history of organized 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, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the Securities Contracts (Regulation) Rules, 1957 (the "**SCRR**"). On June 20, 2012, SEBI, in exercise of its powers under the SCRA and the Securities and Exchange Board of India Act, 1992, as amended from time to time (the "**SEBI Act**"), notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 (the "**SCR (SECC) Rules**"), 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. The SCRA, the SCRR and the SCR (SECC) Rules along with 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 of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

As of April 27, 2014, there are 18 recognized stock exchanges in India. 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 capitalization and trading activity.

With effect from April 1, 2003, the stock exchanges in India operate on a trading day plus two, or T+2, rolling settlement system. At the end of the T+2 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Wednesday. In order to contain the risk arising out of the transactions entered into by the members of various stock exchanges either on their own account or on behalf of their clients, the stock exchanges have designed risk management procedures, which include compulsory prescribed margins on the individual broker members, based on their outstanding exposure in the market, as well as stock-specific margins from the members.

Listing of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI and the listing agreements of the respective stock exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non compliance with any of the conditions of admission of dealings or for any 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 bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 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 were given a period of three years to comply with such requirement. The SCRR also provides that if the public shareholding in a listed company falls below 25% at any time, such a company must rectify this within 12 months from the date of fall in the manner prescribed. If a listed company is not in compliance with the said requirement, the promoters and directors of such a listed company could be subject to civil and criminal penalties and the stocks of such a listed company could be compulsorily delisted. Our Company is in compliance with this requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the 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 S&P BSE SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

With effect from October 1, 2013, the Stock Exchanges, shall on a daily basis translate the 10 per cent, 15 per cent and 20 per cent circuit breaker limits of market wide index variation based on the previous days' closing level of the index.

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. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, it is the oldest stock exchange in India. On August 31, 1957, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA.

NSE

The NSE was established by institutions to provide nationwide screen-based trading facilities with national reach and electronic clearing and settlement fully automated. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as CNX NIFTY, on April 22, 1996.

Internet-based Securities Trading and Services

The SEBI approved internet trading in January 2000. 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 by SEBI. 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 NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m. for the BSE and 9:00 a.m. to 9:08 a.m. for the NSE that has been introduced recently). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a 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 (or

“**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 has introduced a fully automated trading system called National Exchange for Automated Trading (or “**NEAT**”), which operates on strict time/price priority.

Takeover Code

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “**Takeover Code**”), which provides specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Code will apply to any direct or indirect acquisition of the company’s shares/voting rights/control. The Takeover Code prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the Takeover Code mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The Takeover Code also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

If an acquirer (together with any persons acting in concert with him): (a) acquires 25% or more of the voting rights in a listed company; or (b) already holds 25% or more of the voting rights in a listed company but less than the maximum permissible non-public shareholding, and acquires more than 5% of the voting rights or additional shares in the listed company within any financial year; or (c) acquires control over a listed company, such acquirer will have to make a public announcement of an open offer to the public shareholders for at least 26% of the total shares of the listed company.

Prohibition of Insider Trading Regulations

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended (the “**SEBI Prohibition of Insider Trading Regulations**”) have been notified by SEBI to prohibit and penalize 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 SEBI Prohibition of Insider Trading Regulations also provide disclosure obligations for shareholders holding more than a pre-defined percentage, persons who are promoters or forming 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 in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company.

Depositories

The Depositories Act, 1996 provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation inter-alia to the 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.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum and Articles of Association, the Companies Act. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

The authorised share capital of our Company is ₹ 4,000,000,000 consisting of 400,000,000 Equity Shares of ₹ 10 each.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each fiscal year. Under the Companies Act, unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013 no dividend can be declared or paid by a company for any fiscal 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 fiscal year(s) arrived at as laid down by the Companies Act. According to the Articles of Association, the amount of dividends shall not exceed the amount recommended by the Board of Directors. However, our Company may declare a smaller dividend in the general meeting. In addition, as is permitted by the Articles of Association, the Board of Directors may pay interim dividend as may appear justified by the position of our Company, subject to the requirements of the Companies Act.

The Equity Shares issued pursuant to the Preliminary Placement Document and this Placement Document shall rank *pari passu* with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by our Company.

Subject to the provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or dividends in respect of his share(s), whilst any money may be due or owing from him to our Company in respect of such share(s) either above or jointly with any other person and the Board may deduct from the interest or dividend payable to any such Shareholder all sums of money so due from him to our Company. Unless otherwise directed, dividend may be paid by cash (including by cheque or warrant) or in electronic mode to the Shareholder or person entitled or in case of joint-holders to the joint-holder first named in the register of members. Our Company is not liable for any cheque or warrant lost in transmission, or for any dividend lost due to a forged endorsement of any cheque or warrant.

Subject to applicable provisions of the FEMA, all dividends and other distributions declared and payable on the Equity Shares may be paid by our Company to the Shareholder in Rupees and may be converted into foreign currency and freely transferred out of the Republic of India without the necessity of obtaining any governmental or regulatory authorisation or approval in the Republic of India or any political subdivision or taxing authority thereof.

Capitalisation of Reserves and Issue of Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account to its shareholders, in the form of fully paid up bonus ordinary shares, which are similar to stock dividend. However, bonus shares shall not be issued in lieu of dividends. These bonus ordinary shares must be distributed to shareholders in proportion to the number of ordinary shares owned by them as recommended by the board of directors. No issue of bonus shares may be made by capitalizing reserves created by revaluation of assets. Further, any issue of bonus shares would be subject to SEBI Regulations.

As per the Articles of Association, upon resolution in the general meeting, on recommendation of the Board of Directors, our Company may capitalise and distribute amongst the shareholders any amount standing to the credit of Company’s reserve accounts and to the credit of the profit and loss account or otherwise, available for distribution. However, aforesaid distribution shall not be made in cash.

Pre-emptive Rights and Alteration of Share Capital

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. According to Section 62 of the Companies Act, 2013 such new shares shall be offered to existing shareholders in proportion to the amount paid up on those shares as on the date of the offer. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date, as on receipt of earlier intimation from persons to whom such notice is given that they decline to accept the shares offered, the Board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the shareholders of our Company and our Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person.

Under the provisions of Section 62(1)(c) of the Companies Act, 2013 and the Companies (Share Capital and Debenture) Rules 2014, new shares may be offered to any persons whether or not those persons include existing shareholders or employees to whom shares have bee allotted under a scheme of employee stock option, either for cash of for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our Company's shareholders in a general meeting.

The Articles of Association authorise it to increase its authorised capital by issuing new shares consisting of equity and/or preference shares, as our Company may determine in a general meeting.

The Articles of Association provide that our Company, by ordinary resolution passed at the general meeting, from time to time, may consolidate or sub-divide its share capital. The Articles of Association also provide that our Company may issue shares with differential rights as to dividend, voting or otherwise, subject to the compliance with requirements under the Companies Act and the rules thereto, or any other applicable law in force.

General meetings of shareholders

There are two types of general meetings of the shareholders:

(i) AGM; and

(ii) EGM.

Our Company must hold its AGM within six months after the expiry of each fiscal year provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. The Board of Directors may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of our Company's issued paid up share capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95% of the shareholders entitled to vote. Unless, the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of out Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

A company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the Memorandum, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed in Section 186 (3) of the Companies Act, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in our Company's general meeting. A notice to all the shareholders shall 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 dispatch of the notice. The shareholders may exercise their right to vote at general meetings or through postal ballot by voting through e-voting facilities in accordance with the circular dated April 17, 2014 issued by the SEBI.

Voting rights

At a general meeting, upon a show of hands, every member holding shares and entitled to vote and present in person has one vote. Upon a poll, the voting rights of each shareholder entitled to vote and present in person or by proxy is in the same proportion as the capital paid up on each share held by such holder bears to our Company's total paid up capital. Voting is by a show of hands, unless a poll is ordered by the Chairman of the meeting The Chairman of the meeting has a casting vote.

Ordinary resolutions may be passed by simple majority of those present and voting and those voting electronically. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Articles of Association. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting. A proxy may not vote except on a poll and does not have a right to speak at meetings.

Convertible securities/warrants

Our Company may issue debt instruments from time to time that are partly or fully convertible into Equity Shares and/or warrants to purchase Equity Shares.

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. These regulations 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 in this system. Transfers of beneficial ownership of shares held through a depository are subject to STT (levied on and collected by the stock exchanges on which such equity shares are sold), however are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the NSDL and the CDSL. SEBI requires that our Company's shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the Listing Agreements, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed 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 shares of our Company shall be freely transferable.

Liquidation rights

Subject to the rights of creditors, of employees and of the holders of any other shares entitled by their terms of issue to preferential repayment over the shares, in the event of a winding-up of our Company, the holders of the Equity 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, the holders of any preference shares and other creditors belong to the holders of the ordinary shares in proportion to the amount paid up or credited as paid up on such shares, respectively, at the commencement of the winding-up.

STATEMENT OF TAX BENEFITS

TAXATION

Statement of possible tax benefits available to the Company and its shareholders under the applicable laws in India

30 July 2014

The Board of Directors
Prestige Estates Projects Limited
Bangalore

Dear Sirs,

Re: Note on possible Direct Tax benefits

We hereby enclose a Note (refer annexure) that states the possible general tax benefits available to Prestige Estates Projects Limited (the "Company") and its shareholders under the current tax laws 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 statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences 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 you. 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. We shall not be liable to Prestige Estates Projects Limited for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

Finance Ministry released revised draft of Direct Taxes Code, 2013 ("DTC") in March 2014. As the DTC is yet to be enacted as law in the parliament, we are unable to express any opinion on the effect of the same on the Company and the shareholders.

It may also be noted that the Finance Minister presented the Finance (No.2) Bill of 2014 before the Loksabha on 11 July 2014. This has been passed by the Lok Sabha on 25 July 2014 but is pending before the Rajya Sabha and thereafter the Presidential assent. Accordingly, we are unable to express any opinion on the effect of the same on the company and the shareholders.

This note has been prepared solely in connection with the proposed Offering of Equity shares by the Company through a Qualified Institutional Placement Programme under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the Offering).

If this Note is to be included in any offering document prepared in connection with the Offering and thereby associating our name with this Note (either as Preparer or otherwise), the same shall be subject to our prior written consent.

for Deloitte Haskins & Sells LLP

Registration. No.: 117366W/W-100018

Place : Bangalore

Date : 30 July 2014

Partner: K. Subramanian

M. No: 206440

NOTE ON POSSIBLE TAX BENEFITS AVAILABLE TO PRESTIGE ESTATES PROJECTS LIMITED AND TO ITS SHAREHOLDERS

UNDER THE INCOME TAX ACT, 1961 (the IT Act)

Prestige Estates Projects Limited (herein referred to as 'PEPL' or 'the Company') is an Indian Company, subject to tax in India. PEPL is taxed on its profits. Profits are computed after allowing all reasonable business expenditure including depreciation.

Considering the activities and the business of PEPL, the following benefits may be available to PEPL.

I. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

1. 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 before 31 March, 2008, by a local authority.
2. 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 after 01st day of 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.
3. The Company will be entitled to claim deduction in respect of capital expenditure incurred, wholly and exclusively for the purpose of any specified business as per section 35AD of the IT Act.
   Specified business for the purpose of section 35AD includes the following:

   - Developing and building a housing project under a scheme for slum redevelopment or rehabilitation.
   - Developing and building a housing project under a scheme for affordable housing.

II. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special tax benefits available to the shareholders.

III. GENERAL TAX BENEFITS AVAILABLE TO THE COMPANY

1 The provisions of section 2(22)(e) of the IT Act which has the effect of taxing certain payments in the nature of loan or advance, by a company to a shareholder or to any concern in which such shareholder is a member and has substantial interest, as deemed dividend, would not apply to a company in which public are substantially interested.

2 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).

3 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.

4 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 1st day of April, 1998 at the rates prescribed under the Income-tax Rules, 1962;

5 The Company will be entitled for exemption under section 10(2A) of the I.T. Act for the share of profits received from the partnership firm in which the company is a partner. As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

6 The company will be entitled to amortize 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).

7 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.

8 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.

9 As per provisions of Section 36(1)(xv) of the IT Act, securities transaction tax paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'.

Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

10 Under section 71 of the IT Act, business loss suffered by the Company during the year is allowed to be set-off against income from any other head. Balance loss, if any, could be carried forward under section 72 for eight years for claiming set-off against subsequent years' business income.

If the accumulated loss suffered by a company comprises unabsorbed depreciation, then such unabsorbed depreciation shall be carried forward to subsequent years indefinitely.

11 Under section 79 of the IT Act, the carry forward and set off of business losses of a company in which public are substantially interested, would not be impacted on a change in shareholding pattern of the Company.

12 Where any tax is paid under section 115JB(1) of the IT Act (hereinafter referred to as Minimum Alternate Tax or "MAT"), for any assessment year[1] commencing on the 1st day of April 2006, then section 115JAA(1A) provides that 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. 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.

13 Under section 115-O of the IT Act, the Company will be liable to pay Dividend Distribution Tax (DDT) on the dividend declared, distributed or paid. For the purpose of payment of DDT on the dividends, the dividends so declared, distributed or paid by the domestic company shall be reduced by-

- the dividends received from its Indian subsidiary provided such subsidiary has paid DDT on the same.
- the dividend received form its foreign subsidiary provided such dividend is taxable under section 115BBD of the IT Act.

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.

14 Tax on distributed income to shareholders on buy back of shares under section 115QA of the IT Act shall not be applicable to shares listed in recognized stock exchange.

Income from distributed profits

1 As per the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in

[1] Assesment year means the period of tweleve months commencing on the 1st day of April every year succeeding the financial year.

Section 115–O (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received from domestic company is exempt from income-tax. As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

2 As per Section 10(35) of the IT Act, the following income will be exempt 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; 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 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.

As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

Capital Gains

1 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 1st day of April 2002 is exempt.

As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

2 As per Section 10(38) of the IT Act, capital gains arising to the Company 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 funds; and
b. which has been set up under a scheme of a Mutual Fund specified under Section 10(23D) of the IT Act.

The long term capital gains exempt under Section 10(38) would be liable to book profit tax under Section 115JB of the IT Act.

As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

3 Under the Second Proviso to Section 48 of the IT Act, long term capital gains of the 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 gains from the sale of listed securities or units or zero coupon bonds where the tax payable in respect of any such long term capital gains exceeds 10% of the amount of capital gains arrived at without indexing the cost, the capital gains is charged at a concessional rate of 10% (plus applicable surcharge and education cess).

4 Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-

term capital gains (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 gains tax if the capital gains are invested in a "long term specified asset" within a period of six 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 gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

"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 1st day of April 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.

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 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 April 1, 2007 during the financial year should not exceed 50 lakh rupees.

5 Under Section 111A of the IT Act, short term capital gains arising to the Company from the sale of a short term capital asset being an equity share or a 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 Gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

For this purpose, 'equity oriented fund' would have the same meaning as specified in section 10(38) above.

6 As per section 70, 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 gains of the said year. Balance loss, if any, could be carried forward under section 74 for eight 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.

IV. GENERAL TAX BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS

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 1 April, 2003) received from domestic company is exempt from income tax in the hands of shareholder.

   As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income

2. As per the provisions of Section 10(38) of the IT Act, long term capital gains 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.

   As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income

3. As per provisions of Section 36(1)(xv) of the IT Act, securities transaction tax paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'.

   Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

4. Under Second Proviso to Section 48 of the IT Act, long term capital gains of the shareholder 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 shareholder, in respect of long term capital gains from the sale of listed securities or units or zero coupon bonds where the tax payable in respect of any such long term capital gains exceeds 10% of the amount of capital gains arrived at without indexing the cost, the capital gains is charged at a concessional rate of 10% (plus applicable surcharge and education cess).

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 gains (which are not exempt under Section 10(38) of the IT Act) would be exempt from tax to the extent such capital gains are invested in long term specified assets within six 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, the 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 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 April 1, 2007 during the financial year should not exceed 50 lakh rupees.

   The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income tax under Section 80C for any assessment year beginning on or after 1 April, 2006.

6. As per the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (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 gains tax if the sale proceeds from transfer of such shares are used for purchase of residential house property within a period of one year before or two years after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of such transfer.

7. As per section 70, short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward under section 74 for eight 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.

8. 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 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 four 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.

9. As per the provisions of Section 111A of the IT Act, short-term capital gains from the sale of an equity share of the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short Term Capital Gains arising from transfer of Shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

V. GENERAL TAX BENEFITS AVAILABLE TO NON-RESIDENTS/ NON-RESIDENT INDIAN SHAREHOLDERS (OTHER THAN MUTUAL FUNDS, FIIs AND FOREIGN VENTURE CAPITAL INVESTORS)

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 1 April, 2003) received on the shares of any company is exempted from tax and is not subject to any deduction of tax at source.

As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income

2. As per the provisions of Section 10(38) of the IT Act, long-term capital gains arising on transfer of equity shares in the Company would be exempt from tax provided the transaction is chargeable to securities transaction tax.

As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

3. As per provisions of Section 36(1)(xv) of the IT Act, securities transaction tax paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'.

Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

4. Under Section 111A of the IT Act, short-term capital gains 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 Gains 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.

5. In terms of the first proviso to Section 48 of the IT Act, in case of a non-resident, while computing the capital gains 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 gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into same foreign currency which was utilized in the purchase of shares.

6. 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 gains (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 six months from the date of transfer and held for a period of three 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, the 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 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 April 1, 2007 during the financial year should not exceed 50 lakh rupees.

The cost of long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income tax under Section 80C for any assessment year beginning on or after 1 April, 2006.

7. As per the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (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 gains tax if the sale proceeds from such shares are used for purchase of residential house property within a period of one year before or two years after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of such transfer.

8. 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.

9. As per provisions of Section 115E of the IT Act, Long Term Capital Gain arising to a Non-Resident Indian from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus applicable surcharge and cess)

Further, income from investments and Long term capital gain from assets (other than specified foreign exchange assets) arising to a Non-Resident Indian is taxable at the rate of 20% (plus applicable surcharge and cess.

No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the IT Act.

10. As per provisions of Section 115F of the IT Act, Long term capital gain arising to a Non-Resident Indian on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.

11. As per provisions of Section 115G of the IT Act, where the total income of a Non-Resident Indian consists only of investment income / Long term capital gain from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the Non-Resident Indian is not required to file a return of income.

12. As per provisions of Section 115H of the IT Act, where a person who is a Non-Resident Indian in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the IT Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A (Special provisions relating to certain incomes of non-residents) shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

13. As per provisions of Section 115-I of the IT Act, a Non-Resident Indian can opt not to be governed by the provisions of Chapter XII-A (Special provisions relating to certain incomes of non-residents) for any assessment year by furnishing return of income for that assessment year under Section 139 of the IT Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a

situation, the other provisions of the IT Act shall be applicable while determining the taxable income and tax liability arising thereon.

VI. GENERAL TAX BENEFITS AVAILABLE TO MUTUAL FUNDS

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 authorized 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.

VII. GENERAL TAX BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIs')

1. As per the provisions of Section 10(34) of the IT Act, dividend income (referred to in Section 115-0 of the IT Act) would be exempt from tax in the hands of the shareholders of the Company and are not subjected to deduction of tax at source.

   As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income

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 recognized stock exchange of India and is liable to securities transaction tax.

   As per provisions of Section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income

3. As per provisions of Section 36(1)(xv) of the IT Act, securities transaction tax paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'.

   Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

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 gains (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 six months from the date of transfer and held for a period of three 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, the 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 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 April 1, 2007 during the financial year should not exceed 50 lakhs rupees.

5. Where the Foreign Institutional Investor 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 four 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.

6. As per Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the FII would prevail over the provisions of the IT Act to the extent they are more beneficial to the FII subject to furnishing of Tax Residency Certificate and Form No. 10F as applicable.

7. Under the provisions of Section 111A of the IT Act, short-term capital gains 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.

8. 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	Rateof tax (%)
Income in respect of securities	20
Interest referred to in section 194LD	5
Long term capital gains	10
Short term capital gains	30

(Other than short term capital gain referred to in Section 111A)

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.

GENERAL TAX BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES / FUNDS

1. As per Section 10(23FB) of the IT Act, any income of a Venture Capital Company or Venture Capital Fund from investment in a Venture capital Undertaking, would be exempted from income tax subject to the fulfillment of conditions specified.

2. Under Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement (DTAA) between India and the country of residence of the Fund/company (if non- resident) would prevail over the provisions of the IT Act to the extent the DTAA is more beneficial to the non-resident.

NEW AMENDMENTS UNDER THE IT ACT

The Government of India has recently made amendments in the existing income tax laws to incorporate provisions relating to General Anti-Avoidance Rules (GAAR). GAAR would be effective from assessment year commencing on 1st April 2016 or thereafter.

UNDER THE WEALTH TAX ACT, 1957

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

UNDER THE GIFT- TAX ACT

Gift tax is not leviable in respect of gifts made on or after 1st October, 1998.

Notes:

a. *The above statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares.*

b. *The above statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.*

c. *Legislation, its judicial interpretations and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the above. Accordingly, any change or amendment in the law or relevant regulations would necessitate a review of the above. Unless specifically requested, we have no responsibility to carry out any review of our comments for changes in laws or regulations occurring after the date of issue of this note.*

d. *This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.*

e. *In respect on non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.*

f. *The statement of possible tax benefits enumerated above is as per the Income Tax Act, 1961 as amended by the Finance Act 2013.*

This note has been prepared solely in connection with the Offering of Equity shares by the Company through a Qualified Institutional Placement Programme under the Securities & Exchange Board of India under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the Offering).

Certain U.S. Federal Income Tax Considerations

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.

This discussion does not describe all of the U.S. federal income tax consequences that may be relevant to U.S. Holders in light of their particular circumstances or to U.S. Holders subject to special rules, such as

- financial institutions;
- insurance companies;
- dealers and traders in securities or foreign currencies;
- persons holding Equity Shares as part of a hedge, straddle, conversion or other integrated transaction;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. Dollar;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- persons liable for the alternative minimum tax;
- tax-exempt organizations;
- persons holding Equity Shares that own or are deemed to own 10.0% or more of any class of our stock; or
- persons who acquired Equity Shares pursuant to the exercise of an employee stock option or otherwise as compensation.

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.

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.

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. If the dividend is converted into U.S. Dollars on the date of receipt, the U.S. Holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend income. 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.

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% or more of its gross income consists of passive income or (ii) 50% 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% 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% 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 tax advisers regarding the potential availability of a "deemed sale" election that would allow them to eliminate continuing PFIC status under certain circumstances.

If a U.S. Holder owns Equity Shares during any year in which we are a PFIC, the holder must file IRS Forms 8621 with respect to us and any Lower-tier PFICs. In addition, each U.S. Holder of a PFIC is required to file an annual report containing such information as the U.S. Treasury may require. If we are or become a PFIC, U.S. Holders should consult their own tax advisers regarding any 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 various legal proceedings including, among others, title and land 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 a material adverse effect on our business, financial position, profitability or results of operations.

Cases filed against our Company

A summary of litigation and disputes involving potential financial liability of ₹ 10.00 million or more and certain other litigation which we consider material are as follows:

Criminal litigation

1. Ramaiah (the "**Petitioner**") has filed a criminal petition bearing 4985/2012 dated August 21, 2012 before the High Court of Karnataka, Bengaluru (the "**Court**") against the Whitefield Police Station and Virendra Kumar, an employee of our Company (the "**Respondents**"). The Petitioner has alleged that he has purchased the property bearing No. 154/1 and 154/2, Pattandur Agrahara Village, K.R. Puram Hobli, Bengaluru East Taluk. The Petitioner had filed a suit bearing O.S. No. 91/ 2012 before Principal Senior Civil Judge, Bengaluru in respect of the above property and our Company is one of the defendants in the above mentioned suit of O.S. No. 91/2012 which was settled out of court and the suit was dismissed. The Petitioner has alleged that Virendra Kumar, an employee of our Company had approached the Whitefield Police Station and had filed a complaint on February 16, 2012 against the Petitioner alleging offences punishable under Sections 416, 417, 419, 420 and 468 of the Indian Penal Code, 1860. The Petitioner has alleged that Virender Kumar has filed the complaint with the sole intention of blackmailing the Petitioner and coerce him to withdraw the above suit filed by him. The Petitioner has prayed before the Court to quash the complaint filed by Virender Kumar against the Petitioner before the Whitefield Police Station and the subsequent first information report submitted by the Whitefield Police Station to the Additional Chief Judicial Magistrate, Bengaluru in Cr. No. 47/2012 dated February 16, 2012. The matter is pending. This complaint has been filed in respect of our project "The Mansion".

Legal Notices

1. We are currently party to an outstanding proceeding in relation to alleged non-compliance with the Competition Act, 2002 initiated by Jyoti Swaroop Arora before the CCI in file No. 59/2011. It has been alleged that certain enterprises engaged in the real estate development business have arrangements/understanding amongst them to adopt anti-competitive practices and that the code of conduct adopted by the Confederation of Real Estate Developers' Associations of India ("**CREDAI**") a body of private real estate developers in India, of which we are a member, indicates collusion among its members. In an order dated April 15, 2014, the CCI noted that the Director General of the CCI (the "**DG**"), while investigating the conduct of 20 real estate companies, including the Company, concluded that the conduct of our Company was in contravention of Section 3(3)(a) and Section 3(3)(b) of the Competition Act, 2002. Based on this finding, the CCI has impleaded us and 19 other builders for alleged contravention of Sections 3(3)(a) and 3(3)(b) of the Competition Act for (i) alleged non-disclosure of calculation of total common area and its proportionate apportionment on the apartments being sold on super area basis and, reserving the right to increase or decrease the flat area; (ii) allegedly not expressly disclosing the applicable laws, rules and regulations. with respect to projects being developed; (iii) allegedly reserving the right to further construction on any portion of the project land or terrace or building and to take advantage of any increase in FAR/FSI being available in the future; (iv) allegedly charging high interest from the apartment owners on delayed payments as against payment of significantly lower interest/inadequate compensation on account of delay on the part of the builder in implementation of the project; (v) allegedly restricting the rights, title and interests of apartment allottees to the apartments being sold, and retaining the right to allot, sale or transfer any interests in the common areas and facilities as per their discretion; (vi) allegedly fastening the liability for defaults, violations or breaches of any laws, bye laws, rules and regulations upon the apartment owners without admitting corresponding liability on the part of the builder/developer; and (vii) alleged non-disclosure of all the terms and conditions of sale of the prospective buyers at the stage of booking of apartments and taking booking amount from interested buyers without disclosing the terms and

conditions of the sale agreement to be executed at a later stage. We have requested the CCI for additional time to respond to this notice.

Civil litigation

1. A civil suit bearing O.S. No. 1958/2007 has been filed by Gaffer Baig seeking permanent injunction against Chaitanya Projects Private Limited before the Court of the Civil Judge (Junior Division), Bengaluru. Our Company is the second defendant in the suit. The contention of the plaintiff is that the defendants have encroached on the property belonging to the plaintiff, situated in Sy. No. 136 (old 122) of Nagondanahalli Grama, K.R. Puram Hobli, Bengaluru to an extent of 2.35 acres while constructing a compound wall and developing layouts of 'Prestige Glen Morgan', developed by our Company. However, our Company has maintained, in its written statement, that no encroachment had occurred. Our Company has further alleged that the new survey numbers were allotted based on a sketch prepared by the survey department, which failed to serve notice on the defendants as required under law. An interim order was passed by the Civil Judge (Junior Division), Bengaluru Rural District on this matter on February 22, 2008. Accordingly, the interim application filed by the plaintiff seeking interim injunction to restrain the defendants from constructing unauthorised walls on the suit property was dismissed. An interim application filed by our Company seeking exclusion of our Company's name from the list of defendants and interim applications filed by defendant 3, Castlewood Investments seeking restoration of status quo ante and status quo were also dismissed. The matter is pending for further arguments.

2. A civil suit bearing O.S. No. 15595/2006 has been filed by Andrews Development & Investment Enterprises and others against Square Projects Associates and others before the City Civil Court, Bengaluru . The suit relates to a dispute relating to shop property bearing Sy. No. 101-102, having shop numbers 104 to113, Andrews Building, M.G. Road, Bengaluru and premises bearing No. 8/1. Raja Ram Mohan Roy Road, Bengaluru . Our Company has been impleaded as a party and the alleged case against our Company is unjust enrichment by purchase of disputed property. Our Company filed an objection to the same stating that our Company is the absolute owner and is in possession of the property pursuant to a duly executed sale deed. The matter is pending and has been posted for hearing the interim application. This suit has been filed in respect of our project "Prestige Zeenath.

3. A civil suit bearing O.S. No.1688/2005 has been filed by Srinivasa Reddy and another person against Chikkapillappa and others before the First Additional City Civil Judge (Senior Division), Rural District, Bengaluru . Anjum Razack and Rezwan Razack representing our Company are the second and third defendants respectively. The plaintiff has sought permanent injunction restraining Anjum Razack and Rezwan Razack from constructing on the property measuring 3 acres located at Sy. No. 53/2 at Addevishwanathpura Village, Hessaraghatta Hobli, Bengaluru in respect of our project "Prestige North West County". The contention of the plaintiff is that they are eligible for proportionate share in the suit property as grandsons of Late Munivenkata Reddy. Chikkapillappa acquired the property under a Panchayat Parikhat and thereafter sold to the same to our Company. The court granted a temporary injunction on August 04, 2005 restraining our Company from undertaking any construction activity on the property and to restrain from alienating the property further. The ex-parte order of temporary injunction was vacated by an order dated November 11, 2005, passed by the First Additional Civil Judge (Senior Division), Bengaluru . The matter is pending.

4. A civil suit bearing O.S. No. 5688/2009 has been filed by C. Ahamed Pasha against our Company before the City Civil Court, Bengaluru . The plaintiff claims ownership over the property situated at Municipal No. 10, 10A and 11 (old No. 4, which was subsequently renumbered as 6 and 6A), Kensington Road, Clarandan hall (Begum hall), Ward No. 81, Ulsoor, Bengaluru relating to our project 'Hilton Hotel'. The contention of the plaintiff is that the defendants have entered into the plaintiff's property, which was bequeathed to him by his relative C. Abdul Rahman, and interfered with the peaceful possession. The plaintiff seeks a perpetual injunction to restrain the defendant from interfering with the plaintiff's peaceful possession of the property. Our Company has filed an interim application dated October 5, 2009 stating that our Company is the absolute owner of the property and has prayed before the court to dismiss the plaint of the plaintiff. Defendants have also filed objections to the interim application filed by our Company. The matter is pending.

5. A civil suit bearing O.S. No. 6733/07 has been filed by B. Zahir Ahamed against Ramachandra and others before the Seventeenth Additional City Civil and Sessions Judge, Bengaluru . Our Company is

the thirteenth defendant in the suit. The plaintiff claims that he had executed a memorandum of understanding with the first and second defendant for purchase of property situated at No. 33 (Old No.3), Ulsoor Road, Bengaluru in relation to our project 'Prestige Dynasty'. The contention of the plaintiff is that the first and second defendant executed a lease deed with our Company in violation of terms contained in the memorandum of understanding. The suit has been filed for specific performance of execution of sale deed in furtherance to the memorandum of understanding, for the balance consideration. The plaintiff has also sought the joint execution of the sale deed by our Company, by which our Company shall denounce its leasehold interest in the property. The plaintiff has filed an interim application on August 22, 2007 seeking an ad-interim injunction to restrain the first, second and thirteenth defendant from carrying on construction activities on the suit property, pending disposal of the suit. Our Company filed a written statement and a statement of objections on October 26, 2007. Subsequently, the plaintiff has also filed an application dated October 13, 2009, seeking an ad-interim injunction against the defendants restraining them from creating any third party interest in the building built on the property in dispute. The first and second defendants have filed interim applications for rejection of plaint and dismissal on March 24, 2008. The matter is pending and has been posted for hearing the interim applications filed by the first and second defendants.

6. A civil suit bearing O.S. No. 1083/2008 has been filed by Chowdamma against Akkayamma and others before the Civil Judge (Senior Division), Bengaluru for partition and for setting aside the sale deed executed in favour of our Company in respect of 9.77 acres of land situated at Sy. No. 62/1, Addevishwananthapura Village, Hesarghatta Hobli, Bengaluru North, forming part of our project 'Oasis' and the plaintiff has sought for permanent injunction to restrain our Company from alienating, mortgaging, leasing, encumbering or in anyway parting with possession of the property. Our Company has filed a written statement and also preferred an interim application before the Second Additional Civil Judge (Senior Division), Bengaluru North seeking orders to direct the plaintiff to pay sufficient court fees as required under the Karnataka Court Fees and Suit Valuation Act, 1958. The matter is pending.

7. A civil suit bearing O.S. No. 797/1995 has been filed by Vijaya Srinivasan and others against Sharada Devi and others before the City Civil Court, Bengaluru. The plaintiff claims that the property measuring 5.05 acres situated at Sy. No. 96 and the property measuring 0.75 acres situated at Sy. No. 26/2, Ramagondanahalli Village, Varthur Hobli, Bengaluru South belongs to the HUF of the plaintiff. The contention of the plaintiff is that the sale deed executed by one of the defendants, Ramaiah in favour of another defendant, Sharada Devi is a nominal sale deed that was not to be relied upon. The plaintiff alleges that on the basis of a power of attorney executed by Sharada Devi in favour of Rezwan Razack, our Company has developed a layout for the project, 'Prestige Lake Vista' on the suit property. The plaintiffs prays for partition of the suit property and separate possession as well as proportionate profits generated from the property. The defendants have claimed in their written statement that the plaintiffs have failed to establish their title to the suit property and that they have relied upon the sale deeds executed by Ramaiah, alienating the suit property. On the above grounds, the defendants have prayed for the suit to be dismissed. The plaintiffs have filed an interim application for rejection of the power of attorney executed by Sharada Devi in favour of Rezwan Razack and for hearing the matter *ex-parte*. The matter is pending.

8. A civil suit bearing O.S. No. 27044/2009 has been filed by Khaleel-ur-rehman and others against C. Padma and others before the court of the Additional City Civil Judge, Bengaluru . Our Company is the fourth defendant in the suit. The plaintiffs claim that they have been occupying the property situated at No. 33 (Old No.3), Ulsoor Road, Bengaluru , by virtue of an unregistered lease deed executed by the first three defendants in favour of the plaintiffs. The plaintiffs allege that the first defendant sold the suit property without the plaintiffs' knowledge, in favour of our Company based on which our Company has commenced development activities on the suit property. The plaintiffs allege that a suit for eviction of the plaintiffs is presently pending and that the eviction should be carried out only in compliance with law. The plaintiff has sought interim orders to restrain our Company from dispossessing the Plaintiff from the suit property. The matter is pending. This suit has been filed in respect of our project "Prestige Dynasty".

9. A writ petition bearing W.P. No. 22918/2010 has been filed by Max Hypermarket India Private Limited against the Union of India and others before the High Court of Karnataka, Bengaluru . Our Company is the seventh respondent in the suit. The writ petition has been filed to challenge the constitutional validity and legality of Sections 65(90)(a), 65(105)(zzz) and Section 66 of the Finance

Act, 1994 in so far it relates to service of renting immovable property mentioned in Section 65(105)(zzz) of the Finance Act, 1994. In the writ petition the legality of notification No.24/2007 dated May 22 2007, and Circular No. 98/1/2008-ST dated April 1, 2007 issued by the finance ministry has also been challenged. The matter is pending.

10. A writ petition bearing W.P. No. 26225/2010 has been filed by Dish Hospitality Private Limited against the Union of India and others before the High Court of Karnataka, Bengaluru . Our Company is the sixth respondent in the suit. The writ petition has been filed to challenge the constitutional validity and legality of Sections 65(90)(a), 65(105)(zzz) and Section 66 of the Finance Act in so far it relates to service of renting immovable property mentioned in Section 65(105)(zzz) of the Finance Act, 1994. In the writ petition the legality of notification No.24/2007 dated May 22 2007, and Circular No. 98/1/2008-ST dated April 1, 2007 issued by the finance ministry has also been challenged. The matter is pending.

11. A writ petition bearing W.P. No. 21808/2010 has been filed by Time Zone Entertainment Private Limited against Union of India and others before the High Court of Karnataka. Our Company is the seventh respondent in the suit. The writ petition has been filed to challenge the constitutional validity and legality of Sections 65(90)(a), 65(105)(zzz) and Section 66 of the Finance Act, 1994 in so far it relates to service of renting immovable property mentioned in Section 65(105)(zzz) of the Finance Act, 1994. In the writ petition the legality of notification No.24/2007 dated May 22 2007, and Circular No. 98/1/2008-ST dated April 1, 2007 issued by the finance ministry has also been challenged. An interim order has been passed on July 22, 2010 to the effect that service tax shall not be levied for renting of immovable properties until further orders. The matter is pending.

12. A civil suit bearing O.S. No. 5553/2010 has been filed by S. Sridhara against Ogilvy and Mather Private Limited before the Additional City Civil and Sessions Judge, Bengaluru . Our Company is the second defendant in the suit. The suit is in the nature of a money suit. The plaintiff contends that it had carried out work of erecting flex front lite hoardings of the second defendant on behalf of the first defendant and that payments were due from the first defendant. The plaintiff has not prayed for any relief from our Company. The matter is pending.

13. V. Lakshminarayana (the "**Plaintiff**") has filed a suit bearing O.S. No. 3867/2011 dated June 2, 2011 against our Company and eleven others (the "**Defendants**") before the Court of the City Civil Judge, Bengaluru (the "Court"). The Plaintiff has alleged that Sri Ramalingeswara Mutt has executed an agreement in favour of the Plaintiff by under which the selling the property bearing survey No. 1, situated at Ulsoor Village, Bengaluru -560 008 measuring 1,42,441.2 square feet (the "Property") was sold to the Plaintiff for the benefit and development of the Mutt. The Plaintiff has alleged that the Defendants have created a forged sale deed dated June 8, 2005 in favour of our Company, in respect of the Property and are trying to occupy the same illegally. The Plaintiff has prayed before the Court to pass an order of permanent injunction in order to prevent the Defendants from interfering with the peaceful possession and enjoyment of the Property by the Plaintiff. Further, the Plaintiff has prayed before the Court to pass a mandatory injunction order to demolish and remove the alleged illegal construction put up by our Company. The Plaintiff has filed an interim applications before the Court praying for interim order restraining the Defendants from interfering with the possession of the Property, restraining our Company from undertaking any construction on the Property and encumbering the Property or creating any documents in favour of third parties in respect of the Property, untill disposal of the above suit. Our Company has filed objections dated June 10, 2011 to the interim applications filed by the Plaintiff and denied the allegations made by the Plaintiff. The matter is pending. This suit has been filed in respect of our project "Hilton Hotel".

14. Mohammed Anwar and another (the "**Plaintiffs**") have filed a suit bearing O.S No. 25651/2011 dated March 29, 2011 before the Court of the City Civil Judge, Bengaluru (the "**Court**") against our Company and six others (the "**Defendants**"). The Plaintiffs have stated that our Company and the six other defendants have executed a joint development agreement for development of the property situated at No. 1 to 11, Central Street, Shivajinagar, Bengaluru -560 001 (the "**Scheduled Property**"). The Plaintiffs have alleged that the Defendants are attempting to encroach upon the conservancy lane situated at Central Street, Shivajinagar, Bengaluru , which exists in between the property owned by the plaintiffs and the Schedule Property, Defendants property and which is used by the occupants of the locality for common use. Accordingly, the Plaintiffs have prayed before the Court to pass an order and decree restraining the Defendants from putting up any construction on the conservancy lane and grant

such other reliefs that the Court may deem fit. The matter is pending. This suit has been filed in respect of our project “Prestige Atrium”.

15. Jayamma (the “**Plaintiff**”) has filed a suit bearing O.S. No. 512/2010 dated March 28, 2012 before the Court of Civil Judge (Senior Division), Bengaluru (the “**Court**”) against Irfan Razack, our Company and fourteen others (the “**Defendants**”). The Plaintiff has alleged that she is entitled to half share in the land bearing Sy No. 120/3, measuring 1 acre 34 guntas, Seegehalli Village, Bidarahalli Hobli, Bengaluru , R.S. No. 24/9 measuring 37 guntas and Sy. No. 121/1 measuring 07 guntas (the “**Property**”). The Plaintiff has alleged that part of the Property bearing R.S. No. 24/9 which is a joint family property, measuring to the extent of 37 guntas has been sold to our Company and another Defendant by Irfan Razack and other Defendants without the knowledge of the Plaintiff. The Plaintiff has prayed before the Court to pass a judgement and decree for partition and separate possession of Plaintiff’s half share and to declare all the sale deeds and other agreements executed in respect of the Property as not binding on the Plaintiff. The Plaintiff has also prayed before the Court to pass an order of permanent injunction restraining the Defendants from alienating/creating any encumbrance in respect of any portion of the Property. The matter is pending.

16. Nagaveni (the “**Plaintiffs**”) has filed a suit bearing O.S. No. 356/2011 dated April 2, 2011 before the Court of the Civil Judge (Junior Division), Bengaluru (the “**Court**”) against J.S. Ice Cream Factory and Prestige Groups and Infrastructures (the “**Defendants**”). The Plaintiff has alleged that the property bearing Khaneshumari No. 154, Hagadur Village, K.R. Puram, Bengaluru (the “**Property**”) belongs to Nagaveni and that J.S. Ice Cream has entered into a joint development agreement with Prestige Groups and Infrastructures for development of the Property. The Plaintiffs have alleged that the Defendants in collusion with each other have attempted to encroach upon the Property without any right, title or interest over the same. The Plaintiffs have prayed before the Court to pass a judgement and decree for permanent injunction restraining the Defendants from interfering with the peaceful possession and enjoyment of the Property by the Plaintiffs. The Court had passed an interim order dated April 5, 2011 restraining the Defendants from interfering with the peaceful possession of the Property until April 21, 2011. Our Company has filed an interim application before the Court dated April 21, 2011 for vacating the interim order and has stated, among other things that since there is no entity by the name of Prestige Groups and Infrastructures, the suit against a non-existing party is liable to be dismissed. The matter is pending. This suit has been filed in respect of the project “The Mansion”.

17. Lakshmamma (the “**Plaintiff**”) has filed a suit bearing O.S. No. 969/2012 before the Court of the Principal Senior Civil Judge, Bengaluru (the “**Court**”) against our Company and twenty two others (the “**Defendants**”). The Plaintiff has alleged that she is entitled to $1/4^{th}$ share in land bearing Sy. No. 155, measuring 5 acres 31 guntas, Kannamangala Village, Bidarahalli Hobli, Bengaluru East Taluk and land bearing Sy. No. 156, measuring 5 acres 30 guntas, Kannamangala Village, Bidarahalli Hobli, Bengaluru East Taluk (the “**Properties**”) which the Plaintiff alleges to be an ancestral joint family property. The Plaintiff has stated that the sale deed executed in respect of the Property in favour of our Company is not binding on the Plaintiff. The Plaintiff has prayed before the Court to grant permanent injunction restraining the Defendants from interfering with the Plaintiff’s peaceful enjoyment over her share in the Properties. The Plaintiff has also made an application for an order of temporary injunction restraining the Defendants from alienating the Properties pending disposal of the suit. The matter is pending.

18. Gopalan Enterprises (the “**Plaintiff**”) has filed a suit bearing O.S. No. 1268/2005 dated March 25, 2009 before the Court of the Civil Judge (Junior Division), Bengaluru (the “**Court**”) against Leenanatha Reddy and others (the “**Defendants**”). The Plaintiff has filed the suit seeking for a permanent injunction against the Defendants restraining them from interfering with the Plaintiff’s peaceful possession and enjoyment in respect of the property bearing Sy No. 133, Kundanahalli Village, K.R. Puram Hobli, Bengaluru admeasuring 5 acres 33 guntas and Sy No. 151, Pattandur Agrahara Village, K.R. Puram, Bengaluru South Taluk measuring to an extent of 5 acres (the “**Property**”). The Plaintiff has alleged that the Defendants have executed joint development agreement with the Plaintiff in respect of the Property and that it could not complete construction on the Property since the khatha could not be registered in the name of the Defendants and hence it had to delay construction. The Defendants have alleged that the Plaintiff is not entitled to any relief and have prayed before the Court to dismiss the suit filed by the Plaintiff. The Plaintiff has filed an application before the Court to implead our Company as one of the defendants since one of our projects is proposed to be constructed on the Property. This suit has been filed in respect of our project “Prestige Park View”.

19. Abdul Haq Surathi (the "**Petitioner**") has filed a writ petition dated 8624/2012 dated March 16, 2012 before the High Court of Karnataka, Bengaluru (the "**Court**") against Roshan Baig, Member of Legislative Assembly, our Company and two others. The Petitioner has alleged that Roshan Baig has purchased land from Karnataka State Electronics Development Corporation at No. 105, Electronic City, Bengaluru in the name of his sole proprietary concern Suby Electronics for a sum of ₹ 1.94 million. The Petitioner has alleged that Roshan Baig had made an application to Karnataka State Electronics Development Corporation for allotment of government land purporting to set up a small scale industry. The Petitioner has alleged that Roshan Baig is not eligible for allotment of government land and has abused his powers as the minister of state in procuring the land. The Petitioner has alleged that Roshan Baig has received a sum of ₹ 26.00 million from our Company as refundable noninterest bearing deposit guaranteeing the performance of the joint development agreement for development of the property. The Petitioner has prayed before the Court to issue a writ quashing the allotment of land to Roshan Baig and to cancel the deed of sale in respect of the property. The Petitioner has prayed before the Court to direct Karnataka State Electronics Development Corporation to reclaim physical possession of the property. The Petitioner has prayed before the Court to direct Government of Karnataka to initiate suitable proceedings to recover the illegal gains earned by Roshan Baig and our Company. The matter is pending. This suit has been filed in respect of our project "Prestige Alecto".

20. Infiniti Retail Limited (the "**Petitioner**") has filed a writ petition bearing No. 19512/2010 dated June 23, 2010 before the High Court of Karnataka, Bengaluru (the "**High Court**") against Union of India, our Company and twenty others (the "**Respondents**"). The Petitioner has filed the writ petition challenging the constitutional validity and the retrospective effect of the amendment made to Section 65 (105) (zzzz) of the Finance Act, 1994 by the Finance Act, 2010 with effect from June 1, 2007, whereby service tax is sought to be imposed with retrospective effect from June 1, 2007 on the very act of renting or leasing of immovable property, whether by way of license, rent or lease, by considering the same to be a purported service. The Petitioner has submitted that the act of renting of immovable property is only a property transaction and the same cannot be considered to be rendering of service. The Petitioner has taken certain premises owned by the Respondent on lease or license basis. The Petitioner alleges that under the agreements for lease, the liability is that of the owner to pay the service tax, but the said owners insisted upon the Petitioner to pay such service tax based on the endorsement of the Government of India in its letter dated February 26, 2010. Accordingly, the petitioner is filing this writ petition against the liability being imposed upon the Petitioner. The Petitioner has prayed before the High Court for the following reliefs:

a. to declare the impugned provisions *viz*., Section 65(90a) read with Section 65(105)(zzzz) of the Finance Act, 1994 as amended by the Finance Act, 2007, Finance Act 2008 and Finance Act, 2010 as null and void and ultra vires the Constitution of India and/or Section 66 of the Finance Act and be pleased to strike down the said provisions as illegal, arbitrary and violative of Articles 14, 246 and 265 of the Constitution of India;
b. issue a writ, order or direction setting aside Section 75(5)(h) and Section 76 of the Finance Act, 2010;
c. declare the notification No. 24/2007 dated May 22, 2007 and circular No. 98/1/2008-ST dated January 4, 2008 as revived by the Finance Act, 2010 issued by the Union of India as illegal, null and void and ultra vires the provisions of the Finance Act, 2008 and Finance Act, 2010; and
d. issue a writ of mandamus, or a writ in the nature of mandamus, or any other appropriate writ restraining the Respondents from giving effect to or acting upon the impugned notifications or impugned circulars or collecting any taxes on the basis of Section 65(90a), Section 65 (105) (zzzz) read with Section 66 of the Finance Act, 2010 and provide retrospective operation on and from June 1, 2007.

The Petitioner has prayed before the High Court to pass an interim order to stay the notification No. 24/2007 dated May 22, 2007 and circular No. 98/1/2008-ST dated January 4, 2008 issued by the Union of India and to restrain the Respondents from collecting taxes till final disposal of the writ petition. The matter is pending.

21. Lakshmamma and two others (the "**Plaintiffs**") have filed an amended plaint in suit bearing O.S. No. 5484/1997 dated October 6, 2010 before the Court of the Additional City Civil Judge, Bengaluru (the "**Court**") against the Chairman and Managing Director, Chaitanya Properties Limited and four others (the "**Defendants**"). The Plaintiffs have alleged that the property bearing Sy No. 129/2, measuring 1 acre and 20 guntas and Sy No. 130, measuring 4 acres situated at Hoodi Village, K.R. Puram Hobli, Bengaluru South Taluk (the "**Properties**") belonged to the father of the Plaintiffs and that it was a self

acquired property. The Plaintiffs have alleged that Albert Ejakelel, M.M. Ejakelel and C. Ejakalel (Defendants 3 to 5) have created a false document in the respect of the Properties. The Plaintiffs have alleged that Vicon Limited (Defendant No. 2) despite knowing the false nature of the document has alienated the Properties to Chaitanya Properties Limited after purchasing the same. The Plaintiffs have prayed before the Court to pass a judgement and decree declaring the sale deed dated May 25, 1996 obtained by Defendants 3 to 5 as fraudulent, concocted, null and void and not binding on the Plaintiffs. The Plaintiffs have also sought for a permanent injunction restraining Chaitanya Properties Limited from interfering with the peaceful possession of the Properties. The Plaintiffs have filed an application dated January 7, 2011 to implead our Company as one of the Defendants since the Defendants have made attempts to create interest in the Properties in favour of our Company. This suit has been filed in respect of our project "Prestige Shantiniketan". Our Company has been impleaded as a defendant by an order dated March 19, 2011. The matter is pending.

22. Kanthamma (the "**Plaintiff**") had filed a suit bearing O.S. No. 35/2007 before the Court of the Civil Judge (Senior Division), Bengaluru (the "**Court**") against M. Kaverappa and six others (the "**Defendants**"). The Plaintiff has alleged that the Plaintiff and P. M. Kaverappa, K. Ravi, K. Shekhar, K. Harish and Sudha ("**Defendants 1 to 5**") are joint owners and are in joint possession of properties bearing Sy No. 134/1, measuring 2 acre 36 guntas, Sy No. 134/2, measuring 2 acres 5 gunta and Sy No. 84/5, measuring 1 acre 35 guntas, Sy No. 25, measuring 26 guntas and house property at Bhoganahalli Village, Varthur Hobli, Bengaluru East Taluk (the "**Properties**"). The Plaintiff has alleged that the Properties are a joint family property. The Plaintiff has alleged that the sale transactions between Defendants 1 to 5 and Amitha Garg and M.R. Babu (V.T.B.) are not binding on the Plaintiff and that the same has been executed without the knowledge and consent of the Plaintiff. The Plaintiff has prayed before the Court to pass a judgement and decree granting half share in the Properties in favour of the Plaintiff and direct enquiry into the mesne profits in respect of the income derived from the Properties. The Plaintiff has further prayed before the Court to declare the sale deeds executed in respect of the Properties as not binding on the Plaintiff. The Plaintiff had filed an application before the Court to pass an ad-interim order of temporary injunction restraining the Defendants from alienating the Properties or creating any charge over the Properties. The Plaintiff had filed an application dated December 16, 2011 before the Court to implead our Company as one of the Defendants since some portion of the Properties bearing Sy No. 134/1, measuring 2 acre 36 guntas and Sy No. 134/2, measuring 2 acre 5 guntas in Bhoganahalli Village, Varthur Hobli, Bengaluru East Taluk has been sold to our Company by Amitha Garg. This suit has been filed in respect of our project "Prestige Sunny Side". Our Company has filed a written statement dated August 2, 2012 and has sought for dismissal of the suit on the grounds that it has made substantial investment in the properties and also transferred substantial portion in favour of the Bruhat Bengaluru Mahanagara Palike by a relinquishment deed dated February 15, 2012. The matter is pending.

23. Ramaswamy Setty (the "**Plaintiff**") has filed a suit bearing O.S. No. 760/2012 before the Court of the Civil Judge, Bengaluru (the "**Court**") against The Tahsildar, Bengaluru East Taluk, our Company and three others (the "**Defendants**"). The Plaintiff has alleged that he is the owner of the property bearing No. 96, measuring 2 acres of dry land situated at Bommanahalli Village, Bidrahalli Hobli, Bengaluru East Taluk (the "**Property**"). The Plaintiff has alleged that K.K. Malpani has entrusted the work of forming a residential layout at the Property to our Company and hence our Company is an interested party to the suit. The Plaintiff has prayed before the Court to grant a permanent injunction restraining the Defendants from interfering with the possession of the Property by the Plaintiff and to issue a writ directing the Tahsildar, Bengaluru East Taluk to mutate the name of the Plaintiff in revenue records in respect of the Property and restraining the Defendants from changing the nature of the Property and from forming any residential layout over the Property. The matter is pending. This suit has been filed in respect of our project "Prestige Tranquillity".

24. The Prestige Shantiniketan Apartment Owners Welfare Association (the "**Petitioners**") have filed a writ petition bearing W.P. No. 34536/2011 dated September 6, 2011 before the High Court of Karnataka, Bengaluru (the "**Court**") against the Union of India, The Central Board of Excise and Customs, The Director General of Service Tax, The Commissioner of Service Tax and our Company (the "**Respondents**"). The petition has been filed by the Petitioners being aggrieved by the Respondents demands for service tax on construction of residential complex prior to July 1, 2010, despite notification dated July 1, 2010 which states that service tax would be applicable on all payments made by the purchasers prior to July 1, 2010. The Petitioners have alleged that members of the association have made a majority of their payments to our Company prior to July 1, 2011, however

despite this the Respondents are demanding service tax which is illegal and in violation of 65 (105) (zzzh) of the Finance Act, 2010 read with notification dated July 1, 2010 issued by the Ministry of Finance. The Petitioners have prayed before the Court to issue a writ of mandamus or any other appropriate writ ordering that no service tax is payable under Section 65 (105) (zzzh) for construction services on all payments made by the purchasers before July 1, 2010. The Petitioner have prayed before the Court to issue a writ of mandamus or any other appropriate writ restraining the Respondents from demanding or collecting service tax from the members of the Petitioner and to refund the amount of service tax collected from the members of the Petitioner association. The Petitioners have also filed an interim application for restraining the respondents from collecting service tax until disposal of the petition. The matter is pending.

25. Maheshwari and another (the "**Plaintiffs**") have filed a suit bearing O.S. No. 5465/12 dated July 30, 2012 before the Court of the City Civil Judge, Bengaluru (the "**Court**") against our Company. The Plaintiffs have alleged that our Company has encroached the property bearing Sy No. 98 and 99 (old Sy. No. 84 and 85 and CTS No. 2258, Ulsoor Village, Ulsoor Kasaba Hobli, Bengaluru Cantonment Civil Station Area (the "**Property**") measuring 50,426 sq ft without having any manner of right, title or interest. The Plaintiffs have alleged that our Company has interfered with the Plaintiffs possession of the Property on the basis of forged documents. The Plaintiffs have prayed before the Court to pass a judgement and decree granting permanent injunction restraining our Company from interfering with the Plaintiffs possession of the Property. The Plaintiffs had also filed an application before the Court seeking grant of temporary injunction restraining our Company from constructing on the Property. The matter is pending.

26. Gayathri has filed an interim application in O.S. No. 738/2010 filed against Sharadamma and others before the Court of the II Additional Civil Judge, Senior Division, Bengaluru Rural District, Bengaluru for impleading K L Srihari and our Company. Our Company has received a summons dated November 24, 2013. The plaintiff has alleged that Srihari and our Company have no right to store any building material and machines on the suit property or enter upon or interfere with the plaintiff's peaceful possession of the suit property.

27. Munikrishnappa has filed a civil suit bearing O.S. No. 1320/2013 against Shanthamma and others before the Court of the Principal Civil Judge Senior Division, Bengaluru Rural District, Bengaluru (the "**Court**"). Our Company is the 12th defendant to the suit. The suit has been filed for partition and separate possession of property and consequential injunction in relation to bearing survey no. 127, measuring 3 acres and 31 guntas situated at Pattanduru Agrahara Village, Krishnarajapura Hobli, Bengaluru South Taluk. The plaintiff has prayed for, *inter alia* in the following:

i. declare the alleged sale deed dated April 24, 2003 executed by Green Fields Gayatri Developers (defendant no. 11), our Company and Justin John (defendant no. 13) in favour of Nitin Mallya as not binding on the plaintiff's legitimate in the above mentioned suit property;
ii. to effect partition and separate possession of the plaintiff's 1/6th share over the above mentioned suit property;
iii. to pass a decree in favour of the plaintiff and against defendants Nitin Mallya, Green Fields Gayatri Developers, our Company and Justin John restraining them from interfering with the plaintiff's peaceful possession and enjoyment of the above mentioned suit property.

Further, the plaintiff has prayed before the Court to pass an ad-interim order of injunction against defendants Nitin Mallya, Green Fields Gayatri Developers, our Company and Justin John preventing them from alienating the above mentioned suit property pending disposal of the suit. This suit has been filed in respect of the project "Prestige Whistling Palms". The matter is pending.

28. Dasharatham Bitla, Nitin Mallya , Nandyala Reddy, Ravinder Mannem through Nandyala Reddy, special power of attorney holder, K.K. Shetty, Chetan Kumar on behalf of Preethi Mohan Kumar (individually referred to as the "**Plaintiff**" and collectively referred to as "**Plaintiffs**") have filed suits bearing O.S. No.1151/2013, O.S. No. 1573/2012, O.S. No. 1703/2012, O.S. No. 389/2013, O.S. No. 1441/2012, O.S. No. 1697/2012 respectively before the Court of the Principal II Civil Judge, Bengaluru Rural District, Bengaluru (the "**Court**") against Lakshmaiah and our Company (the "**Defendants**"). Plaintiffs, in their respective suits, have alleged that they are the respective owners of the property bearing site no. 56, Khatha No. 309/56 measuring 6,125 square feet, property bearing site no. 58, khata no. 309/58 measuring 6,004 square feet., property bearing No. 55, khata no. 309/55 measuring 6,159

square feet, property bearing site no. 53, khata no. 309/53 measuring 4,889 square feet, property bearing site no. 51, khata no. 309/51 measuring 7,336 square feet and property bearing site no. 50, khata no. 309/50 measuring 7,632 square feet situated at Whistling Palms, Pattandur Agrahara, Krishnarajapuram Hobli, Banglore (the "**Property**"). The respective Plaintiffs have alleged that they had purchased the Property from our Company and Lakshmaiah has interfered with their peaceful possession of their respective share of the Property. The Plaintiff , in their respective suits, have alleged that Lakshmaiah has no right, title or interest in the suit property and is trying to dispossess the Plaintiffs from the Property. In their respective suits, the Plaintiffs have prayed before the Court to pass a judgement and decree granting *inter alia* permanent injunction restraining Lakshmaiah from trespassing and interfering with the Plaintiffs' possession of the Property. Separately, an ad-interim injunction restraining Lakshmaiah from interfering with the Plaintiff's possession of the Property from trespassing into the suit property and interfering with the Plaintiffs peaceful possession and enjoyment of the suit property pending disposal of the suit. The matter is pending.

29. A civil suit bearing O.S. No. 1366/2013 has been filed by Gutte Anjineyaswamy Temple (the "**Temple**") and three others ("**Plaintiffs**") against our Company and two others ("**Defendants**") before the Principal Civil Judge, Bengaluru Rural District at Bengaluru. The Plaintiffs have alleged that the land bearing Sy. No. 21/D, admeasuring a total of 2 acres and 24 guntas, situated at Whitefield Village, K. R. Puram Hobli, Banglore East Taluk, Bengaluru , an area of 2 acres was sold to one of the plaintiff and the remaining 24 guntas was granted to the Temple by the government. The Plaintiffs have alleged that the Defendants have illegally and unlawfully encroached into the remaining extent of 24 guntas of the property granted to the Temple and demolished the Temple and compound wall without the knowledge of the Plaintiffs. The Plaintiffs have prayed before the Court to pass a judgment and decree for granting a mandatory injunction directing the Defendants to reconstruct the Temple and the compound walls and to issue a permanent injunction restraining the Defendants from interfering with the Plaintiffs peaceful possession of 24 guntas of the property. Our Company has been issued a summons in this suit. The matter is pending. This suit has been filed in respect of the project "Prestige White Meadows".

30. V.S. Balasubramanayam alongwith his wife Kalavathi (the "**Plaintiffs**") have filed an appeal bearing RFA No. 1495/2012 before the High Court of Karnataka, Bengaluru(the "**High Court**") being aggrieved by the judgment and decree passed by I Additional City Civil & Sessions, Bengaluru in suit bearing no. O.S. No. 4030/2009 on July 30, 2012 (the "**Court**"). Our Company alongwith two others are the defendants ("**Defendants**"). The Plaintiffs have alleged that they are the absolute owners of the land bearing survey no. 43 measuring 5 acres and 9 guntas situated at Ittumedugu village, Utterhalli Hobli, Bengaluru South Taluk and survey no. 125 measuring 4 acres 20 guntas situated at Hosakerehalli village, Utterhalli Hobli, Bengaluru South Taluk (the "**Property**"). The Plaintiffs have alleged that the Defendants have colluded with each other and entered into a retirement-cum-reconstitution deed with respect to the said Property which is illegal and unlawful. The Plaintiffs have prayed to the High Court for setting aside the judgment and decree of the Court. Our Company has been issued a summons in this suit. The matter is pending. The appeal has been filed in respect of the project "Prestige South Ridge".

31. A civil suit bearing O.S. No. 8461/2013 has been filed by S.L. Sreenath (the "**Plantiff**") against our Company ("**Defendant**") before the City Civil Judge at Bengaluru ("**Court**"). The Plaintiff has alleged that he is the rightful owner of the property bearing survey no. 67/4, measuring 0.07 guntas, situated at Audugodi Village, Begur Hobli, Banglore South Taluk ("the **Property**"). The Plaintiff has alleged that the Defendant had purchased an adjoining property under the same survey number from Y.G. Sreeram Shetty and had applied for plan sanction approval for the whole survey number i.e. including the property owned by the Plaintiff for the construction of a commercial complex. The Plaintiff has alleged that he had approached the town planning authorities and objected to the inclusion of the Property in the sanction plan approval sought by our Company. The Plaintiff has also filed a writ petition (W.P. No. 49532/2013) seeking mandamus directing the relevant authority to consider the objection filed by the Plaintiff. The Plaintiff has further alleged that in line with the order passed under the writ petition no.49532/2013, he lodged his objection with the relevant authority and even after such objection being lodged, our Company had trespassed into the Property by conducting certain construction work. The Plaintiff has prayed before the Court to *inter alia* pass a judgment and decree granting a permanent injunction restraining our Company from interfering with the Plaintiff's possession of the Property. The Plaintiff had also filed an interim application before the Court seeking grant of temporary injunction restraining our Company from interfering with the Property pending disposal of the suit. The

matter is pending. The aforesaid suits have been filed in respect of our project "Prestige Cube".

32. Ramalingeshwara Mutt (the "**Plaintiff**") has filed a suit bearing No. 25941/2013 before the Court of City Civil Judge at Bengaluru (the "**Court**") against our Company (the "**Defendant**"). The Plaintiff has alleged it has absolute ownership and possession of the land bearing Sy. No. 6 measuring 2 acres 14 guntas, situated at Ulsoor Village forming part of municipal khata no. 25/3, Kensington Road, Ulsoor, Bengaluru (the "**Property**") pursuant to government order dated December 28, 1996. The Plaintiff has alleged that it had handed over the Property to the Government of Karnataka in September 10,1880 for its maintenance, administration and upkeep and vide the said order dated December 28, 1996 the Property was given back to the Plaintiff. The Plaintiff has further alleged that pursuant to the government order dated December 28, 1996 there was a change of revenue entries due to which said property was assigned new survey no. 25/3 and our Company was shown as khatedar of a larger extent of property including the said Property. The Plaintiff has stated that it registered a complaint with the municipal authority and pursuant to an order dated July 22, 2005 the name of our Company was called in question. It is also alleged that our Company has clandestinely approached the corporation and has obtained the khatha in its name. On the basis of the khata our Company has allegedly commenced construction on the said Property. The Plaintiff requested the Court to pass a judgment and decree *inter alia* directing our Company to deliver the peaceful possession of the Property. The Plaintiff has further prayed the court to issue mandatory injunction directing the Defendant to pull down the existing structures on the Property and issue a perpetual injunction restraining our Company from interfering with the Plaintiffs peaceful possession pending the disposal of the suit. Our Company has been issued a summons in this suit. The matter is pending. This suit has been filed in respect of our project "Hilton Conrad".

33. Meenakshiammal Trust (the "**Plaintiff**") has filed a case bearing C.S. No. 759 of 2012 before the High Court of Judicature, Madras (the "**Court**") against our Company and RRB Energy Limited (the "**Defendants**"). Our Company is the second defendant to the case. The Plaintiff has stated that it gained knowledge from external sources that RRB Energy Limited (defendant no.1) is the absolute owner of title, possession and enjoyment of super structures and land thereon comprising an extent of 36 grounds 184 square feet comprised in T.S. No. 2/2. Block No. 4 (originally comprised in old survey nos. 211/1, 211/2, 211/3, 211/4 and 211/5A1A1A1A/1A part) in Virugambakkam Village, Door No. 17, Vembuliamman Koil Street, K.K. Nagar (West), Mambalam-Guindy Taluk, Chennai District, Chennai 600 078 (the "**Property**"). The Plaintiff has alleged that pursuant to discussions between the Plaintiff and RRB Energy Limited, a consideration of Rs. 550.00 million was agreed as the sale consideration for conveyance of the Property in favour of the Plaintiff. The Plaintiff has alleged that pursuant to discussions between the Plaintiff and RRB Energy Limited, an advance of ₹ 60.00 million was agreed to be paid towards the purchase consideration of the Property and that the Plaintiff has paid a sum of ₹ 20.00 million as advance to RRB Energy Limited and that the remaining amount was required to be paid by April 21, 2012. Further, the Plaintiff has stated that it was required to pay the complete sale consideration towards the Property by September 30, 2012. The Plaintiff has alleged that RRB Energy Limited has committed a breach of contract of sale of immovable property as agreed to between the Plaintiff and RRB Energy Limited on March 12, 2012. The Plaintiff has alleged that RRB Energy Limited has issued a notice in the newspapers in relation purchase of the Property from RRB Energy Limited by our Company and that the Plaintiff as a reply has published the sale arrangement concluded between the Plaintiff and RRB Energy Limited. The Plaintiff has alleged that pursuant to the leave to sue order dated September 4, 2012 passed in O.A. No. 3823 of 2012 it had applied for a copy of the encumbrance certificate on September 11, 2012 and found from such encumbrance certificate that the Property has been conveyed for a consideration of ₹ 522.00 million to our Company by a sale deed dated June 7, 2012. The Plaintiff has alleged that our Company and RRB Energy Limited have colluded and disclosed a lower amount towards the purchase of the Property in order to avoid the sale arrangement with the Plaintiff. The Plaintiff has filed an application for leave to sue against the Defendants and also stated that the leave to sue against our Company has been ordered in Appl. No. 4600/2012 on October 16, 2012 by the Court. The Plaintiff has prayed before the Court for *inter alia* (i) relief of specific performance of the sale arrangements/agreement dated March 12, 2012; (ii) delivery of possession of the Property; (iii) alternative relief of refund of advance with interest aggregating to ₹ 21.51 million; (iv) to set aside the sale deed dated June 7, 2012 executed in favour of our Company as void, inoperative and not binding on the rights of the Plaintiff and therefore liable to cancellation. The Plaintiff has filed an application for an order of interim injunction, restraining our Company from encumbering the Property and altering the Property in any manner pending disposal of the suit. The Plaintiffs have filed an application bearing A No. 988 of 2012 in C.S. No. 759 of 2012. Our Company

in it's counter affidavit has stated that the alleged agreement to sell between the Plaintiff and RRB Energy Limited is not on record and also that there is no proof of receipt of cash and cheques by RRB Energy Limited or the encashment of cheques by RRB Energy Limited. Our Company has stated that the Plaintiff was called upon as early as on April 27, 2012 to furnish documentary evidence to substantiate its claim that RRB Energy Limited had agreed to convey the Property to the Plaintiff but no such proof was provided by the Plaintiff. RRB Energy Limited has stated that the Plaintiff has not made out valid grounds to entertain the suit for specific performance or the application for interim injunction. The Defendants have stated that since the Plaintiff has not submitted credible evidence substantiating its claim the above mentioned application is liable to be dismissed. The matter is pending. This case has been filed in respect of our project "Prestige Down Town.

34. T.R. Shekar and another (the "**Plaintiffs**") have filed a suit for permanent injunction bearing O.S. No. 4988/2014 before the City Civil Judge, Bangalore (the "**Court**") against our Company and T.R. Rekha (the "**Defendants**"). Our Company is the second defendant to the suit. The Plaintiffs have alleged that the property bearing No. 33/2, measuring 33,708 square feet situated at Ulsoor (the "**Property**") belonged to the father of the Plaintiffs and T.R. Rekha (defendant no. 1). The Plaintiffs have alleged that the Property was allotted to the father of the Plaintiffs and T.R. Rekha in a family partition held on December 20, 1971 with a condition that after his death the Plaintiffs and T.R. Rekha would be allotted equal share in the Property. The Plaintiff has stated that pursuant to a lease deed dated December 12, 2005 the Property was leased to our Company for a period of 44 years and six months with a right to construct a commercial building thereon as per the terms of the lease deed and that our Company has been paying rent regularly and promptly during the lifetime of their father. The Plaintiffs have alleged that T.R. Rekha has obtained a settlement deed April 25, 2012 from their father taking undue advantage of being his eldest daughter. The Plaintiffs have alleged that post execution of the settlement deed their father called upon T.R. Rekha to execute a cancellation deed in respect of the settlement deed owing to the hostile attitude of T.R. Rekha. The Plaintiffs have alleged that their father executed a will dated January 16, 2013 cancelling the documents due to the dissatisfaction towards T.R. Rekha's conduct. The Plaintiffs have alleged that they are entitled to receive land rent from our Company. The Plaintiffs have alleged that as per our Company's request the Plaintiffs and their sister sent a joint letter on June 16, 2014 requesting our Company to disburse the rents of the Property in terms of their settlement and requested our Company not to disburse the rent to T.R. Rekha on the ground that they are taking steps to cancel the settlement deed dated April 25, 2012 said to have executed by their father. The Plaintiffs have prayed before the Court for *inter alia* a judgement and decree granting a permanent injunction restraining our Company to pay a rent in favour of T.R. Rekha as per the settlement deed dated April 25, 2012 to the extent of 5,618 square feet out of the Property. The Court has passed an order dated July 4, 2014 granting an ad-interim temporary injunction restraining our Company from disbursing rent to T.R. Rekha based on the settlement deed dated April 25, 2012 to the extent rent for 5,618 square feet. The matter is pending. This suit has been filed in respect of our project "Prestige Dynasty".

35. R. Palaniappan (the "**Plaintiff**") has filed a writ petition bearing W.P. No. 10535 of 2013 before the High Court of Judicature, Madras (the "**Court**") against our Company, the Member Secretary, Chennai Metropolitan Development Authority ("**CMDA**") and three others (the "**Defendants**"). Our Company is the fifth defendant to the writ petition. The Plaintiff has alleged that he is the owner of the property situated at survey No. 37/1A, 1B, 1C and 78/1 and 2, comprised in Ayyapanthangal Village, Mount Poonamallee Road, Sriperumbudur Taluk, Kanchipuram District. The Plaintiff has alleged that his Property is on the eastern side of the property comprised in survey No. 35, 42 to 53, etc., in Ayyapanthangal Village, Mount Poonamallee Road, Sriperumbudur Taluk, Kanchipuram District developed by our Company. The Plaintiff has filed this public interest litigation since the Plaintiff alleges that the subject matter of the writ petition involves the interest of livelihood of the people living in the east, north and west and also members of the general public. The Plaintiff has alleged that the property being developed by our Company measuring 26 acres of land for construction of 2,500 residential flats is said to be a gated community with no public roads being earmarked within the aforesaid 26 acres. The Plaintiff has alleged that pursuant to Rule 28(19) of the Development Rules of the Chennai Metropolitan Development Area, it is the duty of the CMDA to ensure that the proposed development does not block access to the properties around in cases of large development where link roads have to be provided for connectivity to the adjoining land areas through the site applied for development. The Plaintiff has alleged that the CMDA has to exercise its right to insist that our Company who develops the land to give up a portion of the land for development of a public road. The Plaintiff has alleged that our Company has commenced construction without getting an environmental clearance. The Plaintiff has prayed before the Court for *inter alia* a writ, direction or order, in particular

for issue of a writ of mandamus directing the CMDA and The Member Secretary, State Level Environment Impact Assessment Authority to take action on the representation made by the Plaintiff dated April 8, 2013 regarding the alleged illegal construction activity undertaken by our Company in survey No. 35, 42 to 53, in Ayyappanthangal Village, Kattupakkam District within a reasonable period as may be fixed by the Court. The Plaintiff has prayed before the Court to grant an order of interim injunction restraining our Company from proceeding with the construction activity in survey No. 35, 42 to 53, etc., and also adjoining lands in Kattupakkam Village in Ayyappanthangal Village, Sriperumbudur Taluk, Kanchipuram District pending disposal of the above writ petition. The matter is currently pending. This writ petition has been filed in respect of our project "Prestige Bella Vista".

36. A civil suit bearing O.S. No. 773/2013 has been filed by Babiyamma and two others ("**Plaintiffs**") against our Company and M. Ramiah ("**Defendants**") before the Additional II Civil Judge, Bengaluru District, Bengaluru. The Plaintiffs have alleged that out of the land bearing Sy. No. 154, admeasuring a total of 26 guntas, situated at Patanduru Agrahara Village, Whitefield, K. R. Puram Hobli, Bengaluru East Taluk, Bengaluru, an area of 3 guntas belonged to one Sharadamma who had further gifted the 3 guntas to one Nagaveni and the remaining 23 guntas was owned and possessed by the Plaintiffs. The Plaintiffs have alleged that the Defendants are claiming ownership in respect of land parcel in survey no. 154/1 and 154/2 and have made repeated attempts to encroach upon Plaintiffs property towards the south end by demolishing the compound wall. The Plaintiffs have submitted that the Defendants do not have any right or title to the property. The Plaintiffs have prayed before the court *inter alia* to pass a judgment and decree for granting a permanent injunction restraining the Defendants or their agents from interfering with the Plaintiffs peaceful possession of 23 guntas of the property in any manner. Our Company has been issued a summons in this suit. The court has granted a temporary injunction vide an interim order dated March 25, 2014 restraining the Defendants from interfering with the peaceful possession and enjoyment of Plaintiff's property till disposal of the suit. The Principal Senior Civil Judge, Bangalore Rural District has passed an order dated July 8, 2014 in miscellaneous appeal bearing M.A. No. 45 of 2014 filed by M. Ramiah (defendant No. 1) staying the order dated March 25, 2014 passed in O.S. 773/2014 till the date of next hearing. The matter is pending. This suit has been filed in respect of the project "The Mansion".

37. The Karnataka Prajarajya Vedike, The Karnataka Janadolan Sangatane and The Karnataka Karmika Dalitha Jagruthi (the "**Petitioners**") have filed writ petitions bearing W.P. No. 55974- 976 of 2013 before the High Court of Karnataka (the "**Court**") against our Company and 16 others ("**Respondents**"). The Petitioners have alleged that the land bearing survey no. 42, situated at Pattanduragrahara Village, K.R. Puram Hobli, Bengaluru East Taluk measuring 3 acres and 23 guntas ("**Property**") was allotted to Joy Ice-creams (Bangalore) Private Limited (one of the defendant) ("**JIBPL**") under lease-cum-agreement by an official memorandum bearing no. LND (E) CR24/2005-06 on March 31, 2006 by the Special Deputy Commissioner, Bengaluru Urban District (one of the defendant) ("**SDC**") stipulating certain specific conditions related to transfer of the Property. The Petitioners have alleged that JIBPL sold the said property to our Company vide sale deed dated August 20, 2006 in violation of the specific conditions. The Petitioners have further alleged that the specific conditions for transfer in the allotment to JIBPL on March 31, 2006 were later waived by SDC vide its letter dated August 2, 2011. The Petitioners have alleged that certain other respondents had expressed concerns over the waiver and advised SDC to initiate immediate steps for cancellation of allotment of the Property to JIBPL. It is further alleged by the Petitioners that our Company alongwith certain defendants have common intention to acquire government land and trying to put up construction in an illegal manner. The Petitioners have prayed before the Court *inter alia* to pass an order to set aside the waiver given by SDC and direct the Deputy Commissioner, Bengaluru Urban District to cancel the grant of allotment in favour of JIBPL made by SDC. The Petitioners have further prayed for stay on the waiver given by SDC vide its letter dated August 2, 2011 until final disposal of the writ petition. The matter is pending. This writ petition has been filed in respect of the project "Prestige White Meadows".

38. Vikram Samsi and others (the "**Plaintiffs**") have filed a suit bearing O.S. No. 715/2013 before the Court of Principal Civil Judge Rural District, Bengaluru (the "**Court**") against our Company and Prestige Constructions (the "**Defendants**"). Our Company is the second defendant to the suit. The Plaintiffs have alleged that they have booked villas in non-agricultural property bearing Sy. Nos. 51/1, 51/2, 51/3, 51/4, 51/5, 51/6, 51/7, 51/10, 51/11, 61/3, 61/4, 61/5, 61/6, 62/1, 62/2, 62/3 situated in Addeviswanathapura Village, Hesaraghatta Hobli, Bengaluru North Taluk totally measuring 30 acres 17 guntas. The Plaintiffs have alleged that there were following discrepancies in respect of the project (i) extent of land mentioned in the sales brochure was 33.20 acres whereas the extent mentioned in the

sale agreement was 29.00 acres; (ii) identification numbers of villas mentioned in the master plan printed in the brochure were different from those mentioned in the sanctioned plan approved by Bangalore International Airport Area Planning Authority ("**BIAAPA**"); (iii) building area of villas mentioned in the master plan was higher than the area mentioned in the sanctioned plan; (iv) boundaries of villas also mentioned in the master plan were different from the boundaries mentioned in the sanctioned plan; (v) contrary to the BIAAPA approved sanctioned plan, the master plan printed in the brochure showed the following differences (a) half basketball court was shown Park No. 19, (b) swimming pool and adjoining facilities were shown on Park No. 28, children's play area was shown on CA-2, CA-1, tennis court was shown on visitors' parking-7 and club house building with indoor sports facilities and party hall was shown on villa unit No. 64-H type. The Plaintiffs have alleged that they questioned the Defendants about the aforesaid differences and also expressed their concern about a clause involving the club house which stated that the ownership of the club house is vested with the builder but residents of Prestige Oasis are entitled to use its amenities and facilities without payment of any membership fee. The Plaintiffs have alleged that the Defendants sales department assured that the facilities of the club house are only for the residents of villas through the builders and also assured that the clause in the sale deeds would be modified. The Plaintiffs have alleged that they signed the sale agreements on the basis of the aforesaid assurances provided by the Defendants. The Plaintiffs have alleged that the Defendants did not modify the clause in the sale deeds on the pretext that they want to maintain uniformity among purchasers and to avoid discrimination between purchasers. The Plaintiffs have alleged that they further promised that rectification will be effected in respect of all sale deeds in bulk and remove the clause about the club house. The Plaintiffs have stated that they had already for bank loans and that they did not have time to postpone the registration of sale deeds and left with no choice they accepted the Defendants words and got the sale deeds registered. The Plaintiffs have alleged that the parties hosted on the premises has caused nuisance and when complained to the Defendants assurances were made that such things will not be repeated in the future. The Plaintiffs have alleged that on protest by the Plaintiffs the Defendants informed the Plaintiffs that club house belongs to the builder and that the builder has the right to do whatever he deems fit and that the Plaintiffs have no right to question it in view of the clause in the sale agreements. The Plaintiffs have stated that the club house, half basketball court, swimming pool, outdoor Jacuzzi and children's play area are all developed on land area earmarked for public space in the sanctioned plan and these were highlights of the project pursuant to which they purchased the villas. The Plaintiffs have alleged that the aforesaid facilities form part of 30% public space reflected in the sanctioned plan and 47% open space promised by the Defendants in the brochure. The Plaintiffs have prayed before the Court for *inter alia* (i) to declare that as per the sanction of residential development plan issued by BIAAPA and modifications thereto, the building built as type H (club house at schedule – F), its amenities developed on Park No. 19, CA-2, CA-1, Park 28 and visitors' parking-7, are earmarked for the use of only the villa owners including the Plaintiffs and are not open for use by outsiders; (ii) grant permanent injunction restraining the Defendants or anybody claiming under them to use the said building built as type H (club house at schedule-F) and its amenities to outsiders or third parties or to those who are not the owners/ residents of the villas. The matter is pending.

Consumer cases

1. There are 19 consumer complaints filed against our Company by various parties under the Consumer Protection Act, 1986 before the District Disputes Redressal Forum, the Karnataka State Disputes Redressal Forum, Kerala State Consumer Disputes Redressal Commission, Thiruvanthupuram and District Consumer Disputes Redressal Forum, Ernakulam and the National Consumer Disputes Redressal Commission alleging inter alia deficiency of service. The parties have filed the consumer complaints alleging *inter alia* that our Company has delayed in handing over possession of the apartment purchased by the parties from our Company as per the terms contained in the agreement. Out of the 19 pending consumer complaints 10 consumer complaints have been filed in respect of the project "Prestige Shantiniketan", six consumer complaints have been filed in respect of the project "Prestige Neptune's Courtyard" and one consumer complaint each in relation to Prestige South Ridge, Prestige North West County and Prestige Kensington Garden. All the matters are pending.

Cases filed by our Company

Civil litigation

1. A civil suit bearing O.S. No. 17779/2005 has been filed by our Company against Presteege Property

Developers and another company before the City Civil Court, Bengaluru alleging passing off of trademark under the Trademarks Act, 1999. The contention of our Company is that the word 'Presteege' was used by the defendants, who were also engaged in the real estate and construction business, to mislead the plaintiff's customers. An interim application was filed by our Company for restraining the first defendant from trading under the name 'Presteege' and accordingly an interim order was passed on December 13, 2005 whereby the first defendants were restrained from trading under the name 'Presteege'. Subsequently, an interim application was filed by the first defendant on February 25, 2006 for setting aside the interim order of December 13, 2005 which was dismissed by the trial court on April 20, 2006. Aggrieved by the order, the defendants have preferred an appeal bearing M.F.A. No. 4954/2006 before the High Court of Karnataka for setting aside the order of April 20, 2006. The High Court of Karnataka stayed the order of the trial court in O.S. 17779/20005 on the grounds of lack of jurisdiction. Our Company preferred a special leave petition bearing SLP 9208/2010 before the Supreme Court of India over the order passed in M.F.A. No. 4954/2006. The Supreme Court has by its order dated January 19, 2012 directed the trial court to dispose of the suit within one year of the date of receipt of this order. The City Civil Court, Bengaluru has passed an order dated March 20, 2013 dismissing the suit bearing O.S. No. 17779/2005 on the ground of maintainability and want of territorial jurisdiction. Our Company had also filed an application bearing ORA/255/2008/TM/CH/7605 before the Intellectual Property Appellate Board ("**IPAB**") against Presteege Property Developers and the IPAB has passed an order bearing 180/2011 dated October 31, 2011 declaring the impugned trademark "Presteege" used by Presteege Property Developers to be in contravention of the Trademarks Act, 1999 and directing the Registrar of Trademarks to remove the impugned trademark from the registry. Presteege Property Developers have filed a writ petition bearing No. 873/2012 before the High Court of Kerala, Ernakulam against the order dated October 31, 2011 passed by the IPAB in application bearing No. ORA/255/2008/TM/CH/7605. The matter is pending.

2. A civil suit bearing O.S. No. 15004/2006 was filed by our Company against Prestige Shelters Private Limited before the Additional City Civil Judge, Bengaluru. The contention of our Company was that the defendant had infringed the trademark of our Company bearing the name 'Prestige'. Our Company sought for a permanent injunction to restrain the defendants from using the trademarks 'Prestige', 'Prestige Lake View' and 'Prestige Shelters'. The Additional City Civil Judge Court passed an order on the matter on February 12, 2009 permanently restraining the defendant from infringing our Company's trademark, 'Prestige'. Further, the court ordered the defendants to present the accounts of the defendant and particulars of profits earned by it by way of using the trademark 'Prestige'. The defendants have preferred an appeal over the above order bearing M.P. No. 557/2009 with a prayer to set aside the judgment passed in O.S No. 15004/2006. The matter is pending.

3. Our Company and United Breweries Holdings Limited have filed writ petitions Nos. 48165-66/2011 and 48133-48134 dated December 21, 2011 before the High Court of Karnataka, Bengaluru (the "**Court**") against the Chief Controlling Revenue Authority and Inspector General of Registration and Commissioner of Stamps and the District Registrar, Shivaji Nagar, Bengaluru (the "**Respondents**"). Our Company has alleged that United Breweries (Holdings) Private Limited ("**UB**") and our Company had entered a joint development agreement dated April 25, 2003 for development of the property bearing No. 24, Vittal Mallya Road, Bengaluru in respect of the project "Prestige UB City". Our Company has alleged that pursuant to the joint development agreement UB executed two registered sale deeds both dated February 28, 2008 selling their undivided share, right, title and interest in the property in favour of our Company in respect of our Company's share to be given pursuant to the joint development agreement. Our Company had alleged that the District Registrar has directed our Company by its order dated April 30, 2008 to pay stamp duty of ₹ 23.46 million and ₹ 5.98 million respectively on the above sale deeds. Our Company has alleged that it has paid the stamp duty as directed by the District Registrar and after a lapse of nearly two years the Chief Controlling Revenue Authority and Inspector General of Registration and Commissioner of Stamps issued a notice to our Company stating that the order dated April 30, 2008 passed by the District Registrar is not correct and has resulted in a revenue loss. The Chief Controlling Revenue Authority and Inspector General of Registration and Commissioner of Stamps has passed an order dated August 17, 2010 and October 31, 2011 impounding the joint development agreement and powers of attorney dated April 25, 2003 since the same are not duly stamped. Further, the Chief Controlling Revenue Authority and Inspector General of Registration and Commissioner of Stamps has directed that the sale deeds February 28, 2008 be treated as Exchange Deed. Our Company has alleged that the order passed by the Chief Controlling Revenue Authority and Inspector General of Registration and Commissioner of Stamps is perverse and is passed ignoring Article (5)(f) and 41(ea) of the Schedule of the Karnataka Stamp Act,

1957. Our Company has prayed before the Court to issue a writ of certiorari or any other writ, order or direction quashing the order dated August 17, 2011 and October 31, 2011 passed by the Chief Controlling Revenue Authority and Inspector General of Registration and Commissioner of Stamps. Our Company has prayed before Court to issue an interim order staying the operation the order dated August 17, 2011 October 31, 2011 passed by the Chief Controlling Revenue Authority and Inspector General of Registration and Commissioner of Stamps. The Court has issued an interim order dated December 23, 2011staying the operation of the orders dated August 17, 2011 and October 31, 2011 issued by the Chief Controlling Revenue Authority and Inspector General of Registration and Commissioner of Stamps. The matter is pending.

4. Our Company has filed a writ petitions bearing W.P. Nos. 25677 and 25678 of 2012 and M.P. No. 1 of 2012 in W.P. 25677 of 2012 before the High Court of Judicature, Madras (the "**Court**") against the State of Tamil Nadu and Chennai Metropolitan Development Authority ("**CMDA**") (the "**Defendants**"). Our Company has filed the writ petition for issue of a writ, order or direction in the nature of writ of certiorarified mandamus calling for the records of the CMDA (defendant no. 2) culminating in the impugned demand notice dated August 22, 2012, letter No. C3 (N)/4606 of 2011, and quash the same and consequently direct the CMDA to issue the planning permission and release the approved drawings to our Company pursuant to its application dated March 22, 2011 and based on the letter dated January 5, 2012 from the State of Tamil Nadu (defendant no. 1) and original demand notice dated March 27, 2012 from the CMDA in W.P. 25677 of 2012. Our Company has prayed before the Court to pass *inter alia* (i) an order of interim injunction restraining the Defendants from taking any further proceedings, including coercive action, pursuant to the impugned demand notice dated August 22, 2012 (Ref. Letter No. C3(N)/46060 of 2011) in M.P. 1/12 pending disposal of the above writ petition No. 25677 of 2012; and (ii) issue a writ of declaration, declaring that the government order G.O. (Ms) No. 86 dated March 28, 2012 has no application in respect of the infrastructure and amenities charges calculated and demanded in accordance with the government order G.O. (Ms) No. 161 dated September 9, 2009 in W.P. 25678/12. Our Company has contended that the impugned demand notice dated August 22, 2012 is contrary to Tamil Nadu Town and Country Planning Act, 1971 and the Development Control Regulations and also the government orders. Our Company has contended that the demand raised *vide* the original demand notice and the total sum demanded therein was paid on March 29, 2012 as per the government order in G.O. Ms. No. 161 dated September 9, 2009 towards infrastructure and amenities charges and as per G.O. Ms. No. 163 dated September 9, 2003, towards premium FSI charges and the said amount of ₹ 531.03 million was unconditionally collected as per the earlier demand by the CMDA and that the CMDA has demanded an amount of ₹ 907.67 million under the same heads for the very same property towards payment and development, which is illegal. Our Company has contended that the increase in infrastructure and amenities charges was on account of increase in surcharge *vide* G.O. Ms. No. 86 dated March 28, 2012, which cannot be given effect retrospectively and that it is contrary to established law, rules and regulations. The Court has passed an order dated December 13, 2012 allowing the writ petitions filed by our Company and vitiating and setting aside the impugned proceedings of the CMDA. The Court pursuant to the order dated December 13, 2012 has directed the CMDA to process the application of our Company for planning and permission as per the original demand notice dated March 27, 2012 and to pass appropriate orders thereon, thereby releasing the approved drawings to our Company within a period of two weeks from the date of receipt of the order dated December 13, 2012. The CMDA has filed writ appeals bearing W.A. No. 147 and 148 of 2013 before the Court praying for *inter alia* (i) stay of the operation of the order dated December 13, 2012 made in W.P. No. 25677 of 2012 pending disposal of the writ appeal; and (ii) to allow the appeal filed by the CMDA. The matter is pending. This writ petition has been filed in respect of our project "Prestige Bella Vista".

5. Our Company has filed a winding up petition bearing C.P. No. 274 of 2012 before the High Court of Judicature, Madras (the "**Court**") against GEE GEE Holdings (Chennai) Private Limited (the "**Defendant**"). Our Company has alleged that it had agreed to purchase 51% of the share of Blue Pearl Development Private Limited ("**BPDPL**") from the Defendant at a price of ₹ 100.00 million. Our Company has alleged that it agreed to purchase the stake in BPDPL on the basis of the representation made by the Defendant that BPDPL had been assigned the development rights to develop the property popularly known as 'Congress Ground', bearing R.S. No. 1412/2, Block No. 28 and R.S. No. 11/2, Block No. 1. Mylapore, Triplicane Taluk, Chennai admeasuring about 136 grounds and owned by the Tamil Nadu Congress Committee Charitable Trust (the "**Property**"). Our Company has alleged that it has paid a sum of ₹ 50.00 million as part consideration on August 4, 2006 for 51% of the shares in BPDPL which has to be treated as a refundable deposit as per the agreement entered into between our

Company and the Defendant until the conditions there under was fulfilled. Our Company has alleged that contemporaneously the Defendant issued a cheque for ₹ 50.00 million as security for the refundable deposit paid by our Company. Our Company has alleged that the Defendant had informed our Company that the proposed development on the Property could not be carried out and that it was assured that the amount of ₹ 50.00 million received as refundable deposit would be duly returned by the Defendant. Our Company has alleged that *vide* letter dated January 29, 2009 it terminated the agreement and demanded repayment of ₹ 50.00 million immediately as per the terms contained in the agreement. Our Company has alleged that the Defendant had issued another cheque towards the refundable deposit paid by our Company since the earlier cheque issued by the Defendant had expired. Our Company has alleged that the cheque issued by the Defendant was dishonoured on account of 'insufficiency of funds' when presented by our Company. Our Company has alleged that the Defendant has not paid the refundable deposit paid by our Company despite several assurances by the Defendant. Our Company has prayed before the Court for *inter alia* (i) order the winding up of the Defendant company under the provisions of the Companies Act, 1956; and (ii) appoint the Official Liquidator, Madras High Court as liquidator of the Defendant to take charge of its assets and affairs. The Court has passed an order dated March 21, 2014 taking on record the compromise memo filed by our Company and the Defendant and has disposed the petition subject to the condition that in the event that the terms of the joint compromise memo are not given due regard the petition shall stand automatically revived. As per the terms of the joint compromise memo the Defendant is required to make the payment on or before September 30, 2014.

Cases filed against the Directors

Civil litigation

B.G. Koshy

1. Mission Estates and Properties (the "**Plaintiff**") has filed a suit bearing O.S. No. 6582/1998 before the Court of the City Civil Judge, Bengaluru (the "**Court**") against Altaf Ahmed, Nafiseh Khaleeli, Nishat Begum and Bangalore Estates and Agencies (the "**Defendants**"). The Plaintiff has alleged Altaf Ahmed, Nafiseh Khaleeli and Nishat Begum had agreed to sell the property bearing No. 55/6, Main Road, Sampangiramanagar, Bangalore to Bangalore Estates and Agencies and that they had also received ₹ 9.42 million as earnest deposit money. The Plaintiff has alleged that it had been agreed between the parties that when Bengaluru Estates and Agencies finds a buyer in respect of the property the earnest deposit money of ₹ 9.42 million should be repaid to Bengaluru Estates and Agencies from the total consideration payable by the buyer in respect of the property. The Plaintiff has alleged that pursuant to the negotiations, the Plaintiff had agreed to purchase the property. The Plaintiff has prayed before the Court to pass an order directing the Defendants to specifically perform the agreement dated April 18, 1995 by executing a sale deed in respect of the property and placing the Plaintiff in possession of the same after obtaining all such clearances as may be required under law. The Plaintiff has prayed before the Court that alternatively in the event that the Court finding that the specific performance of the agreement of sale is not possible, to pass an order directing Altaf Ahmed to pay a sum of ₹ 3.35 million, Nafiseh Khaleeli to pay ₹ 4.19 million, Nishat Begum to pay ₹ 11.01 million and Bengaluru Estates and Agencies to pay ₹ 9.15 million to the Plaintiff together with 18% per annum from the date of suit till the date of payment. The Plaintiff has further prayed before the Court to pass an order directing the Defendants to pay a sum of ₹ 20.00 million as damages together with interest thereon from the date of the suit till the date of payment. The matter is pending. Aggrieved by the order passed by the City Civil Judge directing the Plaintiffs to jointly and severally pay to Bengaluru Estates and Properties a sum of ₹ 13.225 million, the Plaintiff filed a writ petition bearing W.P. No. 3352/2007. The W.P. 3352/2007 was allowed and the application was remanded to the trial court for reconsideration. The trial court once again allowed the interim application filed by Bengaluru Estates and Properties by its order dated January 24, 2010. Accordingly, the Plaintiff has once again filed a writ petition bearing W.P. No. 25093/2010 against the above order of the trial court and has prayed for the court to issue a writ of certiorari quashing the order dated April 24, 2010 passed in O.S. No. 7219/1997 by the City Civil Judge, Bengaluru. The High Court of Karnataka has passed an order dated September 22, 2011 dismissing the writ petition bearing W.P. No. 25093/2010 and has directed the trial court to dispose the case within three months from the date of receipt of the order. The matter is pending.

Jagdeesh K. Reddy

1. A writ petition bearing W.P. No. 9852/08 has been filed by G.V. Vasantha Kumar against the State of Karnataka and others for a writ of certiorari before the High Court of Karnataka, Bengaluru . Jagdeesh K. Reddy is the third respondent in the suit. The contention of the petitioner is that the third respondent was operating two stage carriage services in the Thirupathi-Tumkur route while permit was only for operation of carriage services in the Thirupathi-Mulabagal route. However, item No. 13 in annexure IX of the draft inter-state agreement executed between the state of Andhra Pradesh and the state of Karnataka on March 7, 2008 grants permission to the third respondent to operate carriage services till Tumkur. The High Court of Karnataka has passed an order dated December 22, 2008 vacating the interim order granted on July 16, 2008. The Jagdeesh K. Reddy has filed a writ appeal No. 5340/2011 dated July 6, 2011 along with an application to grant an order of stay of the order passed by the learned single judge in so far as it relates to this writ petition and No. 13 in annexure IX of the draft inter-state agreement. The writ has been filed for deleting item No. 13 of annexure IX of the above inter-state agreement. The matter is pending.

2. A writ petition bearing No. 23850/2011 dated August 19, 2011 has been filed by the Managing Director, Karnataka State Road Transport Corporation (the "**Petitioner**") before the High Court of Andhra Pradesh (the "**Court**") against Jagdeesh K. Reddy and five others (the "**Respondents**"). Pursuant to the affidavit, the Petitioner has alleged that Jagdeesh K. Reddy had filed a suit bearing R.P. Nos. 634, 1339, 1222 to 1229/2007 questioning the grant of stage carriage permits on the inter-state route of Bengaluru to Madanapalli to the Petitoner in 2007 before the State Transport Appellate Tribunal, Bengaluru which were dismissed on the ground that the grant of permits to the Petitioner are in accordance with law. Subsequently the State Transport Authority, Andhra Pradesh stated that Jagdeesh K. Reddy and other Respondents have objected to the application of the Petitioner for grant of permits. The Petitioner has stated that Jagdeesh K. Reddy does not have any permit on the inter-state route Bengaluru to Madanapalli via Yelahanka, Vijayapura, Chintamani and Rayalpad and the inter-state route Bengaluru via Hosakote, Chintamani and Rayalpad and that Jagdeesh K. Reddy has not stated as to how the grant of permits to the Petitioner on the above routes affects him. The Petitioner has prayed before the Court to pass an order directing the State Transport Authority, Hyderabad to permit the Petitioner to run its buses on the inter-state routes stated above pending disposal of this writ petition. The matter is pending.

Cases filed by the Directors

Civil litigation

B.G. Koshy

1. B.G. Koshy and four others (the "**Plaintiffs**") have filed a original suit bearing O.S. No. 16313/2006 before the Court of City Civil Court, Bengaluru (the "**Court**") against Sunitha Arun and ten others (the "**Defendants**"). The Plaintiffs have alleged that they have purchased 25,000 sq. ft undivided interest in joint family property measuring 2 acres 13 guntas in survey No. 4/1E, Binnamangala Manavarthakaval, K.R. Puram Hobli, Bengaluru East Taluk from Sunitha Arun on the proposition of law that there is no restriction for transferring property by a co-sharer even if there is no division of joint possession of the joint family property. The Plaintiffs have alleged when they proceeded to take possession of the property Ravi Puravankara, Nani R. Choksey, Girish Puravankara and Purvankara Projects Limited (Defendants 4 to 7) claimed right over the property stating that they had purchased the same from Mohammed Shafiulla, Suresh Salariya, Rohit Salariya and Mohammed Samadh (Defendants 8 to 11). The Plaintiffs have prayed before the Court to pass a decree for partition and separate possession of the Plaintiff's 1/3rd share in the joint family property, to put the Plaintiffs in possession of the property measuring 25,000 sq ft, Binnamangala Manvarthakaval, K.R. Puram Hobli, Bengaluru and to declare that transfer made prior to the partition ignoring the share of Sunitha Arun as not binding on the Plaintiffs. The Plaintiffs have also filed an application for temporary injunction for restraining the Defendants from altering or changing the nature of the property. The court of the PRL City Civil and Sessions Judge at Bengaluru has issued an order in favour of the Plaintiffs and restraining the Defendants 4 to 7 from altering or changing the nature of the property. Further, Puravankara Projects Limited filed two applications on June 25, 2012 to (i) recall the order dated June 16, 2012 for taking further cross examination of PW-1 as nil and (ii) to recall the witness PW-1 for further cross-examination. The court of the XXVIII Additional City Civil Judge, Bengaluru passed an order dated June 28, 2012 rejecting the above applications of Defendant No. 7. The Defendants have filed an

appeal bearing W.P. Nos. 24017-24019/2012 and W.P. Nos 24020-24022/2012 dated July 13, 2012 before the High Court of Karnataka against the above order dated June 28, 2012 of the Court. The High Court of Karnataka has passed an order dated April 3, 2013 allowing the writ petition nos. 24020-24022/2012 and quashing the order dated June 28, 2012. The High Court of Karnataka has directed *inter alia* that PW-1 be cross examined and directed that the Plaintiffs side evidence be completed within a period of four months from the date PW-1's cross-examinationis complete. Additionally, the High Court of Karnataka has directed that the Defendants evidence should be closed in six months from the date on which the Plaintiffs close their case. Separately, the High Court of Karnataka has passed an order dated April 8, 2013 in W.P. Nos. 24017-24019/2012 disposing the writ petitions as having become infructuous in view of allowing of W.P. No. 24020/2012 on April 3, 2013. The matter is pending.

2. Bengaluru Estates and Agencies (a partnership firm) (the "**Plaintiff**") has filed a suit bearing O.S. No. 7219/1997 before the Court of the Additional City Civil Judge, Bengaluru (the "**Court**") against Altaf Ahmed and three others (the "**Defendants**"). The Plaintiff has alleged Altaf Ahmed, Nafisah Khaleeli and Nishat Begum (Defendants 1 to 3) as owners of the property bearing No. 55 and 55/6, Mission Road, Sampangiramangar, Bengaluru 560 027 had entered into an agreement with the Plaintiff appointing the Plaintiff as their agent to identify purchasers for the property. The Plaintiff has alleged that as per the terms of the agreement Altaf Ahmed, Nafisah Khaleeli and Nishat Begum were to receive ₹ 2,000 per sq ft out of the sale consideration and that the Plaintiff was entitled to receive sale consideration amount in excess of ₹ 2,000 in respect of the property. In addition, the Plaintiff had undertaken the responsibility to secure a compromise to the litigation in respect of the property then pending between defendant No. 10 and others and in pursuance of which the Plaintiff has paid ₹ 4.62 million towards settlement of the dispute. The Plaintiff has alleged that Mission Estates and Properties (Defendant No. 4) had pursuant to negotiations agreed to purchase the property at ₹ 2,500 per sq ft. and entered into an agreement dated April 18, 1995 with defendants 1 to 3 and the Plaintiff. The Plaintiff has prayed before the Court to pass an order directing the Defendants to jointly and/or severally pay to the Plaintiff a sum of ₹ 13.225 million being the principal amount in terms of the agreement dated April 18, 1995 along with ten percent interest per annum from the date of the suit till actual realisation thereof. The Plaintiff has prayed before the Court to pass an order of mandatory injunction against the Defendants directing them to complete the sale transaction in terms of the agreement of sale dated April 18, 1995 and to grant a permanent injunction restraining the Defendants from alienating the property to third parties. The Court has passed an order in favour of the Plaintiff and aggrieved by the order of the Court, Mission Estates and Properties (Defendant No. 4) has filed a W.P. No. 25093/2010. The High Court of Karnataka has passed an order dated September 22, 2011 dismissing the writ petition bearing W.P. No. 25093/2010 and has directed the trial court to dispose the case within three months from the date of receipt of the order. The matter is pending.

Jagdeesh K. Reddy

1. A writ petition bearing W.P. No. 17711-17720/2008 has been filed by Jagdeesh K. Reddy against the Karnataka State Transport Association and another for a writ of certiorari before the High Court of Karnataka, Bengaluru . The contention of the petitioner is that two stage carriage services were being operated by the petitioner on the Thirupathi- Bengaluru route via Madanapalli based on permits issued in the year 1965 and interstate agreements on single point tax basis which were valid till January 13, 2010. However the route was extended to the second respondent based on a supplemental agreement executed by the Government of Karnataka and Andhra Pradesh. On the basis of the agreement the second respondent was granted license to operate services in the Thirupathi- Bengaluru route, which was challenged by the petitioner in R.P No. 634/07 and Appeal No. 1339/07 before the Karnataka State Appellate Tribunal, Bengaluru which dismissed the suit. The writ petition has been filed over the above order of the Karnataka State Appellate Tribunal. Jagdeesh K. Reddy has filed an appeal bearing No. 1005-1006/2011 in W.P. No. 17711-17720/2008 against the order dated January 19, 2011 passed by the Single Judge bench of the High Court of Karnataka dismissing the writ petition filed by Jagdeesh K. Reddy. The matter is pending.

2. A writ petition bearing W.P. No. 3910/05 has been filed by Jagdeesh K. Reddy against the Karnataka State Transport Association and others for a writ of certiorari before the High Court of Karnataka, Bengaluru. The contention of the petitioner is that a carriage services permit was granted to the petitioner to operate on the route between Tirupathi and Bengaluru , via Kaiwara in pursuance of an inter-state agreement executed between the government of Andhra Pradesh and Karnataka on

September 1, 1975. However based on a petition filed by the second and third respondent, the Karnataka State Transport Appellate Tribunal passed an order on January 12, 2005 for setting aside the permit granted in favour of the petitioner. The writ petition has been filed for quashing the above order. The matter is pending.

Dr. Pangal Ranganath Nayak

Arbitration proceedings

1. Cardiac Care India (the "**Petitioner**") represented by its partners Dr. Pangal Ranganath Nayak and another has filed an arbitration petition bearing No. 14/2012 against Rangachari Narasimhan (the "**Respondent**") before the Supreme Court of India (the "**Court**"). The Petitioner has alleged that the Respondent had entered into a Non-Disclosure Agreement dated December 5, 2008 (the "**Agreement**") with the Petitioner pursuant to which the treatment of Arrhythmia using inhalation technique (the "**Technique**") was shared with the Respondent by the Petitioner. The Petitioner has alleged that the Technique shared by the Petitioner is the key to the business now set up by the Respondent and that the Petitioner has alleged that the Respondent seeks to enjoy the commercial benefits of the Technique without due consideration to the Petitioner. The Petitioner has alleged that the Respondent has set up Pleiadas Cardio-Therapeutics Inc., by cashing in on the idea of the Petitioner. The Petitioner has filed the present arbitration application invoking the arbitration clause in the Agreement to resolve the dispute between the parties. The Petitioner's claims are broadly as follows:

   a. injunction restraining the Respondent from proceeding further with the disclosure and/or commercialisation of the confidential information provided to him pursuant to the Agreement;
   b. injunction restraining the Respondent from committing any act of disclosure and/or any action for commercial gain relating to the method of treating cardiac Arrhythmias via inhalation techniques (or the "inhaled rescue therapies to treat irregular heart rhythms");
   c. injunction restraining the Respondent from proceeding further with the patent application filed in this regard in the United States of America or filing any other patent applications in any country in an attempt to patent the method of treating Arrhythmia using inhalation technique;
   d. damages for the illegal use of the Petitioner's intellectual property rights and know-how, by the Respondent; and
   e. costs of all legal proceedings incurred by the Petitioner and such other reliefs as the Petitioner seeks to raise in accordance with law.

The Petitioner has prayed before the Court to appoint the sole Arbitrator in accordance with the Arbitration clause of the Agreement and/or take necessary measures as required under the said clause. The matter is pending.

Cases filed against the Promoters

Criminal litigation

Nil

Civil litigation

Irfan Razack, Rezwan Razack and Noaman Razack

1. A writ petition bearing W.P. No. 24923/2010 has been filed by Joy Alukkas Traders India Private Limited against Union of India and others before the High Court of Kerala. Our Promoters and certain members of our Promoter Group have been impleaded as defendants in the matter on account of them being landlords of the property in which the petitioner was conducting business. The suit has been filed to challenge service tax imposed under provisions of the Finance Act, 1994 on property taken on lease by the petitioner. The matter is pending.

2. Nandishamma and another (the "**Plaintiffs**") have filed a O.S. No. 331 of 2012 against Irfan Razack, Rezwan Razack, Noaman Razack and twenty others before the Court of the Senior Civil Judge, Devanahalli (the "**Court**"). The Plaintiffs have alleged that the Plaintiffs and certain other defendants constitute a joint hindu family and are in possession of 1 acre 26 guntas in the total extent of land

measuring 4 acres and 39 guntas in Sy No. 30, Kempathimmanahalli Village, Kundana Hobli, Devanhalli Taluk, Bengaluru Rural District (the "**Property**"). The Plaintiffs have alleged that Nanjappa and Thimmarayappa have sold the Property without the knowledge of the Plaintiffs to Ranganath. The Plaintiffs have alleged that Ranganath has sold the Property to Irfan Razack, Rezwan Razack and Noaman Razack who in turn have sold the Property to Shamin Lahiri, Avinash Lahiri and Siddharth Lahiri. The Plaintiffs have alleged that they have been deprived of their legitimate share in the Property. The Plaintiffs have prayed before the Court to declare that all the sale deeds executed in respect of the Property are not binding on the Plaintiffs. Further, the Plaintiffs have prayed before the Court for partition of the Property and to declare that the Plaintiffs are jointly entitled to 1/6th share in the Property. The Plaintiffs have prayed before the Court to grant an order of permanent injunction restraining Shamin Lahiri, Avinash Lahiri and Siddharth Lahiri from interfering with the Plaintiffs peaceful possession of the Property. The Plaintiffs have also filed an interim application before the Court praying for an ad-interim order of temporary injunction. The matter is pending. This suit has been filed in respect of our project "Prestige Hillside Retreat".

Irfan Razack

1. Golden Palm Canteen (the "**Petitioner**") has filed a writ petition No. 35280/2011 before the High Court of Karnataka (the "**Court**") against the Commissioner, Bruhat Bengaluru Mahanagara Palike and Irfan Razack. The Petitioner has filed the writ petition aggrieved by the license granted by the Commissioner, Bruhat Bengaluru Mahanagara Palike to Irfan Razack for construction of a huge shopping mall in the close vicinity of a historical building namely BRV Complex belonging to the Indian Army. The Petitioner challenges the validity of the license on the grounds that such license has been granted, without obtaining the consent of the Ministry of Defence and complying with the norms and conditions of the enactment of the State. It is further alleged that the construction of the building has caused irreparable damage to the BRV complex and endangers the lives of the permanent workers and customers who visit the Petitioner. The Petitioner had prayed before the Court to issue a writ of mandamus directing the Commissioner, Bruhat Bengaluru Mahanagara Palike to cancel the license granted for the construction of the building, ordering Irfan Razack to demolish the building constructed so far and impose penalty on Irfan Razack for the illegal construction. The Petitioner had further prayed before the Court to order a probe in granting of the license to Irfan Razack by the Criminal Bureau of Investigation. The Petitioner has also prayed before the Court to direct Irfan Razack to make available a complex of similar size and shape in the best interest of the army and security of the building. The Petitioner had prayed before the Court to pass an interim order restraining Irfan Razack from continuing construction and directing the Commissioner, Bruhat Bengaluru Mahanagara Palike to cease the license until disposal of the writ petition. Irfan Razack had filed objections dated December 16, 2011 before the Court stating that since the entire construction of the building is completed and an occupancy certificate has also been obtained, the writ petition seeking stoppage of work and cancellation of allotting of no objection certificate to Irfan Razack is infructuous and liable to be dismissed. Subsequently, the Petitioner has filed a rejoinder to the objections filed by Irfan Razack requesting that since the demolition of the building at this stage is not practically possible, Irfan Razack should be ordered to carry out extensive repairs so that the historic building, BRV Complex can be saved. The matter is pending. This case has been filed in respect of our project "Prestige Atrium".

2. Amanath Co-Operative Bank Limited (the "**Petitioner**") has filed an application bearing JRD/ACB/37/2007-2008 dated January 16, 2008 before the Joint Registrar of Co-Operative Societies against Irfan Razack and ten others (the "**Respondents**"). The Petitioner has alleged that Irfan Razack as director of the Petitioner in collusion with other Defendants have illegally released the properties mortgaged to the Petitioner by settling the loan amount under one time settlement thereby giving a concession jointly and severally of ₹ 0.53 and ₹ 2.77 million without prior approval of the Reserve Bank of India thereby causing a loss of ₹ 3.31 million to the Petitioner. The Petitioner has prayed before the court to pass an order directing the Respondents to pay a sum of ₹ 3.31 million with future interest at 17.5% to 2% per annum from September 17, 2003 till the date of realisation. Separately Irfan Razack was served a summons dated January 24, 2008 to appear before the Joint Registrar of Cooperative Societies in relation to an application that had been filed by Amanath Cooperative Bank Limited under the Karnataka Cooperative Societies Act 1959, for the attachment of immovable property belonging to certain persons. However, Irfan Razack is not being represented in this case since it has been filed against him in the capacity of an ex-director of the Petitioner, which has been denied by him earlier. Additionally, Irfan Razack has obtained a written confirmation from Syed Zameer Pasha, the present administrator of the Bank, by a letter dated March 24, 2010 stating that Irfan Razack

has at no point of time accepted a position as a director on the board of directors of the Petitioner. The matter is pending.

Rezwan Razack

1. A civil suit bearing O.S. No. 645/2007 has been filed by Ambuja R against Hemavathi and others before the City Civil Court, Bengaluru. An application has been made by the plaintiff on March 12, 2009 to implead Rezwan Razack on the ground that he tried to interfere with the plaintiff's peaceful possession of property measuring 20 guntas situated at Sy. No. 60/2, Addevishwanathapura Village, Hesaraghatta Hobli, Bengaluru North. Rezwan Razack has filed application seeking rejection of the application made by the plaintiff on March 12, 2008, on the grounds that the property is not in the name of Rezwan Razack and hence, the plaintiffs allegations are false. The matter is pending. This suit has been filed in respect of our project "Prestige Oasis/Northwest County".

2. A civil suit bearing O.S. No. 264/2005 has been filed by Girijamma and the others against R.C. Basavarajaiah and others before the First Additional Civil Judge (Senior Division), Bengaluru Rural District, Bengaluru. Rezwan Razack, Anjum Razack and Prestige Constructions are the seventh, eighth and ninth defendants respectively. The Plaintiffs have alleged that Rezwan Razack and Anjum Razack have taken possession of the property of the plaintiffs by threat and coercion and that the sale deeds executed in their favour are illegal and void. The plaintiffs have filed an interim application seeking temporary injunction to restrain defendants six to nine from altering the nature of the suit property situated at Sy. No. 60/2 at Addevishwanathapura, Hesarghatta Hobli, Bengaluru North and from alienating the suit property in favour of third parties pending disposal of the suit. Defendants six to nine have opposed the interim application on grounds that the plaintiffs have thrice failed previously to make a prima facie case against the defendants and in proving balance of convenience in their favour for grant of an interim injunction. The defendants have also filed an interim application to the effect that the valuation of the suit is inaccurate. The matter is pending. This suit has been filed in respect of our project "Prestige Oasis".

Irfan Razack and Rezwan Razack

1. An appeal bearing M.A. No. 606/2002 has been filed by S.Vasudeva against the Government of Karnataka and others before the Karnataka Appellate Tribunal, Bengaluru. Irfan Razack and Rezwan Razack are named as defendants 22 and 23. The contentions of the plaintiff relate to the properties alleged to have been acquired by the fourteenth respondent, a member of parliament and his family members beyond their respective sources of income. Irfan Razack and Rezwan Razack were not made parties though allegations about them acquiring agricultural lands measuring 6.92 acres situated at Sy. No. 105 and 106 of Ramagondanahalli Village, Varthur Hobli, Bengaluru South were made. The appellant further alleged that respondents 22 and 23 have developed layouts on the land to an extent of 46.37 acres, while conversion orders were obtained for only 30 acres. The matter is pending. This suit has been filed in respect of our project "Prestige Laughing Waters".

2. A dispute bearing No. JRD/ACB/III/2007-2008 has been filed by Amanath Co-operative Bank Limited against PHR Developers, represented by partners Irfan Razack, Rezwan Razack and another before the Joint Registrar of Co-operative Societies_Bengaluru. Amanath Co-operative Bank Limited had entered into a memorandum of understanding with PHR Developers whereby the latter had undertaken to construct a multi-storeyed building for the complainant bank. The contention of the complainant is that that pursuant to such memorandum of understanding, PHR Developers has charged excessive costs to the extent of approximately ₹ 388.87 million on account of inflated land costs, inflated interest on the overdraft account that was opened with the bank in the name of PHR Developers to finance the construction of the building, transfer of funds from the aforementioned account to unauthorized persons and failure to produce bills to support certain costs incurred. The complainant also alleges violation of procedure since one of the partners of PHR Developers was the wife of the then President of Amanath Co-operative Bank Limited. The complainant has prayed for the loss to be made good along with interest and had demanded that Irfan Razack and Rezwan Razack along with other respondents owe an amount of ₹ 388.87 million along with interest at 18% per annum to Amanath Bank Co-operative Bank Limited. However, the report of the enquiry commission that was appointed under the Karnataka Co-operative Societies Act, 1959 to look into alleged irregularities in the affairs of the bank has held PHR Developers responsible for overcharging construction costs to the extent of ₹ 83.71 million. The findings of the enquiry report have been challenged by PHR Developers by way of

petition dated January 18, 2010. Pursuant to applications filed by the complainant, the Joint Registrar of Co-operative Societies passed an order dated March 4, 2010 attaching certain properties of Irfan Razack, which includes the registered office of our Company. Irfan Razack has filed an appeal bearing No. 211/2010 dated April 21, 2010 before the Karnataka Appellate Tribunal, Bengaluru against the order of attachment dated March 4, 2010 passed by the Joint Registrar of Co-Operative Societies. Amanath Bank Co-operative Bank Limited is the second respondent to the appeal. Irfan Razack has alleged that the order has been passed by the Joint Registrar without a hearing. Irfan Razack has alleged that the properties attached do not belong to Irfan Razack nor PHR Developers and that one of the properties attached belong to Irfan Razack's sister. Irfan Razack has alleged that the order was passed only because Irfan Razack did not furnish security nor deposit ₹ 388.87 million. Irfan Razack has prayed before the Karnataka Appellate Tribunal to call for the records in dispute No. JRD/ACB/111/2007-08 pending before the Joint Registrar and set aside the order dated March 4, 2010. Amanath Bank Co-operative Bank Limited has filed objections dated March 25, 2011 praying before the Karnataka Appellate Tribunal to dismiss the appeal filed by Irfan Razack. Irfan Razack had entered into a memorandum dated November 4, 2010 with the complainant bank pursuant to which the matter was settled for 83.71 million. Amanath Co-operative Bank Limited has filed a memo before the Karnataka Appellate Tribunal to withdraw the memorandum dated November 10, 2011 entered into between the complainant bank and Irfan Razzack on the ground that the same was unauthorised. Irfan Razack has filed objections before the Karnataka Appellate Tribunal, Bengaluru against the application to withdraw the memorandum dated November 4, 2010 filed by the complainant bank. The matter is pending.

Noaman Razack

Nil

Cases filed by the Promoters

Nil

Cases involving our Subsidiaries and Other Development Entities

West Palm Developments Private Limited

Civil litigation

Cases filed against West Palm Developments Private Limited ("West Palm")

1. A civil suit bearing O.S. No. 5265/2008 has been filed by Kamalamma against Thimmakka and others before the City Civil Court at Bengaluru. West Palm Developments Private Limited is the sixth defendant in the suit. The plaintiff has filed this suit for partition of property and for setting aside the sale deed executed in favour of West Palm Developments Private Limited and for permanent injunction to restrain the defendants from encumbering the plaintiffs share in the property under dispute. The contention of the plaintiff is that defendants one to four have colluded with each other and fraudulently sold portions of ancestral property measuring 3 acres 16 guntas situated at Sy. No. 32/1, 142 and 143/2 situated at Kadubeesanahalli and Ammani Bellandur khane Villages, Varthur Hobli, Bengaluru East, without the knowledge of the plaintiff. West Palm Developments Private Limited has purchased one acre of the suit property from defendant No. 5 under sale deed dated August 26, 2003. An interim application has been filed by West Palm Developments Private Limited for dismissal of the suit on the grounds that the plaintiff was fully aware of the execution of the sale deed. Further, West Palm Developments Private Limited has filed an interim application before the court seeking directions from the court to direct the plaintiff to pay the deficit court fee. The matter is pending. This suit has been filed in respect of our project "Prestige Tech Park".

2. A civil suit bearing O.S. No. 6825/2004 has been filed by Bharath Kumar, represented by his mother Rajeswari against Rajanna and others before the City Civil Court, Bengaluru for partition and separate possession in respect of property measuring 3.008 acres situated at Sy. No. 30/1, Kadubeesanahalli Village, Varthur Hobli, Bengaluru South. West Palm Developments Private Limited is the fifteenth defendant in the suit. The contention of the plaintiff is that the defendants have executed two sale deeds on May 4, 2000 by which the entire property was alienated, without the knowledge of the plaintiff. The

plaintiff further alleges that on the basis of another sale deed executed by the fourteenth defendant for sale of 1.57 acres of the suit property in favour of West Palm Developments Private Limited, West Palm Developments Private Limited has been attempting to change the nature of the property. West Palm Developments Private Limited has filed its written statement on June 30, 2007. West Palm Developments Private Limited has filed an interim application praying before the court to direct the plaintiff to pay the appropriate deficit court fees. The matter is pending. This suit has been filed in respect of our project "Prestige Tech Park".

Cases filed by West Palm Developments Private Limited

Nil

Cessna Garden Developers Private Limited

Civil litigation

Cases filed against Cessna Garden Developers Private Limited

1. A civil suit bearing O.S. No. 8674/2006 has been filed by Krishnappa against Narayanappa and others before the Additional Civil Judge at Bengaluru. Cessna Garden Developers Private Limited is the fourth defendant in the suit. The contention of the plaintiff is that the plaintiff had filed a suit dated September 28, 2006 against defendants one to three for partition of suit properties measuring 5.32 acres situated at survey number 17/2 and 17/4, Kadubeesanahalli Village, Varthur Hobli, Bengaluru East and to set aside sale deeds executed in favour of Cessna Garden Developers Private Limited to the extent of their share in the property. The plaintiff has also sought a permanent injunction against Cessna Garden Developers Private Limited restraining it from interfering with the peaceful possession and enjoyment of the plaintiff's share in the property. The plaintiff has also filed two interim applications on September 28, 2006 seeking temporary injunction against defendants one to three, to restrain them from alienating the property or encumbering or in anyway creating charge over the property or changing the nature and character of the property. Cessna Garden Developers Private Limited has filed an interim application requiring the plaintiff to pay the deficit court fees of ₹ 1.10 million before proceeding with the suit. Cessna Garden Developers Private Limited has also filed a written statement and an objection to the interim application filed by the plaintiffs and has sought for dismissal of the suit. The matter is pending and has been posted for hearing the interim applications filed by the plaintiff. This suit has been filed in respect of our project "Cessna Business Park".

2. A civil suit bearing no. O.S. No. 697 of 2013 has been filed by Muniyappa and others ("**Plaintiffs**") against Ramesh, Cessna Garden Developers Private Limited and others ("**Defendants**") before the Court of the Principal II Civil Judge, Bengaluru Rural District, Bengaluru (the "**Court**"). Cessna Garden Developers Private Limited is the seventh defendant in the suit. The Plaintiffs have alleged that property bearing survey no. 7, measuring 1 acre and 16 guntas, situated at Kadubisanahalli Village, Varthur Hobli, Bengaluru and land bearing survey no. 32/16 measuring 23×45 feet with house therein situated at Ballandur Village, Varthur Hobli, Bengaluru East Taluk are ancestral properties which have not been partitioned. The Plaintiffs have alleged that certain defendants have registered a sale deed in favour of Cessna Garden Developers Private Limited in respect of the aforesaid suit property and that the defendants in collusion abruptly made an attempt to put up construction in the aforesaid suit property. The Plaintiffs have alleged that the aforesaid suit property have been sold without the consent of the competent District Judge which was needed to sell the interest of the then minor Plaintiffs and Ramesh (defendant no. 1). The Plaintiffs have alleged that the sale of the aforesaid suit property is illegal, invalid, void and not binding on the Plaintiffs. The Plaintiffs have sought directions from the court for *inter alia* partition of the aforesaid suit property, allotment of 3/4th share in the suit property and enquire into mesne profits in respect of the plaintiffs share in the suit property from the date of the suit. The matter is pending.

3. A civil suit bearing O.S. No. 546/2012 has been filed by Prameela and others against Yeshodamma, Cessna Garden Developers Private Limited and others before the Court of the City Civil Judge, Bengaluru (the "**Court**"). Cessna Garden Developers Private Limited is the sixth defendant to the suit. The plaintiffs have alleged that in view of the amendment to the Hindu Succession Act, 1956, the plaintiffs being the coparceners of the joint family are entitled to 1/4th share in respect of the property bearing survey No. 6 situated at Kadubisanahalli Village, Varthur Hobli, Bengaluru South Taluk,

Bengaluru measuring one acre. The plaintiffs have alleged that Cessna Garden Developers Private Limited and certain other defendants had purchased the aforementioned suit property from persons who have no absolute right, title and interest over the suit property and hence there is no title transferred to Cessna Garden Developers Private Limited and certain other defendants. The plaintiffs have alleged that Cessna Garden Developers Private Limited has subsequently mortgaged this property favour of Infotech Trusteeship Services Limited. The plaintiffs have prayed before the Court to issue a decree for *inter alia* partition and separate possession of the plaintiffs $1/4^{th}$ share in respect of the suit property and to declare the sale deeds, exchange deed and mortgage deed executed in respect of the suit property as not binding on the plaintiffs. The matter is pending.

4. A civil suit bearing no. O.S. No. 703 of 2013 has been filed by Mangala and another ("**Plaintiffs**") against Sheela, Cessna Garden Developers Private Limited and others ("**Defendants**"), before the Court of Junior Civil Judge, Bengaluru Rural District (the "**Court**"). The Plaintiffs have alleged that property bearing survey no. 7, measuring 1 acre and 18 guntas, situated at Kadubisanahalli Village, Varthur Hobli, Bengaluru and land bearing survey no. 32/16 measuring 23×45 feet with house therein situated at Ballandur Village, Varthur Hobli, Bengaluru East Taluk are ancestral, joint family, coparcenery properties which have not been partitioned. The Plaintiffs have alleged that certain defendants have registered a sale deed in favour of Cessna Garden Developers Private Limited in respect of the aforesaid suit property and that the certain defendants in collusion attempted to put up construction in the aforesaid suit property. The Plaintiffs have alleged *inter alia* that there was no partition and that their father did not have any independent right, title or interest to sell the property. The Plaintiffs have also alleged that the sale of the aforesaid suit property is illegal, invalid, void and not binding on the Plaintiffs. The Plaintiffs have sought directions from the Court for *inter alia*, the partition of the aforesaid suit property, allotment of $4/5^{th}$ share in the suit property and enquire into mesne profits in respect of the Plaintiffs share in the suit property from the date of the suit. The matter is pending.

5. A civil suit bearing no. O.S. No. 1387 of 2012 has been filed by Chinmuna and others ("**Plaintiffs**") against Lakshmaiah, Cessna Garden Developers Private Limited and others ("**Defendants**") before the Court of the Principal II Civil Judge, Bengaluru Rural District, Bengaluru (the "**Court**"). Cessna Garden Developers Private Limited is the seventh defendant to the suit. The Plaintiffs have alleged that property bearing survey No. 7, measuring 1 acre and 16 guntas, situated at Kadubisanahalli Village, Varthur Hobli, Bengaluru and land bearing survey No. 32/16 measuring 23×45 feet with house therein situated at Ballandur Village, Varthur Hobli, Bengaluru East Taluk are ancestral, joint family, coparcenery properties which have not been partitioned. The Plaintiffs have alleged that certain defendants have registered a sale deed in favour of Cessna Garden Developers Private Limited in respect of the aforesaid suit property and that the certain defendants in collusion attempted to put up construction in the aforesaid suit property. The Plaintiffs have alleged that the certain defendants had sold the suit property without their knowledge and consent. The Plaintiffs have also alleged that the sale of the aforesaid suit property is illegal, invalid, void and not binding on the Plaintiffs. The Plaintiffs have sought directions from the Court *inter alia* for the partition of the aforesaid suit property and allotment of $7/8^{th}$ share in the suit property and to enquire into mesne profits in respect of the Plaintiffs share in the suit property from the date of the suit. The matter is pending.

6. A civil suit bearing no. 4382/2009 has been filed by Muniyamma ("**Plaintiffs**") and others against Venkatamma and others ("**Defendants**"). The Plaintiffs have filed the suit with respect to the property bearing Sy. No. 17/2 and 17/4 of Kadabessanna Halli Village, Varthur Hobli, Bengaluru East Taluk. Cessna Garden Developers Private Limited proposes to make a representation in the suit in order to implead itself as a necessary party to the suit. The matter is pending.

7. Domegunta Venkatasesha Reddy (the "**Appellant**") has filed a regular first appeal bearing R.F.A. No. 765/2014 in O.S. No. 8334/2003 before the High Court of Karnataka (the "**Court**") against Gowramma and 32 others (the "**Respondents**"). The Appellant has alleged that he has purchased the agricultural land measuring 20 guntas comprised in survey No. 44 of Kadabeesanahalli Village, Varthur Hobli, Bengaluru South Taluk (the "**Property**") from T Narayana on March 21, 2000 who in turn purchased the Property from its previous owner Venkatamma wife of Rama Bovi. The Appellant has stated that post conversion of the Property he sold the Property by way of registered sale deed dated April 21, 2004 in favour of Cessna Garden Developers Private Limited. The Appellant has alleged that certain respondents 1 to 8 have filed the above suit bearing O.S. No. 8334/2003 for the relief of partition and separate possession of certain properties claiming half share in the properties and that they have also

sought for declaration declaring that several sale deeds entered into by Rama Bovi and his children are not binding on the Respondents and also sought permanent injunction against the Appellant and others. The Appellant has alleged that the Respondents have filed the above suit after lapse of several years from the date of alienation of the properties. The Appellant has alleged that he has not received any court summons/notice in respect of the suit filed by respondents 1 to 8 and that they have not intentionally served any notice to the Appellant and as such the Appellant was not aware of the pendency of the suit. The Appellant has alleged that the respondents 1 to 8 have taken steps through paper publication and on receipt of the said paper publication the Appellant was placed ex parte. The Appellant has alleged that no summons was served to him and that he was placed ex parte and that the case was prosecuted without due service of summons to the Appellant. The Appellant has stated that respondents 19 to 22 have filed an impleading application I.A. No. 17 to implead Cessna Garden Developers Private Limited as a party to the suit and that the trial court illegally rejected the same. The Appellant has stated that the land in disputes is in actual possession and enjoyment of Cessna Garden Developers Private Limited and the property in dispute is not at all available for partition and in the absence of necessary party to the suit is also not maintainable. The Appellant has alleged that Respondents obtained the decree from the trial court by producing false evidence. The Appellant has enumerated the following grounds *inter alia* (i) that the judgement and decree of the trial court is illegal, unjust and contrary to law and facts; (ii) that the land is in actual possession and enjoyment of Cessna Garden Developers Private Limited and that the trial court illegally dismissed the I.A. 17 filed by defendants 19 to 22 and that Cessna Garden Developers Private Limited be impleaded as proposed defendant and proceeded to decree the suit; (iii) that the suit is barred by limitation and that the land in dispute is not available for partition and same was transferred to the hands of several purchasers and that they have converted the land in dispute to non-agricultural residential purposes and (iv) that the claim of the Respondents and their family members initiated under Prohibition of Transfer of Certain Lands Act, 1978 seeking restoration of property is already rejected by the Assistant Commissioner in KSCST No. 167/2009-10 and subsequently they have preferred an appeal before the Hon'ble District Commissioner in KSCST Appeal No. 135/2011-12 and that the same is pending for consideration and that the suit of Respondents are not at all maintainable. The Appellant has prayed before the Court for *inter alia* (i) call for the records in O.S. No. 8334/2003 on the file of the XLIII Additional City Civil and Session Judge Bangalore (CCH-44) and (ii) allow this appeal and set aside the judgement and decree dated January 16, 2014 passed by the XLIII Additional City Civil and Session Judge, Bangalore (CCH-44) in O.S. No. 8334/2003. The Appellant has filed an application before the Court under the Limitation Act, 1963 to condone the delay of days in filing the above appeal and an interlocutory application to stay the operation and execution of the judgement and decree dated January 16, 2014 in O.S. 8334/2003. The matter is pending.

Cases filed by Cessna Garden Developers Private Limited

Nil

Cases filed against Silver Oak Project ("Silver Oak")

Civil litigation

1. Gowramma and another (the "**Plaintiffs**") have filed a suit bearing O.S. No. 1218/2012 before the Court of the Senior Civil Judge, Rural District, Bengaluru (the "**Court**") against Silver Oak, Suresh Vallabji and Wildflower Estate Resort Private Limited. The Plaintiffs have alleged that Silver Oak does not have any right, title or interest over the property measuring 20 guntas out of 2 acres of land situated at Pattandur Village, K.R. Puram Hobli, Bengaluru (the "**Property**"). The Plaintiffs have alleged that Nagappa who is the father of the Plaintiffs has executed the sale deed in respect of Suresh Vallabji under the influence of alcohol thereby depriving the rights of brothers and of the Plaintiffs over the Property. The Plaintiffs have alleged that the sale deed executed in respect of the Property by Suresh Vallabji and Wildflower Estate Resort Private Limited in favour of Silver Oak is without legal basis. The Plaintiffs have prayed before the Court to pass a decree in respect of the following:

   a. To declare the Plaintiffs as the absolute owners of the Property i.e., 20 guntas out of 2 acres of land situated at Pattandur Village, K.R. Puram Hobli, Bengaluru;
   b. To declare the alleged sale deed dated February 3, 2010 and registered with the sub-registrar *vide* document No. MDP-1-05266/2009/10 executed between Suresh Vallabji and Wildflower Estate Resort Private Limited in favour of Silver Oak as invalid. Further, the Plaintiffs have prayed before the Court

to declare any other documents executed in the name of Silver Oak pursuant to the sale deed as invalid against the Plaintiffs ; and

c. To restrain Silver Oak permanently from interfering with the peaceful possession of the Property.

The Plaintiffs have also filed an application for temporary injunction to restrain Silver Oak from putting up any construction in the Property pending disposal of the suit. The Court has passed an order dated September 13, 2013 allowing the compromise petition. However the compromise decree binds only the parties who are parties to the compromise petition and does not bind defendant no. 1 and 2 who are placed ex parte and defendant no. 1 and 2 are at liberty to challenge the validity or otherwise of the order of Court dated September 13, 2013. The matter is pending. This suit has been filed in respect of the project "Silver Oak".

2. Muniyamma and another (the "**Plaintiffs**") have filed a suit bearing O.S. No. 1048/2012 against Silver Oak and twenty three others (the "**Defendants**"). The Plaintiffs have alleged that the joint family property bearing Sy. No. 122, measuring 3 acres 14 guntas situated at Pattandur Agrahara Village, K.R. Puram Hobli, Bengaluru and Sy No. 130, measuring 2 acres situated at Pattandur Agrahara Village, K.R. Puram Hobli, Bengaluru (the "**Properties**") have been sold by the father of Gowramma and Sumithra (Defendants 8 and 9) in favour of Silver Oak without any right to sell and that the same has been done without the consent and knowledge of the Plaintiffs. The Plaintiffs have prayed before the Court to pass a decree against the Defendants:

a. For partition of the Properties by allotting 1/8th share to each of the Plaintiffs;
b. To declare the registered sale deeds and the release and confirmation deed executed in respect of the Properties and registered before various sub-registrars as not binding on the Plaintiff; and
c. Grant mesne profits.

The Plaintiffs have also filed applications for ex parte interim orders of temporary injunction to restrain Silver Oak from alienating any part of the Properties and from changing the nature of the Properties by construction or otherwise. The matter is pending. This suit has been filed in respect of the project "Silver Oak".

3. Girish and another (the "**Plaintiffs**") have filed a suit bearing O.S. No. 1744/2013 before the Court of the Principal Senior Civil Judge, Bengaluru Rural District, Bengaluru (the "**Court**") against Silver Oak and sixteen others (the "**Defendants**"). The Plaintiffs have alleged that the joint family property bearing Sy. No. 129 measuring 1 acres and 22 guntas and Sy.No. 130 measuring 5 acres 18 guntas situated at Pattandur Agrahara Village, K.R. Puram Hobli, Bengaluru East Taluk (the "**Property**"), belonged to Late Police Muniyappa, kartha of the family. The Plaintiffs alleged that Late Police Muniyappa died intestate leaving behind certain defendants as his legal heirs and successors to his estate. The Plaintiffs further alleged that defendant nos. 1-15 had filed a suit bearing no. O.S. No. 5/2011 before the Hon'ble Principle II Civil Judge, Bengaluru Rural District seeking a permanent injunction against the unlawful claim of the defendant nos. 16 & Silver Oak without making the Plaintiffs a party to the said suit. The said suit was dismissed by the Court based on an application being filed by the defendant nos. 1- 15. It is the Plaintiffs' submission that Silver Oak and defendant no. 16 are trying to build on the said Property and alienate the Property based on the revenue documents which were made in their name after O.S. No. 5/2011 was dismissed. The Plaintiffs have prayed before the Court to pass a judgment and decree against the Defendants *inter alia*:

a. declaring that the application filed by defendant nos. 1 to 15 in O.S. No. 5/2011 as not binding on the Plaintiffs;
b. declaring the Plaintiffs as the rightful legal heirs and co-owner of the property;
c. declaring that the Plaintiffs are jointly entitled for 1/6th share in the property; and
d. issuing a permanent injunction against Defendant No. 16 and Silver Oak, restraining them from interfering with the peaceful possession of the Plaintiffs.

The Plaintiffs have also filed an interlocutory application for temporary injunction to restrain Defendant Nos. 16 and Silver Oak from alienating, encumbering or creating any third party rights in relation to the Property pending disposal of the suit. The matter is pending.

4. Dasamma (the "**Plaintiff**") has filed a suit bearing O.S. No. 158/2014 before the Court of the Civil Judge Junior Division, Bengaluru Rural District, Bengaluru (the "**Court**"). Silver Oak is one of the

proposed defendants. The Plaintiff has alleged that certain defendants have attempted to alienate the property bearing survey nos. 121/3 measuring 17 1/2 guntas ("**Property**") to third parties without her consent and knowledge. The Plaintiff has prayed before the Court to *inter alia* pass decree and judgment for mandatory injunction against the defendants and directing the defendants to remove all construction from the property. The matter is pending.

5. Saraswathi and others ("**Plaintiffs**") have filed a suit bearing O.S. no. 1128/2011 before the Senior Civil Judge, Bengaluru Rural District at Bengaluru ("**Court**") against Silver Oak ("**Defendant**"). The Plaintiffs have alleged that the property bearing survey No. 121/3 measuring 19 guntas and 16 units situated at Pattandur Agrahara Village, K.R. Puram Hobli, Bengaluru East Taluk (the "**Property**") is a joint family property and presently owned by the Plaintiffs alongwith certain other legal heirs. The Plaintiffs have alleged that the Defendant has forcibly dispossessed the Plaintiffs from the Property and put up barricades with the intent to develop the Property. The Plaintiffs have further alleged that the Defendant has obtained sanction plan from the Bengaluru Development Authority and moved in men and material to undertake construction over the Property. The Plaintiffs have prayed before the Court to *inter alia* pass a judgement and decree directing the Defendant to hand over vacant physical possession of the Property and a mandatory injunction directing the Defendant to remove all or any construction work put up on the Property. The Defendant has filed an interim application for dismissal of suit. The matter is pending.

Cases filed by Silver Oak Project

Civil litigation

1. Silver Oak has filed a writ petition bearing No. 10278 of 2011 dated March 10, 2011 before the High Court of Karnataka, Bengaluru (the "**Court**") against State of Karnataka and others (the "**Respondents**"). Silver Oak has stated that it is the owner of the property bearing old Sy No. 31, 35 and 38, new Sy. No. 129 and 130, Pattandur Agrahara Village, K.R. Puram Hobli, Bengaluru East Taluk. Silver Oak has alleged that certain Respondents have contested the title to the property owned by Silver Oak. Silver Oak has prayed before the Court to issue a writ of prohibition restraining the Special Deputy Commissioner, Bengaluru (Respondent No. 2) from acting without jurisdiction and entertaining, trying and continuing to proceed with revisional proceedings in R.P. No. 158/2010-11. Silver Oak has prayed before the Court to issue a writ to quash the proceedings in R.P. 158/2010-11 pending before the Special Deputy Commissioner. Silver Oak has prayed before the Court to pass an interim order staying the operation of the order dated August 23, 2010 passed by the Revenue Revisional Court in R.P. No. 158/2010-11 restraining construction on the property and to stay the order dated January 31, 2011 extending the ex-parte interim order. Silver Oak has prayed before the Court to pass an order staying the proceedings in R.P. No. 158/2010-11 before the Special Deputy Commissioner. The Court has passed an order dated March 14, 2011 directing the Respondents not to interfere with the construction by Silver Oak on the property and restraining the Respondents from enforcing the interim orders dated August 23, 2010 and March 31, 2011 passed in R.P. 158/2010-11. The matter is pending. This suit has been filed in respect of the project "Silver Oak".

Cases involving our Subsidiaries and Associate Companies

Prestige Garden Constructions Private Limited

Civil litigation

Cases filed against Prestige Garden Constructions Private Limited

1. A civil suit bearing O.S. No. 1930/2005 has been filed by Gowramma and others against H.P. Narayana Reddy and others before the court of the Second Additional Civil Judge (Senior Division) at Bengaluru Rural District. Prestige Garden Constructions Private Limited is the eighth defendant in the suit. The contention of the plaintiff is that defendants one to seven sold property belonging to the plaintiff's hindu undivided family measuring 13.77 acres situated in Sy. Nos. 150/1, 150/2, 150/3, 150/4 and 390/1, Amani Bellandur Khane, Varthur Hobli, Bengaluru East taluk to Prestige Garden Constructions Private Limited, without knowledge or consent of the plaintiff. The suit has been filed for setting aside the sale deed executed in favour of Prestige Garden Constructions Private Limited. Prestige Garden Constructions Private Limited has filed its written statement on October 20, 2007.

Notices are being served on other defendants. The matter is pending. This suit has been filed in respect of our project "Prestige Ozone".

2. V. Chinna Pullai (the "**Plaintiff**") has filed a suit bearing No. 1775/2008 before the Court of the Principal Civil Judge (Senior Division), Bengaluru (the "**Court**") against Prestige Garden Constructions Private Limited and three others (the "**Defendants**"). The Plaintiff has alleged that the sale deed executed in favour of Prestige Garden Constructions Private Limited by the other defendants in respect of the property bearing Sy. No. 144/6, measuring 20 guntas at Hagadur Village, K.R. Puram Hobli, Bengaluru (the "**Property**") is not binding on the Plaintiff. The Plaintiff has alleged that the sale transaction has taken place between the Defendants without the knowledge of the Plaintiff and during the pendency of proceedings before the revenue authorities and also before the High Court of Karnataka. The Plaintiff has alleged that the Property belongs to the Plaintiff and that Prestige Garden Constructions Private Limited has started putting up constructions on the Property thereby interfering with the Plaintiff's possession of the Property. The Plaintiff has prayed before the Court to pass a judgement and decree granting a relief of declaration declaring that the alleged panchayath palupatti dated November 8, 1985 is not acted upon and defendant No. 1 does not derive any right, title, interest or possession of the Property based on the alleged panchayath partition dated November 8, 1985. The Plaintiff has prayed before the Court to declare the sale deeds executed in respect of the Property as not binding on the Plaintiff and to declare that Prestige Garden Constructions Private Limited does not derive any right, title, interest or possession of any kind over the Property. The Plaintiff has further prayed before the Court to grant permanent injunction restraining Prestige Garden Constructions Private Limited from putting up any construction over the Property. The matter is pending. This suit has been filed in respect of our project "Prestige Ozone".

3. A civil suit bearing O.S. No. 128/2013 has been filed by Nagaraju and others ("**Plaintiffs**") against Prestige Garden Constructions Private Limited, Pillappa and others ("**Defendants**") before the court of the Additional Second Civil Judge (Junior Division) at Bengaluru Rural District ("**Court**"). Prestige Garden Constructions Private Limited is the 19th defendant in the suit. The Plaintiffs alleged that they are entitled to $4/5^{th}$ share in the joint family property bearing survey no. 143/4 and measuring 1 acre and 11-1/2 guntas, situated at Hagadur Village, Krishnarajapuram Hobli, Banglore East Taluk, Banglore. The Plaintiffs alleged that they were misrepresented with respect to the contents of the sale deed dated March 1, 2004 and were instigated by defendant no.16 to execute the said sale deed in favour of defendant no. 17. The Plaintiffs have prayed before the Court to *inter alia* declare the signatures of the Plaintiffs, on the sale deed dated March 1, 2004 as being obtained under misrepresentation, fraud and undue influence and thereby consider it as completely void. The matter is pending. This suit has been filed in respect of our project "Prestige Ozone".

4. Jayakumar and two others (the "**Plaintiffs**") have filed a suit bearing O.S. No. 674/2012 before the Court of the Civil Judge (Senior Division), Bengaluru Rural District (the "**Court**") against Prestige Garden Constructions Private Limited, Shashidharaiah and seven others (the "**Defendants**"). Prestige Garden Constructions Private Limited is the ninth defendant to the suit. The Plaintiffs have alleged that the land bearing Sy. No. 60/2 measuring 8 acres and 36 guntas and 11 guntas kharab land aggregating to 9 acres and 7 guntas, situated at Addeviswanathapura Village, Hesaraghatta Hobli, Bengaluru North Taluk (the "**Property**") are joint and ancestral properties of the Plaintiffs and certain other defendants. The Plaintiffs have alleged that certain other defendants have illegally alienated the Properties without any independent right and title to alienate the Property to our Company. The Plaintiffs have prayed before the Court for, *inter alia* judgment and decree for partition and separate possession of the Plaintiffs $1/4^{th}$ share each out of the $1/3^{rd}$ share of the third defendant in the Property and declare the partition among certain defendants as unequal, not binding on the legitimate inheritance right of the Plaintiff and not to be acted upon. The Plaintiffs have further prayed before the Court to declare that the alienation of the Property was not binding on the Plaintiffs and to issue a permanent injunction restraining us from alienating, altering or creating any encumbrance on the Property. The matter is pending.

Cases filed by Prestige Garden Constructions Private Limited

Nil

Prestige Projects Private Limited

Cases filed against Prestige Projects Private Limited

1. K. Santhosh (the "**Plaintiff**") has filed a suit bearing No. 483/2012 dated July 2, 2012 before the Civil Judge Senior Division and J.M.F.C., Anekal (the "**Court**") against Prestige Projects Private Limited and four others. The Plaintiff has alleged that Prestige Projects Private Limited has not acquired any right, title or interest in the property bearing survey No. 89 measuring 3 acres 20 guntas, Ittangur Village, Sarjapura Hobli, Anekal Taluk, Bengaluru (the "**Property**"). The Plaintiff has alleged that the Property is an ancestral property of the Plaintiff and that Prestige Projects Private Limited along with defendant No. 4 have colluded together and registered the sale deed in respect of the Property without knowledge and consent of the Plaintiff. The Plaintiff has prayed before the Court to effect partition and allot 1/4th legitimate share to the Plaintiff in the Property. Further, the Plaintiff has prayed before the Court to declare the sale deeds executed in respect of the Property as not binding on the Plaintiff. The matter is pending. This suit has been filed in respect of the land situated at Sarjapur.

2. Parthamma and Narayanamma ("**Plaintiffs**") have filed a suit bearing no. O.S. 163/2013 against Manjula, Prestige Projects Private Limited and others before the Senior Civil Judge at Anekal ("**Court**"). Prestige Projects Private Limited is the sixth defendant to the suit. The Plaintiffs have alleged that certain defendants have colluded with each other and sold the land bearing Sy. No. 72, measuring 28 guntas situated at Yamare Village, Sarjapura Hobli, Anekal (the "**Property**") to Prestige Projects Private Limited and one more defendant pursuant to sale deeds dated July 21, 2006 and August 17, 2010 without the knowledge and consent of the Plaintiffs and that the sale deeds are not binding on the Plaintiffs. The Plaintiffs have alleged that the Property is a joint family property and that the Plaintiffs are entitled to a share in the Property. The Plaintiffs have prayed before the Court to pass an order directing certain defendants to effect partition of the Property and allot 2/3rd share to the Plaintiffs and put the Plaintiffs in possession of their share. The Plaintiffs have further prayed before the Court to declare the sale deeds executed in favour of Prestige Projects Private Limited and the other defendant as not binding on the Plaintiffs and prayed *inter alia* to effect a partition of the suit property. The Plaintiffs have filed an interim application for grant of temporary injunction against Prestige Projects Private Limited or its agents from alienating the Property or the portion thereof till the disposal of suit. The matter is pending. This suit has been filed in respect of the land situated at Sarjapur.

3. Nagaveni and Mamatha ("**Plaintiffs**") have filed a suit bearing no. O.S. 413/2009 against Anjinappa, Prestige Projects Private Limited and others before the Principle Civil Judge Senior Division at Anekal ("**Court**"). Prestige Projects Private Limited is not a party but has substantial interest in the suit. The Plaintiffs have alleged that the property bearing survey no. 94, situated at Ittangur Village, Sarjapura Hobli, Anekal, Bengaluru measuring 1 acre and 20 guntas ("**Property**") is a joint family property and the was sold by defendant no. 1 to defendant no.2 without the consent and knowledge of the Plaintiffs. The Plaintiffs have prayed before the Court *inter alia* to pass an order directing defendant no.1 to effect partition of the Property and put the Plaintiff in possession of their 2/3rd share. The Plaintiffs have further prayed before the Court to declare the sale deed in favour of defendant no.2 as not binding on the Plaintiff and entitle the Plaintiffs for mesne profits. The matter is pending. This suit has been filed in respect of the land situated at Sarjapur.

4. Susheelamma and four others (the "**Plaintiffs**") have filed a suit bearing O.S. No. 111/2012 before the Court of the Civil Judge Senior Division and J.M.F.C., Anekal (the "**Court**") against Prestige Projects Private Limited and 11 others. The Plaintiffs have alleged that certain defendants have colluded with each other and sold the joint family property bearing Sy. No. 94, measuring 3 acres 20 guntas situated at V.Kallahalli Village, Sarjapura Hobli, Anekal, Bengaluru Urban District (the "**Property**") to Prestige Projects Private Limited. The Plaintiffs have alleged that the property was transferred by certain defendants to certain other defendants through sale deed dated January 23, 1976, sale deed dated October 15, 1979, registered partition deed dated October 29, 2001, gift deed dated October 30, 2003, sale deed dated November 24, 2005, sale deed dated March 22, 2006 and was finally transferred by one of the defendant to Prestige Projects Private Limited vide the sale deed dated May 31, 2008 without their consent or knowledge. The Plaintiffs have further alleged that the certain defendants attempted to dispossess the Plaintiffs from the said Property. The Plaintiffs have prayed before the Court to pass an order to effect partition of the Property and allot 1/4th share to the plaintiffs no. 1 to 4 and 1/4th share to the 5th plaintiff and put the Plaintiffs in possession of their respective share. The Plaintiffs have prayed before the Court to declare the various sale deeds, gift deed and partition deed as not binding on the Plaintiffs. The Plaintiffs have filed an interim application for grant of temporary injunction against Prestige Projects Private Limited or his agents from alienating the Property or the

portion thereof till the disposal of suit. The matter is pending. This suit has been filed in respect of the land situated at Sarjapur.

5. Rathnamma and Nanjamma ("**Plaintiffs**") have filed a suit bearing no. O.S. 795/2011 against Savithramma, Prestige Projects Private Limited and others ("**Defendants**") before the Senior Civil Judge at Anekal ("**Court**"). Prestige Projects Private Limited is the fifth defendant to the suit. The Plaintiffs have alleged that the property bearing survey no. 22/3, 21, 215/2, 118/1, 13/2A2 situated at Kallahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru measuring a total of 2 acres and 28.5 guntas ("**Property**") is a joint and ancestral family property and that the father of the Plaintiffs and defendant no. 2 & 3 colluded with each other and sold the Property illegally and unlawfully to defendant no.4 without their consent and knowledge. It is further alleged that defendant no. 4 had further sold the property to Prestige Projects Private Limited. The Plaintiffs have prayed before the Court to *inter alia* pass an order directing defendants to effect partition of the Property by allotting $2/5^{th}$ share to the Plaintiffs and put them in possession of their $2/5^{th}$ share. The Plaintiffs have further prayed to declare that the sale deeds executed by defendant no. 2 & 3 and father of the Plaintiffs in favour of the defendant no.4 are not binding on the Plaintiffs. The Court has passed an interim order dated December 2, 2011 directing the defendants and their agents to restrain from alienating the Property till next date of hearing. The matter is pending. This suit has been filed in respect of the land situated at Sarjapur.

6. Kanthamma and others ("**Plaintiffs**") have filed a suit bearing no. O.S. 303/2011 against Amaresh, Prestige Projects Private Limited and others ("**Defendants**") before the Principle Civil Judge Senior Division at Anekal ("**Court**"). Prestige Projects Private Limited is the third defendant in the suit. The Plaintiffs have alleged that the property bearing survey no. 119 measuring 1acre and 06 guntas situated at Kallahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru ("**Property**") is a joint and ancestral family property and that it was sold by the mother of the Plaintiffs and the first defendant to husband of the second defendant vide sale deed dated May 29, 2000 which was inturn sold by the second defendant to Prestige Projects Private Limited vide sale deed dated May 28, 2008 without the consent and knowledge of the Plaintiffs. The Plaintiffs have prayed before the Court to *inter alia* pass a judgment and decree of partition holding that the plaintiffs are entitled to $3/4^{th}$ share in the Property and put them in possession of their respective share. The Court has issued an interim order dated April 19, 2011 restraining Prestige Projects Private Limited and their agents from alienating the property till next date of hearing. This suit has been filed in respect of the land situated at Sarjapur. The matter is pending.

7. Venkatalakshmamma and others ("**Plaintiffs**") have filed a suit bearing no. O.S. 834/2013 against and Damegunta Sriharamma and Prestige Projects Private Limited ("**Defendants**") before the Senior Civil Judge and J.M.F.C at Anekal ("**Court**"). The Plaintiffs have alleged that the property bearing survey No. 86, situated at Ittangur Village, Sarjapura Hobli, Anekal, Bengaluru measuring 2 acres and 26 guntas ("**Property**") is a joint family property and Damegunta taking advantage of Plaintiff's husband/father illiteracy had fraudulently got it transferred in its name through a sale deed dated December 24, 2005. It is further alleged that the property was inturn sold by Damegunta to Prestige Projects Private Limited vide sale deed dated May 29, 2008. The Plaintiffs have alleged that both the sale deeds were executed without the knowledge and consent of the Plaintiffs. The Plaintiffs have prayed before the Court *inter alia* to declare that both the sale deeds are not binding on the Plaintiffs and to grant a permanent injunction restraining Prestige Projects Private Limited or its agents from interfering with the Plaintiffs peaceful possession and enjoyment of the Property. The Plaintiffs have filed an interim application praying before the Court to grant temporary injunction restraining Prestige Projects Private Limited from alienating or creating any change over the Property pending disposal of the suit. This suit has been filed in respect of the land situated at Sarjapur. The matter is pending.

8. Amrutha ("**Plaintiff**") has filed a suit bearing O.S. No. 781/2011 before the Court of Senior Civil Judge and J.M.F.C at Anekal (the "**Court**") against Muni Reddy and four others ("**Defendants**"). Prestige Projects Private Limited is not a party to the suit however has substantial interest in the suit. The Plaintiff has alleged that the property bearing survey no. 12/1 measuring 1 acre and 08 guntas, survey no. 14/3 measuring 1 acre and 10 guntas, survey no. 110/3 measuring 3 guntas and survey no. 136 measuring 1 acre 20 guntas situated at Kallahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru ("**Property**") are ancestral and the Property is held as joint hindu family and that the Property is jointly possessed by the Plaintiff and certain defendants. The Plaintiff has alleged that the certain defendants have colluded with each other and have executed a sale deed in favour of one of the defendants without

his consent and knowledge. The Plaintiff has prayed before the Court to *inter alia* pass a judgment and decree for partition and separate possession of the Plaintiff's 1/3rd share and to declare the sale deed in favour of one of the defendant as not binding on the Plaintiff. The plaintiff has further prayed for grant of mesne profit. The Plaintiff has filed an interim application praying the Court for grant of a temporary injunction restraining the Defendants and their agents from alienating the Property pending disposal of the suit. The matter is pending.

9. Rathnamma and two others (the "**Plaintiffs**") have filed a suit bearing O.S. No. 816/2011 before the Court of the Civil Judge (Senior Division), Anekal (the "**Court**") against Guallamma and nine others (the "**Defendants**"). The Plaintiffs have alleged that the land bearing Sy. No. 28/5 measuring 16 ½ guntas, Sy. No. 119, measuring 1 acre 6 guntas situated at Valagere Kallahalli Village, Sarjapura Hobli, Anekal Taluk, Bengaluru (the "**Properties**") are joint and ancestral properties of the Plaintiffs and certain other defendants. The Plaintiffs have alleged that certain other defendants in collusion with the male members of the family have illegally and unlawfully alienated the Properties without the knowledge of the Plaintiffs. The Plaintiffs have prayed before the Court to pass a judgement and decree for partition and separate possession of the Plaintiffs 3/7th share in the Properties. The Plaintiffs have further prayed before the Court to declare the sale deeds executed in respect of the Properties as not binding on the Plaintiffs and to issue a permanent injunction restraining the Defendants from alienating the Properties. Our Company has been issued a summons in this suit. The matter is pending.

10. Trishankara has filed a suit bearing O.S. No. 647/2012 before the Court of the Senior Civil Judge, Anekal (the "**Court**") against our Company and seven others (the "**Defendants**"). The Plaintiff has alleged that our Company in collusion with the other Defendants have executed a fraudulent document of sale deed dated August 17, 2012 in order to defeat the right and interest of the Plaintiff in respect of the land bearing Sy. No. 95/1 measuring 22 ½ guntas, situated at Ittanguru Village, Sarjapura Hobli, Anekal (the "**Property**"). The Plaintiff has alleged that the Property is a joint family property and has prayed before the Court for partition of the Property and allotment of 1/7th share in the Property to the Plaintiff. Further, the Plaintiff has prayed before the Court to declare the sale deed executed in respect of the Property as not binding on the Plaintiff. The matter is pending. This suit has been filed in respect of the land situated at Sarjapur.

11. Lakshmaiah and four others (the "**Plaintiffs**") have filed a suit bearing O.S. No. 755/2012 before the Court of the Senior Civil Judge, Anekal (the "**Court**") against our Company and twenty four others. The Plaintiffs have alleged that certain defendants have colluded with each other and sold the land bearing Sy. No. 28, measuring 24 guntas situated at Yamure Village, Sarjapura Hobli, Anekal (the "**Property**") to our Company by a sale deed dated August 21, 2010 without the knowledge and consent of the Plaintiffs and that the sale deed is illegal, void and not binding on the Plaintiffs. The Plaintiffs have alleged that the Property is a joint family property and that the Plaintiffs are entitled to a share in the Property. The Plaintiffs have prayed before the Court to pass an order directing certain defendants to effect partition of the Property into three equal parts and allot one such share to the Plaintiffs and put the Plaintiffs in possession of its share. The Plaintiffs have prayed before the Court to declare the sale deed in favour of our Company as not binding on the Plaintiffs. The matter is pending. This suit has been filed in respect of the land situated at Sarjapur.

Cases filed by Prestige Projects Private Limited

Nil

Silverline Estates

Civil litigation

Cases filed against Silverline Estates

1. A civil suit bearing O.S. No. 1002/2008 has been filed by HMT Township Nivasigala Kshemabhivrudhi Sangha against Silverline Estates and others before the court of the XVI Additional City Civil and Sessions Judge, Bengaluru. The contention of the plaintiff is that the first defendant has constructed more than 800 flats on property measuring 7.59 acres, situated at plot number ML 11/20 A, Peenya Plantation, Bengaluru North, earmarked for the development of heavy industries without

obtaining the required permissions, including conversion orders for conversion of agricultural land into residential land. The plaintiff has further alleged that the residential construction is on a public road connecting the plaintiff's township to the ancillary units of our Company. The plaintiff has sought a decree of permanent injunction restraining the first defendant from continuing construction work on the suit property. The plaintiff has also filed an interim application for *ex-parte* injunction to restrain the first defendant from continuing with construction on the suit property. The first defendant has filed objections to the said interim application and a subsequent interim application on March 10, 2008 seeking dismissal of the suit for non-joinder of necessary parties. The matter is pending and has been posted for the plaintiff to file objection to interim application filed by the defendant. This suit has been filed in respect of the project "Prestige Kensington Gardens".

Cases filed by Silverline Estates

Nil

Prestige Notting Hill Investments

Cases filed against Prestige Notting Hill Investments

Civil litigation

1. A civil suit bearing O.S. No. 4/2009 has been filed by Ramalingaiah and others against Sashikala. R. Nayak and others before the Civil Judge (Senior Division), Bengaluru, Rural District. Prestige Notting Hill Investments is the sixth defendant in the suit. The case of the plaintiffs relate to unfair alienation of joint family property measuring 2.46 acres situated in Sy. No. 9, Kalena Agrahara Village, Begur Hobli, Bannerghatta, Bengaluru by the defendants in favour of Prestige Notting Hill Investments. The plaintiffs have claimed ownership over their respective share in the suit property and allege that the property was sold by the defendants while the plaintiffs were minors. The plaintiffs have sought for among others, an order to direct Prestige Notting Hill Investments to deliver vacant possession of the property to the plaintiffs, an order of permanent injunction restraining the defendants from not putting up any construction of building/apartment/flats on the property. Prestige Notting Hill Investments is yet to file its written statement in the suit. The matter is pending. This suit has been filed in respect of our project "Prestige Notting Hill".

Cases filed by Prestige Notting Hill Investments

Nil

Prestige Bidadi Holdings Private Limited

Cases filed against Prestige Bidadi Holdings Private Limited ("Prestige Bidadi")

Civil litigation

1. A civil suit bearing O.S. No. 188/2012 has been filed by Kumar (the "**Plaintiff**") against Neelamma, Prestige Bidadi and others ("**Defendant**") before the court of Civil Judge (Junior Division) at Ramanagara (the "**Court**"). Prestige Bidadi Holdings is the fifth defendant to the suit. The contention of the Plaintiff is that defendants one to three, alongwith their mother, sold ancestral, joint family property belonging to the Plaintiff's hindu undivided family measuring 23 guntas in Sy. No. 156/3, situated at Kenchanakuppe Village, Bidadi Hobli, Ramanagara (the "**Property**") to defendant no. 4, who in turn sold the Property to Prestige Bidadi, without knowledge or consent of the Plaintiff. The Plaintiff has prayed to the Court for *inter alia* partition and separate possession of 1/4th share of the Plaintiff'share in the Property and for setting aside the sale deed executed in favour of defendant no. 4 and Prestige Bidadi. The matter is pending.

2. G Ganesh (the "**Plaintiff**") has filed a suit bearing O.S. No. 244/2013 against Ambalaiah, Prestige Bidadi and two others (the "**Defendants**") before the Court of the Junior Civil, Ramanagara (the "**Court**"). Prestige Bidadi is the fourth defendant to the suit. Pursuant to the plaint filed in connection with the aforesaid suit, the Plaintiff contends that the property bearing survey No. 160/8, measuring 27 guntas situated at Kenchanakuppe Village, Bidadi Hobli, Ramanagara Taluk (the "**Property**")

belonged to his grandfather B.P. Ramasanjeevaiah who in turn has acquired the Property through a registered mortgage deed executed by one Chikkeeraiah, the father of Ambalaiah on November 7, 1940. The Plaintiff contends that the aforesaid mortgage deed has not, until date, been redeemed and that his grandfather was in actual and physical possession of the Property on the date of mortgage and continued to be in possession till his death. The Plaintiff has alleged after the death of his grandfather the khatha of the Property has been transferred to the name of the Plaintiff and that he has been in continuous possession and enjoyment of the Property having acquired title to the Property through his grandfather. The Plaintiff has alleged that the revenue records to the Property name his grandfather as the kathedar of the Property and the person in possession and that subsequently the name of the Plaintiff has also been included. The Plaintiff has alleged that B. R. Narayanaswamy (defendant no. 2), a defendant falsely claiming to be the son of B. P. Ramasanjeevaiah, the grandfather of the Plaintiff, colluded and created a registered discharge deed in favour of Ambalaiah (defendant no. 1) with respect to the aforesaid mortgage. The Plaintiff has alleged that defendant no. 2 executed an agreement of sale in favour of C. Shekar (defendant no. 3) which is alleged to be a concocted document pursuant to which defendant nos. 2 and 3 have allegedly executed a sale deed in favour of Prestige Bidadi in respect of the Property. Further, the Plaintiff has alleged that the aforesaid sale deed executed with Prestige Bidadi indicates that the Property has been converted to non agricultural use despite the same being agricultural land. The Plaintiff has alleged that the sale deed executed by defendant nos. 2 and 3 is concocted and that Prestige Bidadi has not derived any valid right, title or possession over the Property or any portion of it. The Plaintiff has also alleged that Ambalaiah has filed a revenue appeal in R.A. (LKP) 428/2009 before the Assistant Commissioner, Ramanagara Sub Division, Ramanagra against the Plaintiff alleging that the Property is the joint family property of Chikkeeraiah. The Plaintiff has alleged that Prestige Bidadi is interfering with the Plaintiff's peaceful possession by trying to erect compound walls and also put up some structures on the Property. The Plaintiff has prayed before the Court for *inter alia* a permanent injunction restraining the Defendants from in anyway interfering with the Plaintiff's peaceful possession and enjoyment of the Property. The matter is pending.

Cases filed by Prestige Bidadi Holdings Private Limited

Nil

Cases filed against Northland Holding Company Private Limited

1. K N Muniraju and others have filed a civil suit bearing O.S. No. 481/2013 against Northland Holding Company Private Limited before the Court of the Civil Judge and JMFC, Devanahalli (the "**Court**"). The plaintiffs have alleged that the following properties belong to the public and that Northland Holding Company Private Limited has no manner of right, title and interest in the suit properties:

   (a) agricultural land comprising 27 guntas in survey no. 35, Kottigethimmenahalli Village, Kundana Hobli, Devanahalli Taluk;
   (b) survey no. 1 comprising 0.04 guntas and 0.02 guntas, Kottigethimmenahalli Village, Kundana Hobli, Devanahalli Taluk;
   (c) agricultural land comprising two acres and 10 guntas in survey no. 33, Kottigethimmenahalli Village, Kundana Hobli, Devanahalli Taluk;
   (d) agricultural land comprising 15 guntas in survey no. 31, Kottigethimmenahalli Village, Kundana Hobli, Devanahalli Taluk;
   (e) agricultural land comprising 6 guntas in survey no. 11, four guntas in survey no. 5, two guntas in survey no. 6, Kottigethimmenahalli Village, Kundana Hobli, Devanahalli Taluk;
   (f) agricultural land comprising 12 guntas in survey no. 12, Kottigethimmenahalli Village, Kundana Hobli, Devanahalli Taluk;
   (g) property comprising 0.04 guntas in survey no. 37/6, an extent of land comprising 0.02 guntas in survey no. 104, an extent of land comprising 0.03 guntas in survey no. 102, Thylagere Village, Kundana Hobli, Devanahalli Taluk;
   (h) property comprising 0.07 guntas in survey no. 7, Karahalli Amanikere, Kundana Hobli, Devanahalli Taluk;
   (i) property comprising 64 acres and 0.04 guntas in survey no. 1, Karahalli Amanikere, Kundana Hobli, Devanahalli Taluk;
   (j) property comprising 0.02 guntas in survey no. 2, Sonnenahalli Village, Kundana Hobli Devanahalli Taluk;
   (k) property comprising 0.04 guntas in survey no. 4/2, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(l) property comprising 0.03 guntas in survey no. 8, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(m) property comprising 0.01 guntas in survey no. 9, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(n) property comprising 0.07 guntas in survey no. 13, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(o) property comprising 0.01 guntas in survey no. 16, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(p) property comprising 0.05 guntas in survey no. 17, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(q) property comprising 0.04 guntas in survey no. 23, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(r) property comprising 0.02 guntas in survey no. 20, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(s) property comprising 0.02 guntas in survey no. 21, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(t) property comprising 0.04 guntas in survey no. 11, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(u) property comprising 0.04 guntas in survey no. 26, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk;

(v) property comprising 0.03 guntas in survey no. 10, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk; and

(w) property comprising 0.15 guntas in survey no. 73, Sonnenahalli Village, Kundana Hobli, Devanahalli Taluk.

The plaintiffs have alleged that Northland Holding Company Private Limited is making attempts to interfere with the aforesaid suit properties and also making attempts to lift the soil in survey no. 1, Karahalli Amanikere, Kundana Hobli, Devanahalli Taluk comprising 64 acres and 0.04 guntas. The plaintiffs have prayed before the Court to inter-alia restrain Northland Holding Company Private Limited from interfering with the aforesaid suit properties. Separately, temporary injunctions have been sought against Northland Holding Company Private Limited restraining it from; i) interfering with the peaceful possession and enjoyment of the aforesaid properties; and ii) excavating soil or disfiguring the land in survey no. 1, Karahalli Amanikere, Kundana Hobli, Devanahalli Taluk comprising 64 acres and 0.04 guntas. This suit has been filed against our project “Prestige Golfshire”. The matter is pending.

Cases filed by Northland Holding Company Private Limited

Nil

Tax Litigation

Cases involving our Company

1. Appeals bearing ITA No. 105/2009, 106/2009 and 107/2009 were filed by our Company against the Assistant Commissioner of Income Tax before the High Court of Karnataka, Bengaluru. The appeals were preferred over the order passed by the Income Tax Appellate Tribunal, Bengaluru Bench B dated October 23, 2008 disallowing compounding fees with respect to assessment years 2001-2002 to 2003-2004. The contention of the appellant was that fees paid for regularising deviations in the sanctioned plan up to certain permitted limits under municipal laws of the state of Karnataka could not be treated as penalty. Our Company has discharged the demanded amount of approximately ₹ 13.75 million. The appeals were dismissed by the High Court of Karnataka, Bengaluru. Our company has preferred a special leave petition No. 7721/2010 in the Supreme Court of India against orders passed in the above appeals. The matter is pending.

2. An appeal was filed by our Company before the Commissioner of Income Tax (Appeals) – VI, Bengaluru against the orders passed the Deputy Commissioner of Income Tax on December 31, 2008, disallowing compounding fees with respect to assessment year 2006-2007. The appeal was filed against disallowance of compounding fees. The appellant had contended among others, that i) income derived from ‘The Forum’ mall and ‘Eva’ mall is to be treated under the head ‘profits and gains from business or profession’ and not under the head ‘income from house property’; ii) income derived from

providing fit outs on hire is to be treated under the head 'income from other sources' and not under the head 'income from house property'; and iii) 'completed method' is to be adopted for computing income of joint development projects as against 'percentage completion method'. An approximate amount of ₹ 25.98 million demanded from our Company has been adjusted against refund from the income tax department for assessment year 2007-2008. The appeal was partially allowed on December 17, 2009 by the Commissioner of Income Tax (Appeals) – VI. Separate appeals bearing Nos. ITA No. 97/B/10 and ITA Appeal No. 184/B/2010 were preferred on January 27, 2010 by our Company and by the Deputy Commissioner of Income Tax on February 17, 2010, respectively before the Income Tax Appellate Tribunal over the above order passed by the Commissioner of Income Tax (Appeals) – VI. The Income Tax Appellate Tribunal, Bengaluru passed an order dated September 30, 2010 confirming the order passed by the Commissioner of Income Tax whereby the compounding fees paid by our Company was disallowed. The Commissioner of Income Tax and another have filed an appeal bearing I.T.A.62/11 dated June 29, 2011 before the High Court of Karnataka against the order passed by the Income Tax Appellate Tribunal, Bengaluru. The matter is pending.

3. Our Company has filed an appeal bearing appeal in Form 430 dated July 14, 2011 before the Joint Commissioner of Commercial Taxes ("**Joint Commissioner**") (Appeals), Bengaluru against the order passed by the Deputy Commissioner of Commercial Taxes, Bengaluru. Our Company filed the appeal before the Joint Commissioner stating that the assessment order dated June 10, 2011 passed by the Deputy Commissioner in respect of the reassessment period from September 2007 to June 2010 is bad in law and liable to be quashed. The Deputy Commissioner had demanded a total tax including interest and penalty aggregating to ₹ 118.47 million from our Company as tax due towards labour disallowance and other refund adjustments. The matter is pending.

4. The Intelligence Officer, Squad IV, Ernakulam has issued a demand notices dated August 31, 2010 under Kerala Value Added Tax Act, 2003 to our Company demanding a tax of ₹ 154.66 million as tax due towards total contract receipts received from sale of apartments at Prestige Neptune Courtyard, Kochi for the tax period 2006-07, 2007-08 and 2009-10. Our Company has filed a writ petition bearing 975/2011 dated January 5, 2011 before the High Court of Kerala (the "**Court**") against the demand notice issued by the Intelligence Officer. Our Company has prayed before the Court to quash the orders passed by the Intelligence Officer by the issue of a writ of certiorari or order or direction alleging that the order passed by the Intelligence Officer is bad in law. The matter is pending.

5. The Commercial Tax Officer (Works Contract), the Deputy Commissioner, Commercial Tax Officer, Ernakulam issued a demand notice dated October 16, 2009 to our Company demanding a total tax amount of ₹ 11.31 million as tax due towards total contract receipts received from sale of apartments at Prestige Neptune Courtyard, Kochi for the tax period April 2008 to September 30, 2008. Our Company had filed a writ petition bearing 549/2010 dated January 22, 2010 before the High Court of Kerala, Ernakulam (the "**Court**") to set aside the order of the Commercial Tax Officer. The High Court passed an order dated January 22, 2010 setting aside the order passed by the Commercial Tax Officer and directing the Commercial Tax Officer to consider the matter afresh since our Company was not given effective opportunity of hearing before the proceedings were finalised. The Commercial Tax Officer after hearing the matter afresh has issued a demand notice dated December 30, 2010 demanding a total tax amount of ₹ 41.52 million. Our Company has filed a writ petition bearing 2619/2011 dated January 14, 2011 before the Court alleging the Commercial Tax Officer is not justified in passing the order and issuing the demand notice dated December 30, 2010. Our Company has prayed before the Court to quash the order passed by the Commercial Tax Officer by issuing a writ of certiorari or such other relief. The High Court of Kerala has by its orders dated May 24, 2011 and July 4, 2011 granted interim relief and stayed all recovery steps against our Company until further orders. The matter is pending.

6. The Assistant Commissioner (Works Contract), Ernakulam has issued a demand notice dated July 31, 2012 demanding penalty of ₹ 11.45 million under Section 67 of Kerala Value Added Tax Act, 2003 from our Company for not including the import of lifts by our Company in the quarterly and annual return for the period 2009-10 even though the transaction were reflected in the books of accounts. Our Company has filed an appeal in Form 30 and 29 dated September 14, 2012 before the Deputy Commissioner (Appeals), Ernakulam for quashing the order passed by the Assistant Commissioner. The Deputy Commissioner passed an order calling upon our Company to remit 40% of ₹ 11.45 million. Further, our Company has filed a writ petition bearing No. 2105 of 2012 dated December 3, 2012 before the High Court of Kerala, Ernakulam (the "**Court**") against the order passed by the Deputy

Commissioner (Appeals), Ernakulam. The Court partly allowed the appeal filed by our Company and has directed our Company to remit 15% of ₹ 11.45 million and furnish adequate security for the balance amount. The matter is pending.

7. Our Company has filed an appeal in Form 36 before the Income Tax Appellate Tribunal, Bengaluru (the "**ITAT"**) against the order dated April 4, 2012 passed by the Deputy Commissioner of Income Tax, Bengaluru. Our Company has alleged that the Deputy Commissioner had erred in disallowing compounding fees of ₹ 25.02 million paid by our Company to the Bengaluru Mahanagara Palike and that the Commissioner of Income Tax, Appeals, Bengaluru had erred in confirming the action of the Deputy Commissioner. The ITAT vide its order dated February 7, 2013 upheld the order passed by lower tax authorities and disallowed the compounding fees of ₹ 25.02 million as a deduction in respect of the assessment year 2008-09. Our Company had filed an appeal no. 302/2013 with the High Court of Karnataka ("**High Court**") against the order dated February 7, 2013 passed by ITAT. The High Court vide its order dated October 8, 2013 noted that the substantial question of law raised in the appeal is the same as the subject matter of Special Leave Petition No. 7721/2010 arising out the judgement of the High Court in ITA No. 105/2009, which is currently pending before the Supreme Court of India and directed the assessing officer to pass consequential orders subject to the outcome of such Special Leave Petition. The matter is pending.

8. An appeal no. I.T.A. 656/2013 had been filed by our Company before the High Court of Karnataka ("**High Court**") against the order of Income Tax Appellate Tribunal ("**ITAT**") dated October 11, 2013. The High Court vide its order dated January 31, 2014 has noted that the substantial question of law raised in this appeal is covered by the matter covered in Special Leave Petition No. 7721/2010, arising from the judgement of the High Court in ITA No. 105/2009, and directed the assessing officer to pass consequential orders subject to the outcome of such Special Leave Petition. Our Company and the Joint Commissioner of Income Tax ("**Revenue**") had preferred appeals to ITAT against different portions of the order of Commissioner of Income Tax (Appeals), Bengaluru ("**CIT**") dated November 16, 2012 in respect of the assessment year 2009-10. The CIT had allowed our Company's appeal except with respect to the disallowance of compounding fees of ₹ 4.65 million, which disallowance the CIT confirmed. Our Company's appeal before the CIT against the order passed by the Joint Commissioner of Income Tax, Bengaluru directing our Company to pay a sum of ₹ 63.17 million treating rental receipts received from the malls "Forum", "Eva Mall" and "UB City" as income assessed under the head "Income from House Property" and rental receipts from letting out of fit outs assessed as "Income from House Property" was allowed. The Revenue preferred an appeal to the ITAT against this portion of the order dated November 16, 2012. The Joint Commissioner had also disallowed the compounding fees paid to Bengaluru Mahanagara Palike. The matter is pending. In an order dated October 11, 2013, the ITAT had dismissed both our Company and the Revenue's appeals and upheld the orders of the CIT.

9. An appeal bearing ITA no. 342/CIT(A) VI/13-14 dated April 26, 2013 has been filed by our Company before the Commissioner of Income Tax (Appeals) – VI, Bengaluru against the order passed by the Deputy Commissioner of Income Tax, Bengaluru on March 28, 2012, received by our Company on March 28, 2013 with respect to assessment year 2010-2011. The appeal has been filed: i) against disallowance of compounding fees; ii) for the income derived from 'The Forum' mall and 'Eva' mall is to be treated under the head 'profits and gains from business or profession' and not under the head 'income from house property'; iii) for the income derived from providing fit outs on hire to be treated under the head 'income from other sources' and not under the head 'income from house property'; iv) against the disallowance of compounding fees of of ₹ 5.64 million paid to the Bangalore Mahanagara Palike towards the regularisation of deviations from the sanctioned plan; v) not giving full credit for the tax deducted at source; vi) against imposition of interest levied under section 234B and 234C of the I.T. Act. The matter is pending.

10. Our Company has filed an appeal in Form No. 35 dated January 30, 2014 before the Commissioner of Income Tax (Appeals) – V, Bengaluru against the order passed by the Assistant Commissioner of Income Tax, Bengaluru on December 31, 2013 with respect to assessment year 2014-2015. The appeal has been filed: i) against the view that therefundable deposit of ₹ 218.50 million paid to certain land landlords under the joint development agreement is to be considered as consideration for a transfer and is subject to TDS under section 194-IA of the I.T. Act; ii) against the appellant being considered as an "Assessee in Default" for non deduction of tax under section 201(1) of I.T. Act,1961; iii) for the deletion/cancellation of TDS liability of a sum of ₹ 11.66 million; and iv) against imposition of interest

of ₹ 0.81 million levied under section 201(1A) of the I.T. Act. The matter is pending.

11. Our Company had received a show cause notice dated May 31, 2013 from the Commissioner of Service Tax, Bengaluru demanding payment of interest amounting to ₹ 212.03 million towards delay in payment of service tax under the section 75 of the Finance Act, 1994 read with rule 6 of Service Tax Rules,1994. With reference to the same, the Commissioner of Service Tax, Bengaluru has passed an order dated May 30, 2014 confirming the demand of interest amount from our Company.. The matter is pending.

12. The Assistant Commissioner (Works Contract), Ernakulam had issued a demand notice dated April 24, 2013 to our Company demanding a total tax amount of ₹ 32.04 million as tax due towards total contract receipts received from sale of apartments at Prestige Neptune Courtyard, Kochi for the tax period April 2006- 2007. Our Company had challenged the order passed by Assistant Commissioner (Works Contract) before the Deputy Commissioner (Appeals) - II, Commercial Taxes, Ernakulam. The Deputy Commissioner vide its order dated November 1, 2013 set aside the order of Assistant Commissioner and remanded back the assessment order for re-examination. The matter is pending.

13. The Assistant Commissioner (Works Contract), Ernakulam had issued a demand notice dated October 31, 2012 to our Company demanding a total tax amount of ` 50.8 million as tax due towards contract receipts received from various buyers of flats during the financial year 2009-10 and unaccounted purchase of 24 nos. of mitsubishi elevators for the building project at Prestige Neptune Courtyard, Kochi for the tax period April 2009- 2010. Our Company had challenged the order passed by Assistant Commissioner (Works Contract) before the Deputy Commissioner (Appeals) - I, Commercial Taxes, Ernakulam. The Deputy Commissioner vide its order dated February 27, 2013 granted stay on the order of Assistant Commissioner subject to the condition that our Company pays an amount of ` 20.00 million and furnish a bond for the balance demand. Being aggrieved by the decision of the appellate authority, our Company had filed a writ petition bearing no. 7149/2013 before the High Court of Kerala, Ernakulam (the " **High Court**"). The High Court vide its order dated March 19, 2013 modified the order of the appellate authority by directing the Company to pay an amount of ` 5.00 million towards the tax demand and furnish a bond for the remaining amount directed in the appellate order.

14. The Assistant Commissioner (Works Contract), Ernakulam had issued a demand notice dated December 27, 2012 to our Company demanding a total tax amount of ₹ 47.07 million as tax due towards total contract receipts received from sale of apartments at Prestige Neptune Courtyard, Kochi for the tax period April 2010- 2011. Our Company had challenged the order passed by Assistant Commissioner (Works Contract) before the Deputy Commissioner (Appeals) - II, Commercial Taxes, Ernakulam. The Deputy Commissioner vide its order dated September 13, 2013 granted stay on the order of Assistant Commissioner subject to the condition that our Company pays an amount of ₹ 12.00 million and furnishes adequate security for the remaining demand. Being aggrieved by the decision of the appellate authority, our Company had filed a writ petition bearing no. 24669/2013 before the High Court of Kerala, Ernakulam (the " **High Court**"). Our Company vide writ petition appeal bearing no. 1616/2013, appealed to a division bench against the High Court order dated October 10, 2013 passed under the writ petition bearing no. 24669/2013. The division vide its order dated October 23, 2013 dismissed the appeal of our Company and granted additional time for depositing the amount directed by the appellate authority.

Cases involving Associates and Subsidiaries

1. Silverline Estates

An appeal has been filed by Silverline Estates before the Karnataka Appellate Tribunal, Bengaluru (the "**KAT"**) against the order dated September 16, 2013 of the Joint Commissioner of Commercial Taxes (Appeals) ("**Joint Commissioner**"), Bengaluru upholding the order of Commercial Tax Officer, Audit 12, Bengaluru for the periods August 2006 to July 2009 except that the Commercial tax Department was directed to re-compute the total turnovers and the output tax payable and levy interest and penalty at appropriate rates. An appeal to Joint Commissioner was preferred against the order passed by the Commercial Tax Officer, Audit 12, Bengaluru, for the periods August 2006 to July 2009 challenging the position taken by the Commercial Taxes Department which classified agreements to sell executed by the appellant with its customers as works contract. The appellant contends that the sub-contractor to whom the project has been sub-contracted has discharged the applicable tax liability. Further, the appellant contends that it was only because advances were received prior to and/or during construction of flats that the Assessing Officer has held the agreements to be in the nature of a woks contract. The amount of tax demanded is ₹ 41.97 million (including penalties and interest). The appellant has discharged the tax liability imposed, under protest. The matter is pending.

2. Prestige Notting Hill Investments

An appeal has been filed by Prestige Notting Hill Investments before the Karnataka Appellate Tribunal, Bengaluru (the " **KAT"**) against the order dated September 17, 2013 of Joint Commissioner of Commercial Taxes (Appeals), Bengaluru upholding the order passed by the Assistant Commissioner of Commercial Taxes (Investigation 3) for the period May 2007 to March 2010 except that the Commercial Tax Department was directed to re-compute the total turnovers and the output tax payable and levy interest and penalty at appropriate rates. The appeal to Joint Commissioner was preferred against the order passed by the Assistant Commissioner of Commercial Taxes (Investigation 3) for the period May 2007 to March 2010 challenging the position taken by the Commercial Taxes Department which classified agreements to sell executed by the appellant with its customers as works contract. The amount of tax demanded is ₹ 29.26 million. The matter is pending.

3. Cessna Garden Developers Private Limited

An appeal in Form no. 35 dated April 26, 2013 has been filed by Cessna Garden Developers Private Limited before the Commissioner of Income Tax (Appeals) – I, Bengaluru against the orders passed the Deputy Commissioner of Income Tax on March 25, 2013 with respect to AY 2010-11. The appeal has been filed praying for quashing the order passed by the Deputy Commissioner of Income Tax or alternatively : i) praying for disallowance of business loss of ₹ 52.02 million be deleted; or alternatively rental income derived from 'Cessna Business Park' is to be treated under the head 'profits and gains from business or profession' and not under the head 'income from house property'; or alternatively allow deduction under 80IAB of the I.T. Act in respect of rental income from 'Cessna Business Park'; ii) against disallowance of a sum of ₹ 69.73 million paid as interest on capital borrowed for construction; and iii) against interest being levied under section 234 B and 234D of the I.T. Act. The matter is pending.

4. Prestige Garden Constructions Private Limited

(i) An appeal in Form no. 35 dated April 25, 2014 has been filed by Prestige Garden Constructions Private Limited before the Commissioner of Income Tax (Appeals) – III, Bengaluru against the orders passed the Deputy Commissioner of Income Tax on March 28, 2014. The appeal has been filed: i) to treat income from Forum Value Mall under the head 'profits and gains from business or profession' and not under the head 'income from house property'; ii) against the disallowance of expenses and depreciation; iii) against the disallowance of business loss claimed/carried forward; and v) for refund of an amount of ₹ 15.49 million along with interest under section 244A of the I.T. Act. The matter is pending.

(ii) The Commissioner of Service Tax, Bengaluru has passed an order dated May 30, 2014 against Prestige Garden Constructions Private Limited for availing cenvat credit on ineligible services. Prestige Garden Constructions Private Limited received a show cause notice dated October 23, 2013 wherein it is alleged that Prestige Garden Constructions Private Limited had availed cenvat credit on certain services which were not in accordance with the definition of input service under the Rule 2 (I) of the Cenvat Credit Rules, 2004. Prestige Garden Constructions Private Limited admitted certain of these allegations and paid certain amounts. However, an amount of ₹ 38.33 million was contested by Prestige Garden Constructions Private Limited in their reply dated December 19, 2013 In the order dated May 30, 2014, the Commissioner of Service Tax has demanded ₹ 38.33 million as recovery under the order along with the payment of interest for delayed payment under section 75 of Finance Act,1994. The order dated May 30, 2014 further stated that the above facts would not have come to light without an audit by the authorities and imposed a penalty of ₹ 38.46 million on Prestige Garden Constructions Private Limited for suppressing facts with intent of evading payment of service tax under section 78 of Finance Act,1994 and ₹ 1,000 under section 77 of the Finance Act,1994. The matter is pending.

5. Pennar Hotels & Resorts Private Limited.

Civil Appeal No. 745/2013 has been filed before the Supreme Court of India by the Commissioner of Income Tax, Bengaluru against Garden City Resorts challenging the judgment and order dated February 14, 2012 of the High Court of Karnataka, Bengaluru (the "**High Court**") in ITA No. 536 of 2008. The assessing authority has contended that the transfer of land from a partnership firm to the limited liability company into which such partnership firm had been converted amounted to a transfer of a capital asset and was therefore subject to capital gains tax, as the property was held in the name of the individual partners, and not the partnership at the time of conversion. The High Court had dismissed this contention and had stated that the property of a partnership on conversion vests with the limited liability company into which such partnership is converted, and that such vesting could not be held to be a transfer. It is alleged by the assessing authority that the several land parcels have been purchased under the names of different entities and that they have been converted into non-agricultural land before the transfer of land from the original owners in the name of the firm. The assessing authority has alleged that the activity of revaluation and conversion to a limited liability company within a short time has been done with an intention to avoid taxation. The assessing authority has alleged that due to the conversion to a limited liability company, the small contribution made by the partners in the partnership firm has been converted to a huge share capital due to the revaluation of the lands purchased taking into consideration the real market value as the basis. The assessing authority has alleged that the partners were allotted shares which could be sold by the shareholder at the market price. The assessing authority has further alleged, relying on correspondence with tax consultants, that such transaction is planned tax violation and hence made a sum of ₹ 32.47 million is subject to capital gains in the hands of the respondent. The authority treated the income as undisclosed income and thereby levied a tax of ₹ 22.02 million and issued a demand notice for the same. The Hon'ble High Court held against the assessing authority stating that such conversion into limited company cannot be considered as transfer and hence not subject to capital gain tax under section 45(1) of the I.T. Act. The matter is pending.

6. Exora Business Parks Private Limited

The Commissioner of Service Tax, Bengaluru has passed an order dated May 30, 2014 against Exora Business Parks Private Limited for availing cenvat credit on ineligible services. It is alleged that Exora Business Parks Private Limited had availed cenvat credit on certain services which were not in accordance with the definition of input service under the Rule 2 (I) of the Cenvat Credit Rules, 2004. An amount of ₹ 39.75 million has been demanded as recovery under the order along with the payment of interest for delayed payment under section 75 of Finance Act,1994. The authority has further imposed a penalty of ₹ 39.75 million on Exora Business Parks Private Limited for suppressing facts with intent of evading payment of service tax.. The matter is pending.

Inquiries, inspections or investigations under Companies Act

There are no inquiries, inspections or investigations initiated or conducted against our Company and our Subsidiaries under the Companies Act, 2013 or any previous company law in the last three years. Further, there are no prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years involving our Company and our Subsidiaries.

Material Frauds

There are no material frauds committed against our Company during the last three years.

Defaults in respect of dues payable

Our Company has no outstanding defaults in relation to statutory dues payable, dues payable to holders of any debentures (including interest thereon) or dues in respect of deposits (including interest thereon) or any defaults in repayment of loans from any bank or financial institution (including interest thereon).

Litigation or legal action against Promoters taken by any Ministry, Department of Government or any statutory authority

There is no litigation or legal action against our Promoters taken by any Ministry, Department of Government or any statutory authority.

INDEPENDENT ACCOUNTANTS

Our Company's current statutory auditors, Deloitte Haskins & Sells, Chartered Accountants, Firm registration no. 008072S, are independent auditors with respect to our Company as required by the Companies Act and in accordance with the guidelines issued by the ICAI. Further, Deloitte Haskins & Sells, have audited the Consolidated Financial Statements for the years March 31, 2014, 2013 and 2012 and conducted a limited review on the Unaudited Financial Results for the three months period ended June 30, 2014 and the audit report and the review report is included in this Placement Document.

GENERAL INFORMATION

- The Company commenced operations as a partnership firm constituted under the Indian Partnership Act, 1932 on April 1, 1986 under the name and style of Prestige Estates and Properties with its registered office at No. 6, Commercial Street, Bengaluru 560 001. The partners of the firm were the Late S. Razack, Irfan Razack, Rezwan Razack and Sameera Noaman. The name of the firm was changed to Prestige Estates Projects by a supplementary deed of partnership dated May 12, 1997. The firm was registered as a private limited company under Part IX of the Companies Act on June 4, 1997 with the name Prestige Estates Projects Private Limited and was allotted company identification number 08/22322/1997. All the business and property of the erstwhile partnership firm therefore became vested in our Company. Our Company was converted into a public limited company on November 10, 2009 with the name Prestige Estates Projects Limited and received a fresh certificate of incorporation consequent upon change in status on November 10, 2009 from the RoC. The registered office of the Company is situated at The Falcon House, No. 1, Main Guard Cross Road, Bengaluru 560 001, Karnataka, India.

- The Equity Shares were listed on the BSE and on the NSE since October 27, 2010. The Issue was approved by the Board on May 26, 2014. The shareholders of the Company have, pursuant to a resolution passed through a postal ballot held on July 26, 2014, authorised the Issue of up to 25 million Equity Shares pursuant to the Issue.

- Our Company has received in-principle approval under Clause 24(a) of the Listing Agreement to list the Equity Shares to be issued pursuant to the Issue, on the BSE and the NSE on August 4, 2014 respectively.

- Copies of Memorandum and Articles of Association will be available for inspection between 11:00 am to 1:00 pm on all working days at the Registered Office.

- Our Company has obtained necessary consents, approvals and authorisations required in connection with the Issue.

- There has been no material change in the financial or trading position of our Company since March 31, 2014, the date of the Consolidated Financial Statements prepared in accordance with Indian GAAP included in this Placement Document, except as disclosed herein.

- Except as disclosed in this Placement Document, there are no legal or arbitration proceedings against or affecting our Company or its assets or revenues, nor is our Company aware of any pending or threatened legal or arbitration proceedings, which are, or might be, material in the context of the Issue.

- Our Company's statutory auditors, Deloitte Haskins & Sells, Chartered Accountants, Firm registration no. 008072S, who have audited the consolidated financial statements as of and for the financial year ended 2014, 2013 and 2012 and conducted a limited review on the Unaudited Financial Results for the three months period ended June 30, 2014 which have been included in this Placement Document, have consented to the inclusion of their audit report and the review report in relation thereto in this Placement Document.

- Our Company confirms that it is in compliance with the minimum public shareholding requirements as required under the terms of the Listing Agreements.

- The Floor Price for the Equity Shares under the Issue was ₹ 247.70 per Equity Share which has been calculated in accordance with Chapter VIII of the SEBI Regulations.

- Our Company may have offered a discount of not more than 5% on the Floor Price of ₹ 247.70 per Equity Share in terms of Regulation 85 of the SEBI Regulations. However, the Issue Price was ₹ 245.00 per Equity Share.

FINANCIAL STATEMENTS

REPORT OF THE INDEPENDENT AUDITOR ON THE CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of PRESTIGE ESTATES PROJECTS LIMITED

1 The accompanying consolidated summary financial statements of **PRESTIGE ESTATES PROJECTS LIMITED** (the "Company") which comprise the Consolidated Summary Balance Sheet as at March 31, 2014, 2013 and 2012 and the Consolidated Summary Statement of Profits and Losses and the Consolidated Summary Statement of Cash Flows for the years ended on that date; together with the related Schedules and explanatory notes referred to herein as the "Consolidated Summary Financial Statements" are derived from the audited consolidated financial statements (the "Audited Consolidated Financial Statements") of the Company for the respective years audited by us as detailed in paragraph 2(a) to 2(d) below. 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(a) below.

2 (a) We expressed our opinions on the consolidated financial statements of the Company for the years ended March 31, 2014, March 31, 2013 and March 31,2012 vide our reports dated May 26, 2014, May 21, 2013 and May 28, 2012 respectively.

(b) Our report on the consolidated financial statements of the Company for the year ended March 31, 2014 included an emphasis of matter paragraph with respect to certain trade receivables aggregating to Rs. 1107.3 million outstanding as on March 31, 2014 for more than six months from the date they were due, which have been considered good and recoverable by the Management, inter alia, based on the continuing business relationships and arrangements that the Company has with these parties. Our opinion was not qualified in respect of this matter.

(c) Our report on the consolidated financial statements of the Company for the year ended March 31, 2012 included a qualification with regard to the financial information of a certain jointly controlled entity and an associate for the year then ended to the extent included in Annexure 1, which were considered in those consolidated financial statements based on information compiled by the Management and were not subject to audit by independent auditors.

(d) Our reports on the consolidated financial statements of the Company for the years ended March 31, 2014, 2013 and 2012 state that we did not audit the financial statements of certain subsidiaries, partnership firms, jointly controlled entities and associates of the Company, whose financial statements reflect the financial information as considered in the consolidated financial statements for the respective years then ended to the extent set out in Annexure 2. These financial statements and other financial information were audited by other auditors whose reports were furnished to us, and our audit opinions on the consolidated financial statements of the Company for the years ended March 31, 2014, 2013 and 2012 to the extent they relate to the figures for the respective years included in Annexure 2, is solely based on the reports of the other auditors.

3 **Management's Responsibility for the Consolidated Summary Financial Statements**

Management is responsible for the preparation of the Consolidated Summary Financial Statements from the Audited Consolidated Financial Statements of the respective years ended March 31, 2014, March 31, 2013 and March 31, 2012 on the basis described in Note 1 to the Consolidated Summary Financial Statements.

4 **Auditor's Responsibility**

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.

5 **Opinion**

In our opinion, the Consolidated Summary Financial Statements as at and for the years ended March 31, 2014, 2013 and 2012 derived from the Audited Consolidated Financial Statements of the Company for the respective years, are a fair summary of those Audited Consolidated Financial Statements on the basis described in Note 1 to the Consolidated Summary Financial Statements.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 008072S)

V. Balaji
Partner
(Membership No. 203685)

Place: Hyderabad
Date: August 2, 2014

Annexure 1 to the report on the Consolidated Summary Financial Statements (referred to in paragraph 2(c) of the report)

Financial information of a Jointly controlled entity and an Associate, as considered in the consolidated financial statements of the Company for the year ended March 31, 2012 which were not subjected to an independent audit:

Particulars	As at and for the year ended March 31,2012 (Rs. Million)
Relating to a Jointly controlled entity	
Assets	672.0
Revenue	1.1
Cash flows – (outflows) / inflows	99.6
Relating to an Associate	
Share of Profits	2.2

Annexure 2 to the report on the Consolidated Summary Financial Statements (referred to in paragraph 2(d) of the report)

Financial information of certain subsidiaries, joint ventures and associates audited by other auditors, as considered in the consolidated financial statements of the Company:

Particulars	As at and for the year ended		
	March 31, 2014 (Rs. Million)	March 31, 2013 (Rs. Million)	March 31, 2012 (Rs. Million)
Relating to Subsidiaries, Partnership firms and Jointly controlled entities			
Assets	27,232.1	14,979.9	5,897.6
Revenue	4,084.4	2,366.4	1,455.3
Cash flows – (outflows) / inflows	(412.3)	(152.6)	(573.1)
Relating to Associates			
Share of profits / (losses)	(30.8)	(19.6)	(28.0)

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Consolidated Summary Balance Sheet

(Amount in Rs. Million)

PARTICULARS	Note		As at March 31, 2014	2013	2012
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	5		3,500.00	3,500.00	3,280.70
(b) Reserves and surplus	6		25,593.00	23,223.80	17,530.30
(c) Capital reserve arising on consolidation			698.90	698.90	698.90
		A	**29,791.90**	**27,422.70**	**21,509.90**
(2) Minority interest		B	2,990.20	2,619.60	2,668.30
(3) Non-current liabilities					
(a) Long-term borrowings	7		12,158.80	10,427.10	6,930.10
(b) Deferred tax liabilities (net)	8		70.30	119.30	125.30
(c) Other long-term liabilities	9		1,391.80	1,008.20	1,058.40
(d) Long-term provisions	10		63.50	48.90	35.50
		C	**13,684.40**	**11,603.50**	**8,149.30**
(4) Current liabilities					
(a) Short-term borrowings	11		15,896.10	13,773.10	10,653.60
(b) Trade payables	12		5,626.50	3,876.70	2,267.10
(c) Other current liabilities	13		23,700.40	15,776.00	11,846.10
(d) Short-term provisions	14		1,734.90	1,495.00	2,294.80
		D	**46,957.90**	**34,920.80**	**27,061.60**
Total (A+B+C+D)			**93,424.40**	**76,566.60**	**59,389.10**
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets					
(i)Tangible assets	15 (A)		19,229.50	15,787.20	13,845.50
(ii)Intangible assets	15 (B)		21.00	19.60	16.50
(iii)Capital work-in-progress	15 (C)		9,954.50	9,122.70	5,216.30
			29,205.00	**24,929.50**	**19,078.30**
(b) Goodwill (arising on consolidation)			4,519.90	4,489.90	1,599.70
(c) Non-current investments	16		1,006.90	891.70	866.00
(d) Deferred tax assets (net)	8		7.80	9.20	6.30
(e) Long-term loans and advances	17		11,787.80	9,307.80	5,836.70
(f) Other non-current assets	18		277.60	383.30	392.20
		E	**46,805.00**	**40,011.40**	**27,779.20**
(2) Current assets					
(a) Current investments	19		1,880.10	858.00	874.30
(b) Inventories	20		25,361.80	17,408.30	15,661.70
(c) Trade receivables	21		7,257.50	8,010.10	8,472.80
(d) Cash and cash equivalents	22		3,395.40	4,880.00	2,012.80
(e) Short-term loans and advances	23		7,901.50	5,142.80	4,433.40
(f) Other current assets	24		823.10	256.00	154.90
		F	**46,619.40**	**36,555.20**	**31,609.90**
Total (E+F)			**93,424.40**	**76,566.60**	**59,389.10**

See accompanying notes forming part of these financial statements 1 to 41

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Consolidated Summary Statement of Profits and Losses

(Amount in Rs. Million)

PARTICULARS	Note	For the year ended March 31, 2014	2013	2012
Revenue from operations	25	25,491.90	19,476.00	10,522.50
Other income	26	975.00	635.60	342.10
Total revenue (I)		**26,466.90**	**20,111.60**	**10,864.60**
Expenses				
Cost of sales on projects	27	11,712.30	8,744.00	4,199.10
Cost of contractual projects	27	625.30	368.80	32.80
Property and facilities operating expenses	28	2,877.00	2,404.80	1,733.00
Employee benefits expense	29	1,609.70	1,443.90	894.40
Finance costs	30	2,290.40	1,489.10	1,192.70
Depreciation and amortization expense	15	892.60	681.80	605.40
Other expenses	31	1,464.30	723.40	696.90
Total expenses (II)		**21,471.60**	**15,855.80**	**9,354.30**
Profit before tax (III = I - II)		**4,995.30**	**4,255.80**	**1,510.30**
Tax expense :				
Current tax		1,798.00	1,331.40	591.30
MAT credit entitlement		(30.40)	(38.40)	-
Income tax pertaining to earlier years		30.30	30.30	(8.20)
Deferred tax		(47.50)	(8.90)	43.20
Total (IV)		**1,750.40**	**1,314.40**	**626.30**
Profit for the year (V = III - IV)		**3,244.90**	**2,941.40**	**884.00**
Share of profit / (loss) from associates (Net) (VI)		(30.10)	(33.30)	(65.00)
Profit after tax (before adjustment for Minority interest) (VII = V - VI)		**3,214.80**	**2,908.10**	**819.00**
Share in (profit) / loss to Minority interest (VIII)		(72.00)	(48.40)	7.00
Profit after tax and Minority interest (VII - VIII)		**3,142.80**	**2,859.70**	**826.00**
Earning per share (equity shares, par value of Rs. 10 each)				
Basic & Diluted EPS	34	8.98	8.62	2.52

See accompanying notes forming part of these financial statements 1 to 41

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Consolidated Summary Statement of Cash Flows

(Amount in Rs. Million)

PARTICULARS	For the year ended March 31, 2014	2013	2012
Cash flow from operating activities			
Net profit before taxation	4,995.30	4,255.80	1,510.30
Add: Adjustments for:			
Depreciation	892.60	681.80	605.40
Foreign exchange loss	33.90	8.60	-
Provision for doubtful debts written back	(3.70)	-	-
Provision for doubtful debts	-	5.20	0.30
Provision for doubtful advances	210.70	-	-
	1,133.50	**695.60**	**605.70**
Less: Incomes / credits considered separately			
Interest income	528.10	310.30	229.80
Dividend income	2.50	98.60	2.30
Excess provision for property tax written back	-	161.50	
Profit on sale of fixed assets	7.40	0.40	52.80
Profit on sale of investment	28.70	-	
Share of profit from partnership firms (Net)	328.20	25.50	33.70
	894.90	**596.30**	**318.60**
Add: Expenses / debits considered separately			
Loss on sale of fixed assets	0.10	0.10	19.70
Financial expenses	2,290.40	1,489.10	1,192.70
	2,290.50	**1,489.20**	**1,212.40**
Operating profit before changes in working capital	**7,524.40**	**5,844.30**	**3,009.80**
Adjustments for:			
(Increase) / decrease in Trade Receivables	756.30	252.50	776.70
(Increase) / decrease in Inventories	(7,709.10)	(2,530.20)	(2,986.40)
(Increase) / decrease in Long-term & Short-term loans and advances and other assets	(4,311.20)	(6,905.00)	(1,022.40)
(Increase) / decrease in Bank balances under lien (not considered as cash or cash equivalents)	(197.50)	(76.80)	(88.70)
Increase / (decrease) in Current & Non-Current liabilities	7,265.90	6,440.70	4,557.40
Increase / (decrease) in Current & Non-Current provisions	(220.80)	(878.90)	(936.70)
	(4,416.40)	**(3,697.70)**	**299.90**
Cash generated from / (used in) operations	**3,108.00**	**2,146.60**	**3,309.70**
Direct taxes (paid)/refund	(1,628.80)	(1,086.10)	(1,040.90)
Net cash generated / (used) from operations - A	**1,479.20**	**1,060.50**	**2,268.80**
Cash flow from investing activities			
Capital expenditure on fixed assets	(4,782.10)	(5,887.10)	(3,968.90)
Sale proceeds of fixed assets	18.00	1.20	164.20
Long term Inter corporate deposits given	(117.00)	-	111.50
Decrease / (Increase) in Other Intercorporate deposits - Net	(828.20)	168.80	338.20
(Increase) / decrease in Partnership Current account	(28.70)	231.70	(1,571.00)
Current & non-current Investments made (including advance paid for purchase of shares)	(2,799.50)	(3,229.20)	-
Proceeds from sale of / refunds from Current & Non-current Investments	1,153.60	1,696.10	741.60
(Increase)/ Decrease in Other Non-current Assets	-	-	(50.00)
Interest received	448.10	239.70	9.00
Dividend received	2.50	98.60	2.30
Advance paid - purchase of property / Investment	-	-	(1,651.00)
Investment in Other Non-current Assets	-	61.90	24.70
Net cash from / (used) in investing activities - B	**(6,933.30)**	**(6,618.30)**	**(5,849.40)**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Consolidated Summary Statement of Cash Flows

(Amount in Rs. Million)

PARTICULARS	**For the year ended March 31, 2014**	**2013**	**2012**
Cash flow from financing activities			
Secured loan availed	20,417.00	11,120.70	14,832.30
Secured loan repaid	(13,570.10)	(5,379.80)	(11,877.50)
Unsecured loan taken	201.00	50.00	83.10
Repayment of unsecured loan	(1,034.40)	(2.40)	(410.50)
Inter corporate deposits taken (net)	-	665.10	478.40
Dividend pay-out including tax	(491.40)	(457.60)	(455.80)
Finance costs paid	(2,265.30)	(1,459.90)	(1,089.80)
Net Proceeds from issue of equity shares under Institutional Placement Programme (IPP)	-	3,544.50	49.60
Proceeds from issue of debentures	99.20	146.10	116.40
Share application money received	57.90	-	34.30
Share application money refunded	-	-	(99.30)
Capital contribution in Partnership firm	-	-	0.90
Current account contribution in Partnership firm	-	-	415.80
Contribution by minority share holders	297.50	-	-
Net cash from / (used) in financing activities - C	**3,711.40**	**8,226.70**	**2,077.90**
Total increase / (decrease) in cash and cash equivalents during the year (A+B+C)	**(1,742.70)**	**2,668.90**	**(1,502.70)**
Cash and cash equivalents opening balance	4,587.20	1,918.30	3,325.60
Add: Cash released on disinvestment	-	-	(1.70)
Add: Cash acquired on acquisition of subsidiaries	4.90	-	97.10
Cash and cash equivalents closing balance	**2,849.40**	**4,587.20**	**1,918.30**
Reconciliation of cash and Cash equivalents with Balance Sheet:			
Cash and cash equivalents as per Balance Sheet	3,395.40	4,880.00	2,012.80
Less : Fixed Deposits & Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	546.00	292.80	87.20
Less: balance with banks under escrow account	-	-	7.30
Cash and cash equivalents at the end of the year as per cash flow statement above	**2,849.40**	**4,587.20**	**1,918.30**

See accompanying notes forming part of these financial statements 1 to 41

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate Information

Prestige Estates Projects Limited (the “Company"), it subsidiaries and joint ventures (together the “Group”) are engaged in the business of Real Estate, Hospitality and allied services. The registered office of the Company is in Bangalore, India.

Basis of preparation of the Consolidated Summary Financial Statements

These consolidated summary financial statements of the Company comprise the Consolidated Summary Balance Sheet as at March 31, 2014, 2013 and 2012; the Consolidated Summary Statement of Profits and Losses and the Consolidated Summary Statement 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 for the respective years which were approved by the Board of Directors of the Company. The figures included in the Consolidated Summary Financial Statements for the years ended March 31, 2014, 2013 and 2012; do not consider facts or circumstances which arose subsequent to the date of approval of the Consolidated Financial Statements of the Company as detailed below and have been rounded off to present them in Rupees Millions.

Consolidated Financial Statements for the:	Date adopted by
Year ended March 31, 2014	May 26, 2014
Year ended March 31, 2013	May 21, 2013
Year ended March 31, 2012	May 28, 2012

The figures as at for the years ended March 31, 2013 and 2012 included in the Consolidated Summary Financial Statements have been drawn from the comparative prior year figures included in the audited consolidated financial statements for the year ended March 31, 2014 and 2013 respectively.

The significant accounting policies used in the preparation of the audited consolidated financial statements of the Company are given in Note 2 & 4 below.

2 Principles of Consolidation

The consolidated financial statements relate to Prestige Estates Projects Limited (the 'Company'), its subsidiary companies, jointly controlled entities and the Group's share of profit / loss in its associates. The financial statements of the subsidiaries, joint ventures and associates used in the consolidation are drawn upto the same reporting date as of the Company. The consolidated financial statements have been prepared on the following basis:

(a) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

(b) Share of profits/losses, assets and liabilities in the jointly controlled entities have been consolidated on a line by line basis adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 "Financial Reporting of Interests in Joint Ventures". The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity.

(c) In case of associates, where the Company directly or indirectly through subsidiaries holds more than 20% of equity, the share of profit / loss in such entities is accounted for using equity method as per AS 23 “Accounting for Investments in Associates in Consolidated Financial Statements”. Accordingly, the share of profit/ loss of each of the associates (the loss being restricted to the cost of investment and committed exposures if any) has been added to / deducted from the cost of investments.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(d) Investment in partnership firms, where there are jointly controlled economic activities, have been considered as joint ventures in accordance with Accounting Standard (AS 27) – Financial Reporting of Interests in Joint Ventures.

(e) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

(f) Investments other than in subsidiaries, associates and joint ventures have been accounted as per AS – 13 "Accounting for Investments".

(g) The excess of cost of investments in the subsidiaries/ jointly controlled entities over its share of the equity of the subsidiaries/ jointly controlled entities, at the dates on which the investment in the subsidiaries/ jointly controlled entities were made, is recognised as 'Goodwill', being an asset in the consolidated financial statements. On the other hand, where the share of the equity in the subsidiaries/ jointly controlled entities as on the date of investment is in excess of cost of investment of the Group, it is recognised as 'Capital reserve arising on consolidation' in the consolidated financial statements.

(h) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

(i) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is disclosed in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

(j) Goodwill arising on consolidation is not amortised but tested for impairment.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

3 Information on subsidiary companies, joint ventures and associates

3.1 The companies / entities considered in the consolidated financial statements are as follows :

(A) Corporate entities

Sl. No.	Name of the company / entity	Country of incorporation	Proportion of ownership interest as at 31 March 2014	Proportion of ownership interest as at 31 March 2013	Proportion of ownership interest as at 31 March 2012
I	**Subsidiaries**				
a	Prestige Leisure Resorts Private Limited	India	57.45%	57.45%	57.45%
b	ICBI (India) Private Limited	India	82.57%	82.57%	82.57%
c	Prestige Valley View Estates Private Limited	India	51.05%	51.05%	51.05%
d	Prestige Bidadi Holdings Private Limited	India	99.94%	99.94%	99.94%
e	Downhill Holiday Resorts Private Limited	India	100.00%	100.00%	100.00%
f	Pennar Hotels & Resorts Private Limited	India	100.00%	100.00%	100.00%
g	Village De Nandi Private Limited	India	100.00%	100.00%	100.00%
h	Prestige Construction Ventures Private Limited	India	100.00%	100.00%	60.00%
i	Prestige Mangalore Retail Ventures Private Limited	India	50.38%	50.38%	50.38%
j	Prestige Mysore Retail Ventures Private Limited	India	50.99%	50.99%	50.99%
k	Prestige Whitefield Investment and Developers Private Limited	India	50.99%	50.99%	50.99%
l	Cessna Garden Developers Private Limited	India	85.00%	85.00%	60.00%
m	Foothill Resorts Private Limited	India	100.00%	100.00%	100.00%
n	K2K Infrastructure (India) Private Limited	India	75.00%	75.00%	75.00%
o	Valdel Xtent Outsourcing Private Limited	India	100.00%	100.00%	100.00%
p	Prestige Shantiniketan Leisures Private Limited	India	98.40%	98.40%	98.40%
q	Northland Holding Company Private Limited.	India	99.99%	99.99%	99.99%
r	West Palm Developments Private Limited	India	61.00%	61.00%	61.00%
s	Villaland Developers Private Limited	India	60.00%	60.00%	51.00%
t	Prestige Amusements Private Limited (w.e.f 31/03/2012)	India	51.02%	51.02%	51.02%
u	Prestige Garden Resorts Private Limited (w.e.f 28/01/2013)	India	100.00%	100.00%	-
v	Avyakth Cold Storages Private Limited (w.e.f 01/04/2013)	India	100.00%	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sl. No.	Name of the company / entity	Country of incorporation	Proportion of ownership interest as at 31 March 2014	Proportion of ownership interest as at 31 March 2013	Proportion of ownership interest as at 31 March 2012
II	**Associates**				
a	Prestige Garden Constructions Private Limited	India	35.00%	35.00%	35.00%
b	Babji Realtors Private Limited	India	24.50%	24.50%	24.50%
c	Prestige Projects Private Limited	India	32.68%	32.68%	32.68%
d	City Properties Maintenance Company Bangalore Limited	India	45.00%	45.00%	45.00%
e	Exora Business Parks Private Limited	India	32.46%	32.46%	32.46%
III	**Joint Ventures**				
a	Prestige Garden Resorts Private Limited (upto 27/01/2013)	India	-	-	50.00%
b	CapitaLand Retail Prestige Mall Management Private Limited	India	50.00%	50.00%	50.00%
c	Vijaya Productions Private Limited	India	49.97%	49.97%	49.97%
d	Sai Chakra Hotels Private Limited (w.e.f 03/09/2012)	India	50.00%	50.00%	-

(B) Partnership Firms

(Amount in Rs. Million)

Sl. No.	Partnership Firms	Capital As at 31 March 2014	Capital As at 31 March 2013	Capital As at 31 March 2012	Profit sharing Ratio as at 31 March 2014	Profit sharing Ratio as at 31 March 2013	Profit sharing Ratio as at 31 March 2012
I	**Partnership Firms with majority control considered as subsidiaries**						
a	Albert Properties	2.30	2.30	2.30	88.00%	88.00%	88.00%
b	Prestige Property Management & Services	9.70	9.70	9.70	97.00%	97.00%	97.00%
c	Prestige Interiors	0.10	0.10	0.10	97.00%	97.00%	97.00%
d	Prestige Hi-tech Projects (formerly known as Hitech Properties)	0.90	0.90	0.90	92.35%	92.35%	92.35%
e	Prestige Southcity Holdings	1.10	1.10	1.10	51.00%	51.00%	51.00%
f	Prestige Habitat Ventures (w.e.f 31/01/2013)	9.90	9.90	-	99.00%	99.00%	-
g	Eden Investments & Estates (w.e.f 01/04/2013)	1.60	-	-	77.50%	-	-
h	Prestige Kammanahalli Investments (w.e.f 07/08/2013)	0.50	-	-	51.00%	-	-
i	Prestige Rattha Holdings (w.e.f 15/05/2013)	1.00	-	-	51.00%	-	-
j	The QS Company (w.e.f 01/10/2013)	1.00	-	-	98.00%	-	-
k	Prestige Sunrise Investments (w.e.f 23/05/2013)	1.00	-	-	99.00%	-	-
II	**Partnership Firms where joint control exists, consolidated on Proportionate basis**						
a	PSN Property Management & Services (w.e.f 01/07/2012)	5.00	5.00	-	50.00%	50.00%	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Amount in Rs. Million)

Sl. No.	Partnership Firms	Capital As at 31 March 2014	Capital As at 31 March 2013	Capital As at 31 March 2012	Profit sharing Ratio as at 31 March 2014	Profit sharing Ratio as at 31 March 2013	Profit sharing Ratio as at 31 March 2012
III	**Partnership Firms where there is no jointly controlled operations and no jointly controlled economic activity, considered as associates ***						
a	Silverline Estates	0.30	0.30	0.30	30.33%	30.33%	30.33%
b	Prestige Notting Hill Investments	0.70	0.70	0.70	47.00%	47.00%	47.00%
c	Prestige KRPL Techpark	9.30	9.30	9.30	31.00%	31.00%	31.00%
d	Prestige Ozone Properties	0.05	0.05	0.05	47.00%	47.00%	47.00%
e	Prestige Whitefield Developers	0.05	0.05	0.05	47.00%	47.00%	47.00%
f	Eden Investments & Estates (upto 31/03/2013)	-	0.80	0.80	-	40.00%	40.00%
g	Prestige Realty Ventures	2.00	2.00	2.00	21.00%	21.00%	21.00%

* Investment in these partnership firms, where there is no jointly controlled operations and no jointly controlled economic activities, have been considered as associates. The Company has recorded its share of profit from partnership firms in the Statement of Profit and Loss and the balance in capital and current accounts have been carried in the financial statements and no further adjustments are made.

3.2 Goodwill/(Capital Reserve) relating to associates:

(Amount in Rs. Million)

Sl. No.	Name of the company / entity	As At 31 March 2014	As At 31 March 2013	As At 31 March 2012
a	Prestige Garden Constructions Private Limited	(65.56)	(65.56)	(65.56)
b	Babji Realtors Private Limited	(152.25)	(152.25)	(152.25)
c	City Properties Maintenance Company Bangalore Limited	(8.72)	(8.72)	(8.72)
d	Exora Business Parks Private Limited	(102.47)	(102.47)	(102.47)
	Total – Goodwill	**-**	**-**	**-**
	Total – (Capital Reserve)	**(329.00)**	**(329.00)**	**(329.00)**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

3.3 The effect of acquisition/disposal of subsidiaries is as under :

(Amount in Rs. Million)

Name of the subsidiary	Year	Acquisition/ disposal	Revenue (post acquisition/ pre disposal)	Net Profit/(Loss) (post acquisition/pre disposal)	Net Assets
Avyakth Cold Storages Private Limited	31-03-2014	Acquisition	-	(0.20)	-
Eden Investments & Estates	31-03-2014	Acquisition	-	-	841.70
Prestige Garden Resorts Private Limited	31-03-2013	Acquisition	0.13	(0.29)	63.10
Sai Chakra Hotels Private Limited	31-03-2013	Acquisition	-	-	0.90
Prestige Habitat Ventures	31-03-2013	Acquisition	-	-	1,529.80
PSN Property Management & Services	31-03-2013	Acquisition	28.85	3.10	10.70
Prestige Amusements Private Limited	31-03-2012	Acquisition	-	-	64.10
Prestige Southcity Holdings	31-03-2012	Acquisition	0.10	0.10	322.10
Brunton Developers	31-03-2012	Disposal	-	-	0.10

4 Significant accounting policies used in the preparation of the financial statements of the Group

A. Basis for preparation of financial statements

The consolidated financial statements of the Company, its subsidiaries and joint ventures (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 (“the 1956 Act”) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act / 2013 Act, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The significant accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B. Use of Estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C. Revenue Recognition

(i) Recognition of Revenue from Real Estate Developmental Projects:
Revenue from real estate developmental projects under development is recognised based on ‘Percentage Completion Method’.

The Percentage Completion Method is applied when the stage of completion of the project reaches a reasonable level of development. For projects that commenced on or after April 1, 2012 or where revenue on a project is being recognised for the first time on or after that date, the threshold for ‘reasonable level of development’ is considered to have been met when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India are satisfied, i.e., when:

a) All critical approvals necessary for commencement of the project have been obtained.
b) The expenditure incurred on construction and development costs is not less than 25 % of the construction and development costs.
c) Atleast 25% of the saleable project area is secured by contracts or agreements with buyers.
d) Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised 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.

For projects that commenced prior to March 31, 2012 and where sales have occurred prior to that date ‘reasonable level of development’ is considered to have occurred when the project costs (excluding land cost) incurred is in the range of 20% to 30% of the total estimated costs of the project (excluding land cost).

For computation of revenue, the stage of completion is arrived at with reference to the entire project costs incurred including land costs, borrowing costs and construction and development costs as compared to the estimated total costs of the project. The percentage completion method is applied on a cumulative basis in each reporting period and the estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined. The changes to estimates also include changes arising out of cancellation of contracts and cases where the property or part thereof is subsequently earmarked for own use or for rental purposes. In such cases any revenues attributable to such contracts previously recognised are reversed and the costs in relation thereto are carried forward and accounted in accordance with the accounting policy for Inventory or Fixed Assets, as applicable.

When it is probable that total project costs will exceed total eligible project revenues, the expected loss is recognised as an expense immediately when such probability is determined.

(ii) Sale of plots and completed units is recognised at the sale consideration when all significant risks and rewards of ownership in the property is transferred to the buyer and are net of adjustments on account of cancellation.

(iii) Facility charges, management charges, rental, hire charges, sub lease and maintenance income are recognised on accrual basis as per the terms and conditions of relevant agreements.

(iv) Revenue from Contractual Projects undertaken is recognised on the basis of independent certification obtained in terms of the contract.

(v) Interest income is accounted on accrual basis except for interest on delayed payments by the customers, which are accounted on receipt basis.

(vi) Dividend income is recognised when right to receive is established.

(vii) Revenues from the room rentals during a guest’s stay at the hotel is recognised based on occupation and revenue from sale of food and beverages and other allied services, as the services are rendered.

(viii) Membership fee is recognised on a straight line basis over the period of membership.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

D. Inventories

(a) Stock of units in completed projects and work-in-progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material scrap receipts.

(b) Inventory also comprises stock of food and beverages and operating supplies and is carried at the lower of cost and net realisable value. Cost includes all expenses incurred in bringing the goods to the point of sale and is determined on a Weighted Average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

E. Fixed Assets (Tangible assets and Intangible assets)

Fixed assets are stated at cost, including expenses incurred to bring the asset to present condition. Cost includes all costs relating to the acquisition and installation of fixed assets including interest on borrowing for the project / fixed asset up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalised as incurred.

F. Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

G. Impairment of Fixed Assets

At each balance sheet date, the group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to 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 recognised in the Statement of Profit and Loss.

Reversal of impairment losses recognised in prior years, if any, is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

H. Depreciation and Amortisation

(i) (a) Depreciation on Tangible Fixed Assets is provided on the written down value method in accordance with the rates specified in Schedule XIV to the Companies Act, 1956 except in respect of assets referred in Para b, c & d below.

(b) Cost of leasehold land is amortised over the period of lease.

(c) In respect of leasehold building, leasehold improvement plant & machinery and leasehold improvement furniture & fixtures, depreciation has been provided over the leasable period.

(d) In case of assets individually costing less than Rs.5,000, they have been depreciated 100% in the year of purchase.

(ii) Amortisation on intangible assets are provided under the written down value method based on useful lives estimated by management as follows :
Computer software - 40%

I. Investments

(a) Long-term investments are carried at cost and provision is made to recognise any decline, other than temporary, in the value of such investment. Cost of investments includes acquisition charges such as brokerage, fee and duties.

(b) Current investments are stated at lower of cost and fair value.

J. Borrowing Cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes a 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Group.

K. Foreign Currency Transactions

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. The difference, if any, on actual payment / realisation is recorded to the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt with in the Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

L. Employee Benefits

Employee benefits include provident fund and employee state insurance scheme, gratuity and compensated absences.

(i) Defined Contribution Plan:
The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

(ii) Defined Benefit Plan:
For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

(iii) Short-term employee benefits.
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :
(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.

(iv) Long-term employee benefits
Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

M. Taxes on income

Current tax is determined on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the provisions of applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

N. Operating leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease receipts/ payments are recognised as an income / expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

O. Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

P. Cash flow statement

Cash flow statement is prepared under Accounting Standard 3 ‘Cash Flow Statements’ notified under Section 211(3C) of the Companies Act, 1956 (“the 1956 Act”) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. 'Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Q. Earnings per share

The basic and diluted earnings per share is computed by dividing the net profit / loss attributable to equity share holders for the year by the weighted average number of equity shares outstanding during the year.

In case any bonus issue of shares is made, the calculations of earnings per share are adjusted for all the periods presented.

R. Operating cycle and basis of classification of assets and liabilities

Prestige group is engaged in the business of real estate, hospitality and allied services

a) The real estate development projects undertaken by the Group is generally run over a period ranging upto 5 years. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of 5 years. Borrowings in connection with such projects are classified as short-term (i.e current) since they are payable over the term of the respective projects.

b) Assets and liabilities, other than those discussed in paragraph (a) above, are classified as current to the extent they are expected to be realised / are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

5 Share Capital

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	**2013**	**2012**
Authorised capital			
400,000,000 equity shares of Rs. 10 each	4,000.00	4,000.00	4,000.00
Issued, subscribed and fully paid up capital			
Equity shares of Rs. 10 each, fully paid up *	3,500.00	3,500.00	3,280.70
	3,500.00	**3,500.00**	**3,280.70**
* Number of equity shares issued, subscribed and fully paid up	35,00,00,000	35,00,00,000	32,80,73,770

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6 Reserves and Surplus

(Amount in Rs. Million)

Particulars	Note No.	As at March 31, 2014	2013	2012
Reserves	6a	17,661.80	17,651.10	14,256.70
Surplus in Statement of Profit and Loss	6b	7,931.20	5,572.70	3,273.60
Total		**25,593.00**	**23,223.80**	**17,530.30**

6a The reserves and surplus other than surplus in Statement of Profit and Loss is as under :

(Amount in Rs. Million)

Particulars		As at March 31, 2014	2013	2012
A. Capital Reserve				
Opening balance		3,279.00	3,279.00	3,279.00
Additions during the year		200.00	-	-
Less deletions for the year		359.40	-	-
		3,119.60	**3,279.00**	**3,279.00**

Note: Addition to Capital Reserve represents, Group's share in revaluation of lands in partnership firms. Deletions from Capital Reserve represents realized profits arising out of sale of development of such land parcels.

B. Securities Premium Account				
Opening balance		14,146.40	10,821.20	10,821.00
Additions during the year		-	3,420.50	-
Less : Utilised for Issue expenses		-	(95.30)	-
		14,146.40	**14,146.40**	**10,821.00**
C. General Reserve				
Opening balance		225.70	156.70	124.40
Transfer from Statement of Profit and Loss		170.10	69.00	32.30
		395.80	**225.70**	**156.70**
Total (A)+(B)+(C)		**17,661.80**	**17,651.10**	**14,256.70**

6b The details of Surplus in Statement of Profit and Loss is as under :

(Amount in Rs. Million)

Particulars		As at March 31, 2014	2013	2012
Opening Balance		5,572.70	3,273.40	2,929.80
Add : Profit for the year		3,142.80	2,859.70	826.00
	A	8,715.50	6,133.10	3,755.80
Less: Allocations / Appropriations				
Dividend proposed to be distributed to equity shareholders		525.00	420.00	393.70
Dividend distribution tax on proposed dividend		89.20	71.40	64.10
Adjustment arising on consolidation		-	-	(7.90)
Transfer to General Reserve		170.10	69.00	32.30
	B	784.30	560.40	482.20
	(A - B)	**7,931.20**	**5,572.70**	**3,273.60**

7 Long-Term Borrowings

(Amount in Rs. Million)

Particulars	Note No.	As at March 31,		
		2014	2013	2012
Term Loans (Secured)	7a & 7b			
From banks		10,356.30	7,198.70	3,104.70
From financial institutions		1,115.70	2,797.30	3,540.40
Others (Unsecured)				
Compulsorily convertible debentures (including related parties)		530.30	431.10	285.00
Other loans		156.50	-	-
		12,158.80	**10,427.10**	**6,930.10**

7a Security Details :

Mortgage of certain immovable properties of the Group.
Charge over the book debts, operating cash flows, revenues and receivables of the projects.
Hypothecation of equipment & vehicles.
Assignment of rent receivables from various properties.

7b Repayment and other terms :

(i) From banks and financial institutions
Repayable within 26 - 120 instalments commencing from January 2008.
Personal guarantee of certain directors and their relatives.
These loans are subject to interest rates ranging from 10.50% to 15% per annum.
(ii) Compulsorily convertible debentures
The compulsorily convertible debentures (CCDs) issued by certain subsidiaries of the Company shall be mandatorily and fully converted into equity shares of the subsidiary on expiry of 5 years from the date of allotment. The CCDs shall be converted at such ratio as approved by the Board of Directors of the subsidiary. No interest shall be payable on the CCDs.

7c Refer Note No. 13 for current maturities of long-term debt.

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8 Deferred Tax Liability / Asset

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
A. Deferred Tax Liability			
Tax effect of :			
a. Differences in book balance and tax balance of fixed assets	90.10	309.30	139.90
b. Other temporary disallowances under the Income Tax Act, 1961	(19.80)	(190.00)	(14.60)
	70.30	**119.30**	**125.30**
B. Deferred Tax Asset			
Tax effect of :			
a. Differences in book balance and tax balance of fixed assets	2.80	(49.80)	3.60
b. Other temporary disallowances under the Income Tax Act, 1961	5.00	59.00	2.70
	7.80	**9.20**	**6.30**

9 Other Long-term Liabilities

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Lease deposits	1,317.00	821.70	827.90
Consideration under Joint development agreement towards purchase of land	-	-	230.50
Others	74.80	186.50	-
	1,391.80	**1,008.20**	**1,058.40**

10 Long-term Provisions

(Amount in Rs. Million)

Particulars	Note No.	As at March 31,		
		2014	2013	2012
Provision for employee benefits				
- Gratuity	29a	36.80	30.50	21.20
- Compensated absences		26.70	18.40	14.30
		63.50	**48.90**	**35.50**

11 Short-term Borrowings

(Amount in Rs. Million)

Particulars	Note No.	As at March 31,		
		2014	**2013**	**2012**
Term Loans (Secured)	11a & 11b			
From banks		12,286.00	11,023.30	7,274.80
From financial institutions		3,439.30	1,595.20	2,936.80
Others (Unsecured, repayable on demand)				
Loans and advances from other related parties	11c & 38	120.60	1,057.80	393.00
From Others		50.20	96.80	49.00
		15,896.10	**13,773.10**	**10,653.60**

11a Security Details :

Mortgage of certain immovable properties of the Group including inventories and undivided share of land belonging to the Group.
Charge over receivables of various projects.
Lien against fixed deposits.

11b Repayment and other terms :

Repayable within 1 - 36 instalments commencing from September 2010.
Personal guarantee of certain directors and their relatives.
Pledge of Mutual Funds held by the Company and certain Directors.
These secured loans are subject to interest rates ranging from 9.95 % to 15.10 % per annum.

11c Unsecured loans are subject to interest rates ranging from 13% to 15% per annum.

12 Trade Payables

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Other than acceptances	5,626.50	3,876.70	2,267.10
	5,626.50	**3,876.70**	**2,267.10**

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13 Other Current Liabilities

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Current maturities of long-term debt (Secured)	3,486.40	1,188.40	1,196.80
Interest accrued but not due on borrowings	103.00	77.90	48.70
Advance from customers	16,526.40	11,756.90	8,569.10
Advance rent / maintenance	12.70	10.50	2.00
Advances received on behalf of land owners	283.00	223.90	47.30
Withholding taxes and duties	656.10	337.10	324.00
Deposits towards lease, interiors and maintenance	1,731.40	1,504.10	1,073.30
Share /debenture application money received for allotment of securities and due for refund and interest accrued thereon	77.90	20.00	20.00
Creditors for capital expenditure	719.40	308.60	72.10
Consideration under Joint development agreement towards purchase of land	40.30	168.90	109.60
Other liabilities	63.80	179.70	383.20
	23,700.40	**15,776.00**	**11,846.10**

14 Short-term Provisions

(Amount in Rs. Million)

Particulars	Note No.	As at March 31,		
		2014	**2013**	**2012**
Provision for employee benefits	29a	4.90	9.80	26.30
Other Provisions for :				
Projects	14a	501.10	729.50	1,766.40
Anticipated losses on projects	14b	3.30	5.40	5.80
Proposed dividend including tax thereon		614.20	491.40	457.60
Income tax (Net of advance tax)		611.40	258.90	38.70
		1,734.90	**1,495.00**	**2,294.80**

14a Details of Provisions for Projects

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	**2013**	**2012**
Estimated project cost to be incurred for the completed projects			
Provision outstanding at the beginning of the year	729.50	1,766.40	2,715.10
Provision made during the year	489.60	547.70	1,209.90
Provision utilised /reversed during the year	718.00	1,584.60	2,158.60
Provision outstanding at the end of the year *	**501.10**	**729.50**	**1,766.40**

* The probable outflow is estimated within 12 months

14b Anticipated losses on projects

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	**2013**	**2012**
Provision outstanding at the beginning of the year	54.00	58.00	-
Provision made during the year	31.00	-	58.00
Provision utilised /reversed during the year	52.00	4.00	-
Provision outstanding at the end of the year	**33.00**	**54.00**	**58.00**

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Note 15 - Fixed Assets

Note 15 (A) - Tangible Assets

(Amount in Rs. Million)

	As at March 31,		
	2014	**2013**	**2012**
Gross Block			
Tangible Assets			
Land - freehold	5,454.20	5,338.90	4,532.20
Land - leasehold #	22.90	22.90	22.90
Buildings	13,764.80	10,683.20	9,319.30
Leasehold building $	44.80	44.80	44.80
Leasehold improvements	275.10	263.50	262.60
Plant and machinery	1,738.10	1,093.80	902.20
Leasehold improvements - plant and machinery	458.60	435.80	415.90
Furniture and fixtures	1,016.60	991.10	984.20
Leasehold improvements - furniture and fixtures	1,170.20	846.90	682.40
Office Equipment	71.90	18.30	147.40
Vehicles	233.90	199.60	84.80
Computers and Accessories	106.60	90.40	7.80
Total	**24,357.70**	**20,029.20**	**17,406.50**
Accumulated Depreciation /Amortisation			
Land - freehold	-	-	-
Land - leasehold #	5.00	4.60	4.30
Buildings	2,401.20	1,898.00	1,471.40
Leasehold building $	19.90	18.60	17.20
Leasehold improvements	94.10	80.30	65.70
Plant and machinery	740.10	600.30	540.40
Leasehold improvements - plant and machinery	240.50	207.30	172.30
Furniture and fixtures	824.00	775.10	720.80
Leasehold improvements - furniture and fixtures	563.20	469.60	404.50
Office Equipment	28.00	8.80	91.30
Vehicles	131.90	106.30	68.00
Computers and Accessories	80.30	73.10	5.10
Total	**5,128.20**	**4,242.00**	**3,561.00**
Net Block			
Land - freehold	5,454.20	5,338.90	4,532.20
Land - leasehold #	17.90	18.30	18.60
Buildings	11,363.60	8,785.20	7,847.90
Leasehold building $	24.90	26.20	27.60
Leasehold improvements	181.00	183.20	196.90
Plant and machinery	998.00	493.50	361.80
Leasehold improvements - plant and machinery	218.10	228.50	243.60
Furniture and fixtures	192.60	216.00	263.40
Leasehold improvements - furniture and fixtures	607.00	377.30	277.90
Office Equipment	43.90	9.50	56.10
Vehicles	102.00	93.30	16.80
Computers and Accessories	26.30	17.30	2.70
Total	**19,229.50**	**15,787.20**	**13,845.50**

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Note 15 (B) - Intangible Assets

(Amount in Rs. Million)

	As at March 31,		
	2,014.00	**2,013.00**	**2,012.00**
Gross Block			
Computer Software	35.60	14.10	5.90
Transferable Development Rights	-	14.20	14.20
Total	**35.60**	**28.30**	**20.10**
Accumulated Depreciation /Amortisation			
Computer Software	14.60	8.70	3.60
Transferable Development Rights	-	-	-
Total	**14.60**	**8.70**	**3.60**
Net Block			
Computer Software	21.00	5.40	2.30
Transferable Development Rights	-	14.20	14.20
Total	**21.00**	**19.60**	**16.50**

Note 15 (C) - Capital Work in Progress

(Amount in Rs. Million)

	As at March 31,		
	2014	**2013**	**2012**
Capital Work in Progress	9,954.50	9,122.70	5,216.30

Note :
Leasehold land is amortised over the period of lease of 66 years.
$ Represents building constructed on lease hold land Rs.16.80 Million
Depreciation for the year ended March 31, 2014 includes Rs. 2.10 Million capitalised to capital work in progress

16 Non-Current Investments

(Amount in Rs. Million)

Particulars	Note No.	As at March 31, 2014	2013	2012
I. Trade Investments (Unquoted, at cost less other than temporary diminution)				
Equity Instruments	16a	569.70	599.80	632.90
Preference Shares	16b	0.20	0.20	0.20
Debentures/Bonds	16c	273.80	127.70	68.90
Partnership Firms	16d	12.40	13.20	13.20
Others	16e	125.00	125.00	125.00
II. Other Investments (Unquoted, at cost unless otherwise stated)	16f	25.80	25.80	25.80
		1,006.90	**891.70**	**866.00**

16a Equity Instruments

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
(i) Associates			
Exora Business Parks Private Limited	284.50	293.70	307.40
Equity shares of Rs. 10 each	*(9,350)*	*(9,350)*	*(9,350)*
Prestige Garden Constructions Private Limited	19.00	53.90	70.10
Equity shares of Rs. 10 each	*(29,46,170)*	*(29,46,170)*	*(29,46,170)*
City Properties Maintenance Bangalore Limited	23.10	18.30	15.50
Equity shares of Rs. 10 each	*(40,909)*	*(40,909)*	*(40,909)*
Prestige Projects Private Limited	19.70	9.70	9.80
Equity shares of Rs. 10 each	*(11,00,000)*	*(11,00,000)*	*(11,00,000)*
Babji Realtors Private Limited	223.10	223.90	230.00
Equity shares of Rs. 10 each	*(10,39,500)*	*(10,39,500)*	*(10,39,500)*
(ii) Others			
Prestige Garden Estates Private Limited	0.10	0.10	0.10
Equity shares of Rs. 10 each	*(8,007)*	*(8,007)*	*(8,007)*
Thomsun Realtors Private Limited	-	-	-
Equity shares of Rs. 10 each	*(100)*	*(100)*	*(100)*
Geotrix Building Envelope Private Limited	0.20	0.20	-
Equity shares of Rs. 10 each	*(17,000)*	*(17,000)*	*(17,000)*
	569.70	**599.80**	**632.90**

16b Preference Shares

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
Associates			
Exora Business Parks Private Limited	0.20	0.20	0.20
0.01% Optionally convertible redeemable preference shares of Rs. 10 each	*(21,860)*	*(21,860)*	*(21,860)*
	0.20	**0.20**	**0.20**

16c Debentures/Bonds

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
Associates			
Exora Business Parks Private Limited	0.30	0.30	0.30
0.01% Compulsorily Convertible Debentures of Rs.10 each	*(26,152)*	*(26,152)*	*(26,152)*
Prestige Garden Constructions Private Limited	80.00	-	-
0% Fully Compulsorily Convertible Debentures of Rs.10 each	*(8,00,000)*		
Babji Realtors Private Limited	193.50	127.40	68.60
0% Compulsorily Convertible Debentures of Rs.10 each	*(1,72,30,603)*	*(1,06,15,603)*	*(47,35,603)*
	273.80	**127.70**	**68.90**

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16d Partnership Firms

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Associates			
Eden Investments & Estates (upto 31/03/2013)	-	0.80	0.80
Silverline Estates	0.30	0.30	0.30
Prestige Nottinghill Investments	0.70	0.70	0.70
Prestige Ozone Properties	-	-	-
Prestige Whitefield Developers	-	-	-
Prestige KRPL Techpark	9.30	9.30	9.30
Prestige Realty Ventures	2.00	2.00	2.00
Silver Oak Projects	0.10	0.10	0.10
	12.40	**13.20**	**13.20**

16e Others

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Share Warrants			
Thomsun Realtors Private Limited	125.00	125.00	125.00
	125.00	**125.00**	**125.00**

16f Other Investments (at cost unless otherwise stated)

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Propmart Technologies Limited	5.00	5.00	5.00
Equity shares of Rs.10 each	*(3,35,000)*	*(3,35,000)*	*(3,35,000)*
Less : Diminution in the value of Investments	(5.00)	(5.00)	(5.00)
	-	-	-
Amanath Co-operative Bank Limited	0.30	0.30	0.30
Less : Diminution in the value of Investments	(0.30)	(0.30)	(0.30)
	-	-	-
Investment in trusts			
Educate India Foundation	0.40	0.40	0.40
Educate India Trust	0.40	0.40	0.40
	0.80	0.80	0.80
Investment in Venture Capital Fund			
Units in Urban Infrastructure Opportunities Fund	25.00	25.00	25.00
	(250)	*(250)*	*(250)*
Shares in KSFC	-	-	-
Investment in NSC	-	-	-
	25.80	**25.80**	**25.80**

Figures in Brackets represents number of shares

16g	Aggregate amount of quoted investments	Nil	Nil	Nil
16h	Aggregate amount of unquoted investments net of provision for other than temporary diminution in the value of investments	1,006.90	891.70	866.00
16i	Aggregate amount of provision for diminution in the value of investments	5.30	5.30	5.30

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17 Long-term Loans and Advances

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
Unsecured, considered good			
Capital advances	585.60	585.80	365.20
Security deposits	222.90	171.80	57.70
Lease deposits	206.00	212.10	47.60
Refundable deposits	7,143.30	5,749.80	2,997.50
Advance paid for purchase of shares	432.90	50.00	1,730.00
Advance income tax (Net of Provisions)	263.60	66.00	81.70
MAT credit entitlement	68.80	38.40	-
Share application money	617.10	559.90	458.60
Prepaid expenses	67.10	-	-
Debenture application money	66.00	62.80	-
Inter Corporate Deposits	1,021.70	-	-
Current account in partnership firms	417.50	413.90	-
Advance VAT & Service Tax	203.90	200.80	-
Other Loans & Advances *	471.40	1,196.50	98.40
	11,787.80	9,307.80	5,836.70
Unsecured, considered doubtful			
Advance VAT & Service Tax	210.70	-	-
Less: Provision for doubtful advances	(210.70)	-	-
	-	-	-
	11,787.80	**9,307.80**	**5,836.70**
* Includes advances paid to an Associate Company	1,032.20	1,027.60	-

18 Other non-current assets

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Cash and Bank balances			
Fixed deposits	-	-	61.90
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	134.30	190.00	311.50
Interest accrued but not due on deposits	143.30	193.30	18.80
	277.60	**383.30**	**392.20**

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19 Current Investments

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Investment in Equity shares of Tata Consultancy Services Limited (Non-Trade Investments, quoted, At cost or market value whichever is lower, fully paid up)	0.40	0.40	0.40
1,464 equity shares of Re 1 each			
Mutual Funds (Non-Trade Investments, un-quoted, At cost or market value whichever is lower, fully paid up)	1,879.70	857.60	873.90
	1,880.10	**858.00**	**874.30**

19a	Aggregate amount of quoted investments	0.40	0.40	0.40
	Market Value thereof	3.10	2.30	1.70
19b	Aggregate amount of unquoted Investments	1,879.70	857.60	873.90

20 Inventories (lower of cost and net realisable value)

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Work in progress - projects	22,471.80	14,792.20	13,445.20
Stock of units in completed projects	2,857.60	2,528.70	2,198.60
Stores and operating supplies	32.40	87.40	17.90
	25,361.80	**17,408.30**	**15,661.70**

21 Trade Receivables (unsecured)

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	2013	2012
Outstanding for more than 6 months			
Considered good	5,186.60	5,389.00	4,943.10
Considered doubtful	8.60	12.30	6.70
Less : Provision for doubtful receivables	(8.60)	(12.30)	(6.70)
	5,186.60	5,389.00	4,943.10
Others			
Considered good	2,070.90	2,621.10	3,529.70
Considered doubtful	-	-	0.40
Less : Provision for doubtful debts	-	-	(0.40)
	7,257.50	**8,010.10**	**8,472.80**

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22 Cash and cash equivalents

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Cash on hand *	4.80	3.70	1.10
Cheques, drafts on hand *	1.90	1.80	138.20
Balances with banks			
- in current accounts *	2,444.00	3,613.90	1,431.10
- in fixed deposits *	398.70	967.80	347.90
- in earmarked accounts			
Balances held as margin money	546.00	292.80	94.50
	3,395.40	**4,880.00**	**2,012.80**
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements are items marked "*" above and aggregate to	2,849.40	4,587.20	1,918.30

23 Short-term loans and advances (Unsecured, considered good)

(Amount in Rs. Million)

Particulars	Note No.	As at March 31, 2014	2013	2012
Loans and advances to related parties	23a & 38	394.90	685.00	2,444.90
Others	23b	7,506.60	4,457.80	1,988.50
		7,901.50	**5,142.80**	**4,433.40**

23a Loans and advances to related parties

(Amount in Rs. Million)

Particulars		As at March 31, 2014	2013	2012
Current account in partnership firms		245.60	251.70	871.80
Inter corporate deposits		-	13.00	181.80
Advances for purchase of land		110.00	98.00	98.00
Share / debenture application money		0.50	0.50	-
Rent deposits paid		6.00	9.40	10.10
Other advances to related parties		32.80	312.40	1,283.20
		394.90	**685.00**	**2,444.90**

23b Loans and advances to others

(Amount in Rs. Million)

Particulars		As at March 31, 2014	2013	2012
Advance paid towards land for real estate development		4,522.60	2,393.80	554.70
Advance VAT & Service tax		794.80	322.30	469.60
Advance Income tax / FBT		0.50	45.10	85.00
Inter corporate deposits		420.20	416.30	-
Refundable deposits		327.50	115.40	73.60
Lease deposits		373.30	225.50	215.70
Prepaid expenses		387.80	74.00	36.90
Advances paid to staff		7.30	9.70	4.00
Advance paid to suppliers		296.10	291.40	-
Other advances		376.50	564.30	549.00
		7,506.60	**4,457.80**	**1,988.50**

24 Other current assets

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	2013	2012
Interest accrued but not due on deposits	163.50	33.50	137.40
Unbilled Revenue	659.60	222.50	17.50
	823.10	**256.00**	**154.90**

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25 Revenue from Operations

(Amount in Rs. Million)

Particulars	Note No.	As at March 31,		
		2014	2013	2012
Sale of real estate developments				
Residential and commercial projects		17,519.20	13,171.10	6,056.70
Sale of Services				
Contractual Projects		818.50	468.20	26.20
Facilities, rental and maintenance income	25a	3,516.20	3,002.10	2,274.50
Property income	25b	3,075.30	2,663.80	1,911.30
Other operating revenues		562.70	170.80	253.80
		25,491.90	**19,476.00**	**10,522.50**

25a Facilities, rental, food, beverages and maintenance income

(Amount in Rs. Million)

Particulars		As at March 31,		
		2,014	2,013	2,012
Facility and hire charges		2,866.50	2,327.30	1,640.80
Parking charges		45.00	35.00	32.00
Signages, exhibition and other receipts		28.00	31.70	36.90
Room revenues		406.60	408.30	415.60
Food and beverages		99.80	88.60	85.40
Spa services		36.20	36.60	24.00
Income from club operations		15.10	54.70	16.70
Other services		19.00	19.90	23.10
		3,516.20	**3,002.10**	**2,274.50**

25b Property Income

(Amount in Rs. Million)

Particulars		As at March 31,		
		2,014	2,013	2,012
Rental income		1,389.20	1,235.70	825.90
Hire charges income		421.60	451.10	391.40
Sub lease rental income		1,194.20	906.50	611.80
Property maintenance income		0.30	0.30	0.30
Commission income		70.00	70.20	81.90
		3,075.30	**2,663.80**	**1,911.30**

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26 Other Income

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Interest income	528.10	310.30	229.80
Dividend income from mutual funds	2.00	-	-
Dividend income - from others	0.50	98.60	2.30
Profit on sale of fixed assets	7.40	0.40	52.80
Share of profit / (loss) from partnership firms (Net)	328.20	25.50	33.70
Profit on sale of Investments (mutual funds)	28.70	-	-
Excess provision for property tax written back	-	161.50	-
Miscellaneous income	80.10	39.30	23.50
	975.00	**635.60**	**342.10**

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27 Cost of sales on projects

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Opening units in completed projects / work in progress projects	17,320.90	15,643.80	14,262.80
Opening stock of materials	87.40	17.90	9.10
Add: Cost of residential and commercial projects / purchase of materials	20,291.10	12,993.80	5,730.20
Less : Stock capitalised	-	2,134.40	108.50
Less : Closing units in completed projects / work in progress projects	25,329.40	17,320.90	15,643.80
Less : Closing stock of materials	32.40	87.40	17.90
	12,337.60	**9,112.80**	**4,231.90**
Less : Cost of contractual projects	625.30	368.80	32.80
	11,712.30	**8,744.00**	**4,199.10**

28 Property and Facilities Operating Expenses

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Property expenses			
Sub lease rent	1,134.70	805.90	557.40
Property tax & other expenses	9.20	37.60	69.40
Facilities operating expenses			
Facilities management expenses	1,415.40	1,425.80	943.90
Security charges for parking	25.10	1.70	1.90
Electricity and other expenses	129.80	1.10	1.60
Sub lease rental - Malls	15.00	13.60	16.10
Property tax - Malls	27.80	25.60	26.80
Signages, insurance and other expenses	6.80	2.00	3.40
Food and beverages consumed	35.00	29.90	34.20
Operating fees	39.50	32.70	44.20
Contractors and franchise cost	10.70	10.60	9.40
Crockery, cutlery and silverware	1.30	1.30	1.80
Linen	1.40	2.30	1.90
Spares and supplies	14.40	9.60	13.10
Freight and cartage	0.20	0.10	0.20
Banquet and security expenses	10.70	5.00	7.70
	2,877.00	**2,404.80**	**1,733.00**

29 Employee benefits expense

(Amount in Rs. Million)

Particulars	Note No.	As at March 31, 2014	2013	2012
Salaries & wages		1,418.60	1,281.20	784.90
Contribution to Provident & other funds	29a	112.80	98.40	68.80
Staff welfare expenses		78.30	64.30	40.70
		1,609.70	**1,443.90**	**894.40**

29a The details of employee benefits as required under Accounting Standard 15 - Employee Benefits is given below :

(i) Defined Contribution Plans : During the year, the Group has recognized the following amounts in the Statement of Profit and Loss under defined contribution plan whereby the Group is required to contribute a specified percentage of the payroll costs to fund the benefits:

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
Employers' Contribution to Provident Fund	91.50	66.50	46.20
	91.50	**66.50**	**46.20**

Note: The contributions payable to the above plan by the Group is at rates specified in the rules of the schemes

(ii) Defined Benefit Plan : In accordance with Accounting Standard 15 - Employee Benefits, actuarial valuation based on projected unit credit method as on March 31, 2014 has been carried out in respect of the aforesaid defined benefit plan of Gratuity the details thereon is given below :

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
Components of employer expense			
Current Service cost	19.70	15.30	10.20
Interest cost	6.50	5.10	3.60
Expected return on plan assets	(4.10)	(3.00)	(2.40)
Past Service Cost - Vested/Non Vested Benefit	-	-	0.10
Actuarial Losses/(Gains)	(0.80)	4.70	4.20
Total expense/(income) recognised in the Statement of Profit and Loss	**21.30**	**22.10**	**15.70**
Change in Fair Value of Assets during the year ended			
Opening Fair Value of Plan Assets	48.20	37.20	31.00
Expected return on plan assets	4.10	3.00	2.40
Actuarial gains/(losses)	(4.10)	0.90	0.50
Assets Acquired on Acquisition/ (Distributed on Divestiture)	-	-	2.10
Contributions by Employer	17.60	11.70	8.50
Benefits paid	(4.30)	(4.60)	(7.30)
Closing Fair Value of Plan Assets *	**61.50**	**48.20**	**37.20**
* The group makes contribution to LIC gratuity trust to discharge the gratuity liability for the Holding Company, Prestige Property Management & Services and Prestige Amusements Private Limited.			
Change in defined benefit obligation during the year ended			
Present value of DBO at the beginning of the year	82.60	61.30	47.60
Current service cost	19.70	15.30	10.20
Interest cost	6.50	5.10	3.60
Actuarial (gains)/losses	(4.90)	5.50	4.60
Past Service Cost - Vested/Non Vested Benefit	-	-	0.10
Liabilities assumed on acquisition /(Settled on Divestiture)	-	-	2.40
Benefits paid	(4.80)	(4.60)	(7.30)
Present value of DBO at the end of the year	**99.10**	**82.60**	**61.20**
Net asset/(liability) recognised in balance sheet			
Fair value of plan assets	61.50	48.20	37.20
Present Value of Defined Benefit Obligation	99.10	82.60	61.30
Net asset/(liability) recognised in balance sheet	**(37.60)**	**(34.40)**	**(24.10)**

(iii) Actuarial Assumptions

Particulars	As at March 31, 2014	2013	2012
Discount Rate	9.00%	8.10%	8.65%
Expected Return on plan assets	7.50%	7.50%	7.50%
Rate of increase in compensation	5%-7%	5%-7%	5%-7%
Attrition rate	Table	Table	Table
Retirement age	58 years	58 Years	58 Years

Attrition rate Age	As at March 31, 2014	2013	2012
Upto 30	10%	10%	10%
31-40	5%	5%	5%
41-50	3%	3%	3%
Above 50	2%	2%	2%

(iv) Experience adjustment disclosure

(Amount in Rs. Million)

Particulars	**31 March 2014**	**31 March 2013**	**31 March 2012**	**31 March 2011**	**31 March 2010**
Present value of defined benefit obligation	99	83	613	477	324
Fair value of plan asset	(62)	(48)	(372)	(310)	(222)
(Surplus)/Deficit recognised	38	34	241	167	102
The experience adjustments arising on					
Experience adjustment on plan liabilities	(31)	(16)	(71)	16	(8)
Experience adjustment on plan assets	(5)	9	5	4	(2)

Note :

(i) Composition of the plan assets as made available by LIC , the fund manager : **Category of Investments**	**As at March 31, 2014**	**2013**	**2012**
Central Government Securities	23.86%	31.35%	31.35%
State Government Securities	16.14%	10.71%	10.71%
Other approved securities (Government guaranteed securities)	1.21%	1.35%	1.35%
Debentures and bonds	39.32%	42.85%	42.85%
Equity Shares	4.67%	5.22%	5.22%
Fixed Deposits	14.20%	8.35%	8.35%
CBLO (Money market instruments)	0.60%	0.16%	0.16%

(ii) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

(iii) The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(iv) Estimated amount of Gratuity contribution over the next one year is Rs. 45 Lakhs.

(v) Other Employee Benefits - Leave Encashment **(Amount in Rs. Million)**

Particulars	**For the year ended / As at March 31, 2014**	**2013**	**2012**
Leave encashment benefit expensed during the year	13.90	26.20	6.70
Leave encashment benefit outstanding *	30.80	24.30	13.90

* Leave encashment liability is not funded

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30 Finance Costs

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	2013	2012
Interest on borrowings	3,374.20	2,753.00	1,860.90
Interest on delayed payment of income tax	71.40	35.60	-
Interest - Others	174.50	39.80	15.90
Other borrowing costs	194.70	90.30	100.70
	3,814.80	**2,918.70**	**1,977.50**
Less: Borrowing cost capitalised to fixed assets including Capital Work In Progress	541.60	451.70	130.70
Less: Borrowing cost apportioned to projects	982.80	977.90	654.10
Finance costs charged to Statement of Profit and Loss	**2,290.40**	**1,489.10**	**1,192.70**

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31 Other Expenses

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	2013	2012
Selling Expenses			
Advertisement and sponsorship fee	311.20	175.50	293.00
Travelling expenses	42.40	29.80	24.50
Commission	215.70	84.50	34.10
Business promotion	96.40	49.10	37.20
Repairs and maintenance			-
Building	54.30	44.30	27.40
Fitout expenses	3.50	5.80	4.30
Plant & Machinery and Computers	17.00	16.80	9.10
Vehicles	21.20	17.00	26.20
Others	25.60	2.10	2.80
Power and fuel	138.80	69.90	65.00
Rent	70.90	63.90	48.30
Insurance	11.00	9.40	6.20
Rates and taxes	51.90	9.80	8.50
Legal and professional charges	34.10	42.80	33.10
Auditor's remuneration	8.60	7.80	7.70
Director's sitting fees	0.30	0.40	0.30
Donations	39.30	11.00	6.30
Loss on sale of fixed assets	0.10	0.10	19.70
Membership and subscriptions	2.40	1.10	1.00
Postage & courier	6.70	4.10	3.00
Telephone charges	18.50	18.70	15.10
Printing and stationery	28.10	14.30	10.80
Provision for doubtful advances	210.70	-	0.10
Provision for doubtful debts	-	5.20	0.30
Foreign exchange loss (net)	33.90	8.60	-
Miscellaneous expenses	21.70	31.40	12.90
	1,464.30	**723.40**	**696.90**

32 Contingent liabilities and Commitments (to the extent not provided for)

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Contingent liabilities			
1. Claims against the company not acknowledged as debts			
a. Disputed Value Added Tax	237.70	12.40	12.40
b. Disputed Service Tax	14.20	14.20	7.50
c. Disputed Income Tax	17.20	2.60	-
d. Others	19.00	-	-
2. Corporate guarantees given on behalf of companies under the same	8,427.50	10,804.30	5,919.90
* The amount outstanding against such facilities at the balance sheet date	8,427.50	8,354.30	

Commitments			
1. Capital commitments (Net of advances)	6,695.90	3,160.20	2,670.30
2. Bank guarantees			
(a) Performance guarantees *	1,419.30	1,013.10	829.90
* Includes guarantees towards the obligation for earnings in foreign currency amounting to	40.50	40.50	43.20
Outstanding earnings in foreign currency obligation to be met by 2021-22	318.70	324.00	345.60

3. The Group enters into construction contracts with its vendors. The final amounts payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

4. The Company has entered into agreements with land owners under which the Company is required to make payments based on the terms/ milestones stipulated under the respective agreements.

5. The Company has entered into joint development agreements with owners of land for its construction and development. Under the agreements the Company is required to pay certain payments deposits to the owners of the land and share in area/ revenue from such development in exchange of undivided share in land as stipulated under the agreements.

33 Operating Lease

The Group has taken and given commercial spaces under operating lease basis which include (a) leases that are renewable on a yearly basis, (b) cancellable at the Group's option and (c) other long-term leases.

(Amount in Rs. Million)

Particulars	**For the year ended March 31,**		
	2014	**2013**	**2012**
Rental and hire charges income from operating leases included in the Statement of Profit & Loss	3,005.00	2,593.30	2,741.10
Rental expense for operating leases included in the Statement of Profit and Loss	1,220.60	883.40	624.30

The future minimum lease rentals payable and receivable towards non-cancellable operating lease as at the balance sheet date are :

(Amount in Rs. Million)

Particulars	**As at**	**Within 1 Year**	**1-5 years**	**More than 5 Years**
As Lessors				
Rental receipts	31.03.2014	1,732.90	2,524.70	-
	31.03.2013	1,244.60	1,422.90	3.30
	31.03.2012	1,186.10	1,639.80	60.20
As Lessee				
Rental payments	31.03.2014	788.30	948.60	-
	31.03.2013	572.10	656.00	26.20
	31.03.2012	429.60	438.00	52.70

34 Earning per share (EPS)

Particulars	As at March 31, 2014	2013	2012
Net profit for the year (Rs. In Million)	3,142.80	2,859.70	8,260.00
Weighted average number of equity shares			
Basic (in Numbers)	35,00,00,000	33,18,58,297	32,80,73,770
Diluted (in Numbers)	35,00,00,000	33,18,58,297	32,80,73,770
Nominal value of shares (in Rupees)	10	10	10
Earning per share (in Rupees)			
Basic	8.98	8.62	2.52
Diluted	8.98	8.62	2.52

35 Segment Information

The business of the group includes mainly development and letting out of properties and is restricted to one geographical area. As the room revenues, sale of food and beverages and income from services at spa and other services derived during the year does not exceed 10% of the total revenue of the enterprise, and the activities are restricted to one geographical segment, the disclosure of Segment information as per Accounting Standard 17 under the relevant provisions of the Companies Act, 1956 is not applicable.

36 Disclosure of foreign currency exposures

Foreign currency exposures as at March 31, 2014, that have not been hedged by a derivative instrument or otherwise:

Amount in Million

	As at 31 March 2014		As at 31 March 2013		As at 31 March 2012	
Particulars	**Amount**	**Amount (US $)**	**Amount**	**Amount (US $)**	**Amount**	**Amount (US $)**
Due to:						
Creditors	9.10	0.20	13.70	0.30	7.00	0.10
Term loan	-	-	203.70	3.80	-	-

37 The Group has 50% interest in CapitaLand Retail Prestige Mall Management Private Limited (CRPM), Prestige Garden Resorts Pvt Ltd (upto 27/01/2013) (PGRPL), Vijaya Productions Pvt Ltd (VPPL), PSN Property Management Services (PSNPMS) and Sai Chakra Hotels Pvt Ltd (SCHPL) in India, which has been considered as Joint Ventures. The Group's share of the assets, liabilities, income and expenses is as below :

(Amount in Rs. Million)

Particulars	As at/ Year ended	CRPM	PGRPL	VPPL	SCHPL	PSNPMS
Non-current Assets						
Fixed Assets	31.03.14	0.10	-	1,918.10	2.80	0.10
	31.03.13	0.30	-	112.80	2.80	-
	31.03.12	0.50	15.70	112.80	-	-
Capital Work in Progress	31.03.14	-	-	-	213.20	-
	31.03.13	-	-	1,619.70	170.80	-
	31.03.12	-	1.80	1,085.00	-	-
Deferred tax asset (net)	31.03.14	-	-	-	-	0.20
	31.03.13	-	-	-	-	0.20
	31.03.12	-	-	-	-	-
Long-term Loan & Advances	31.03.14	1.80	-	29.00	-	1.90
	31.03.13	1.10	-	38.10	0.30	-
	31.03.12	-	-	63.90	-	-

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(Amount in Rs. Million)

Particulars	As at/ Year ended	CRPM	PGRPL	VPPL	SCHPL	PSNPMS
Current Assets						
Inventories	31.03.14	-	-	0.10	-	1.80
	31.03.13	-	-	-	-	-
	31.03.12	-	-	-	-	-
Trade Receivables	31.03.14	5.10	-	26.40	-	52.60
	31.03.13	-	-	-	-	43.90
	31.03.12	-	-	-	-	-
Cash and bank balances	31.03.14	5.90	-	335.00	0.20	7.90
	31.03.13	7.70	-	64.40	3.00	1.80
	31.03.12	5.00	35.90	184.90	-	-
Short-term loans & advances	31.03.14	0.70	-	0.80	2.40	2.40
	31.03.13	0.60	-	19.00	0.30	1.20
	31.03.12	1.70	5.40	-	-	-
Other Current assets	31.03.14	-	-	0.90	-	-
	31.03.13	0.80	-	2.00	-	-
	31.03.12	-	22.50	0.40	-	-
Total	**31.03.14**	**13.60**	**-**	**2,310.30**	**218.60**	**66.90**
	31.03.13	**10.50**	**-**	**1,856.00**	**177.20**	**47.10**
	31.03.12	**7.20**	**81.30**	**1,447.00**	**-**	**-**
Non-current Liabilities						
Long-term borrowings	31.03.14	-	-	886.60	156.50	-
	31.03.13	-	-	853.60	156.50	-
	31.03.12	-	-	629.90	-	-
Other long-term liabilities	31.03.14	-	-	108.50	-	-
	31.03.13	-	-	116.30	-	-
	31.03.12	-	-	16.80	-	-
Long-term provisions	31.03.14	-	-	0.30	-	0.60
	31.03.13	-	-	0.10	-	-
	31.03.12	-	-	-	-	-
Current Liabilities						
Short-term borrowings	31.03.14	-	-	50.00	-	-
	31.03.13	-	-	50.00	-	-
	31.03.12	-	-	-	-	-
Trade Payables	31.03.14	-	-	-	8.50	30.50
	31.03.13	-	-	-	-	34.30
	31.03.12	-	1.80	47.80	-	-
Other current liabilities	31.03.14	4.40	-	724.50	53.00	5.80
	31.03.13	0.70	-	160.80	19.80	1.80
	31.03.12	0.20	-	80.50	-	-
Short-term provisions	31.03.14	-	-	-	-	0.10
	31.03.13	-	-	0.30	-	0.20
	31.03.12	-	11.50	-	-	-
Total	31.03.14	**4.40**	**-**	**1,769.90**	**218.00**	**37.00**
	31.03.13	**0.70**	**-**	**1,181.10**	**176.30**	**36.30**
	31.03.12	**0.20**	**13.30**	**775.00**	**-**	**-**
Income	31.03.14	5.00	-	279.50	-	241.70
	31.03.13	5.10	-	0.80	-	57.70
	31.03.12	4.60	52.40	1.10	-	-
Expenses	31.03.14	5.80	-	414.00	0.10	213.00
	31.03.13	2.80	-	12.80		48.70
	31.03.12	2.90	11.50	9.60	-	
Contingent Liabilities	31.03.14	-	-	-	-	-
	31.03.13	-	-	-	-	-
	31.03.12	234.40	-	-	-	-
Capital Commitments	31.03.14	-	-	-	398.30	-
	31.03.13	-	-	63.20	-	-
	31.03.12	-	-	309.30	-	-

38 List of related parties

(a) Associates

Prestige Garden Constructions Private Limited
Babji Realtors Private Limited
City Properties Maintenance Company (Bangalore) Limited
Prestige Projects Private Limited
Exora Business Parks Private Limited

(b) Joint Ventures

CapitaLand Prestige Mall Management Private Limited
Vijaya Productions Private Limited
Prestige Garden Resorts Private Limited (upto 27 January, 2013)
Sai chakra Hotels Private Limited (w.e.f 3 September, 2012)

(c) Entities in which key management personnel have significant influence

Thomsun Realtors Private Limited
Prestige Fashions Private Limited
Dollar Constructions & Engineers Private Limited
Prestige Garden Estates Private Limited
Prestige Golf Resorts Private Limited

(d) Partnership firms in which Company is a partner

Prestige Hi-Tech Projects (formerly known as Hi-Tech Properties)
Prestige Notting Hill Investments
Eden Investments & Estates (subsidiary w.e.f 1 April, 2013)
Prestige Ozone Properties
Prestige KRPL Techpark
Prestige Realty Ventures
Silver Oak Projects
Silverline Estates
PSN Property Management & Services (Joint Venture w.e.f 1 July, 2012)

(e) Partnership Firms, Trusts in which some of the Directors and their Relatives are interested:

23 Carat
Prestige Fashions
Castlewood Investments
Colonial Estates
Educate India Foundation
Educate India Trust
Prestige Constructions
Prestige Whitefield Developers
Morph
Morph Design Company
Daffodil Investments
India Learning Foundation
Eureka Investments
Xtasy Investments
RRR Investments
Sublime
Windows Care
Morph Design Company
Nebulla Investments
Spring Green
Prestige Cuisine
The Good Food Company

(f) Key Management Personnel

Irfan Razack, Managing Director
Rezwan Razack, Joint Managing Director
Noaman Razack, Director

(g) Relative of key management personnel

Badrunissa Irfan
Almas Rezwan
Sameera Noaman
Faiz Rezwan
Uzma Irfan
Mohammed Zaid Sadiq
Rabia Razack
Anjum Jung
Omer Bin Jung
Matheen Irfan
Sana Rezwan
Danya Noaman
Zayd Noaman

Note : The related party relationships are as identified by management which has been relied upon by the auditors.

Details of related party transactions during the year and balances outstanding as at the year end are given in **Annexure I.**

39 During the quarter ended 31 December, 2013, the Company was subject to search under Section 132 of the Income Tax Act, 1961. The Company believes that there was no inconsistent information that was noted by the Income Tax authorities during the search and thereafter. As on date of approval of financial statements by board of director (May 26, 2014) the Company has not received communication from the Income Tax authorities regarding the outcome of the search.

40 Trade receivables outstanding as at March 31, 2014 include amounts of Rs. 11,073 lakhs relating to dues from certain parties that are outstanding for more than 6 months from the date they became due. The Company is confident of recovering these dues in the normal course of business as the Company continues to have business relationships and arrangements with these parties and the handing over formalities of the underlying properties are yet to be completed.

41 The entities in the Group enter into "domestic transactions" with specified parties that are subject to the Transfer Pricing regulations under Income Tax Act, 1961 (‘regulations’). The pricing of such domestic transactions will need to comply with the Arm's length principle under the regulations. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant which is to be filed with the Income tax authorities.

The Group has undertaken necessary steps to comply with the regulations. The Management is of the opinion that the domestic 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.

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Intercorporate Deposits taken			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Babji Realtors Private Limited	-	1,500.00	-
Exora Business Parks Private Limited	885.80	4,285.00	-
Prestige Amusements Pvt Ltd	-	-	5.00
Thomsun Realtors Private Limited	-	103.00	200.00
Prestige Projects Private Limited	-	20.00	65.50
Total	**885.80**	**5,908.00**	**270.50**
Repayment of Intercorporate Deposits taken			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Babji Realtors Private Limited	-	1,500.00	-
Exora Business Parks Private Limited	1,620.00	3,430.20	-
Thomsun Realtors Private Limited	203.00	100.00	-
Prestige Garden Estates Pvt Ltd	-	-	9.00
Prestige Projects Private Limited	-	85.50	-
Total	**1,823.00**	**5,115.70**	**9.00**
Unsecured Loans Taken			
Key Management Personnel & their relative			
Irfan Razack	67.00	14.70	-
Rezwan Razack	67.00	14.70	-
Noaman Razack	67.00	14.70	-
Uzma Irfan	-	-	14.00
Total	**201.00**	**44.10**	**14.00**
Unsecured Loans taken repaid			
Key Management Personnel & their relative			
Irfan Razack	67.00	17.10	74.60
Noaman Razack	67.00	14.70	2.00
Rezwan Razack	67.00	14.70	36.60
Almas Rezwan	-	-	2.00
Badrunissa Irfan	-	-	2.00
Sameera Noaman	-	-	2.00
Uzma Irfan	-	-	23.00
Total	**201.00**	**46.50**	**142.20**
Debenture application money taken			
Key Management Personnel & their relative			
Irfan Razack	0.10	-	-
Rezwan Razack	0.10	-	-
Noaman Razack	0.10	-	-
Almas Rezwan	0.10	-	-
Badrunissa Irfan	0.10	-	-
Sameera Noaman	0.10	-	-
Total	**0.60**	**-**	**-**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
Issue of Compulsorily Convertible Debentures			
Key Management Personnel & their relative			
Irfan Razack	0.20	-	-
Noaman Razack	0.20	-	-
Rezwan Razack	0.20	-	-
Badrunissa Irfan	0.20	-	-
Sameera Noaman	0.20	-	-
Almas Rezwan	0.20	-	-
Total	**1.20**	**-**	**-**
Lease Deposits taken			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Fashions Private Limited	-	1.50	-
City Properties Maintenance Company Bangalore Ltd	-	-	0.30
Total	**-**	**1.50**	**0.30**
Lease Deposits Given			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Constructions	0.20	-	-
Sub Total	**0.20**	**-**	**-**
Key Management Personnel & their relative			
Irfan Razack	0.70	1.20	-
Noaman Razack	0.70	1.20	-
Rezwan Razack	0.70	1.20	-
Uzma Irfan	1.00	0.40	-
Sub Total	3.10	4.00	
Total	**3.30**	**4.00**	
Share/Debentures Application money given			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Babji Realtors Private Limited	3.40	62.80	58.80
Exora Business Parks Pvt Ltd	-	-	272.00
Prestige Golf Resorts Pvt Ltd	-	-	0.40
Sai Chakra Hotels Private Limited	35.00	16.30	-
Prestige Garden Constructions Private Limited	96.00	-	-
Dashanya Tech Parkz Private Limited	25.00	-	-
Dollars Hotel & Resorts Private Limited	57.50	20.00	-
Vijaya Productions Private Limited	100.10	134.20	-
Total	**317.00**	**233.30**	**331.20**
Share/Debentures Application money received back			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Exora Business Parks Private Limited	-	128.00	296.00
Prestige Garden Resorts Pvt Ltd	-	-	0.60
Prestige Golf Resorts Private Limited	-	0.50	-
Vijaya Productions Private Limited	110.40	75.00	-
Total	**110.40**	**203.50**	**296.60**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Investments made			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Babji Realtors Private Limited	-	58.80	-
PSN Property Management & Services	-	2.50	-
Sai Chakra Hotels Private Limited	-	0.50	-
Vijaya Productions Pvt Ltd	-	-	49.70
Total	**-**	**61.80**	**-**
Sale/Redemption of Investments			
Associates, Joint Ventures and Companies, firms & trusts in which the directors are interested.			
RRR Investments	-	-	15.00
	-	**-**	**15.00**
Sale of land/Units/Fitouts/Goods			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Morph Design Company	0.20	-	-
Sai Chakra Hotels Private Limited	0.20	-	-
Prestige Cuisine	-	-	27.50
Total	**0.40**	**-**	**27.50**
Key Management Personnel & their relative			
Almas Rezwan	-	-	88.50
Badrunissa Irfan	-	-	88.60
Danya Noaman	-	-	33.20
Faiz Rezwan	-	-	33.20
Irfan Razack	-	-	56.40
Noaman Razack	-	-	56.40
Sameera Noaman	-	-	104.40
Sana Rezwan	-	-	33.20
Rabia Razack	-	-	-
Rezwan Razack	-	-	56.40
Uzma Irfan	-	-	80.40
Zayd Noaman	-	-	33.20
Total	**-**	**-**	**663.90**
Management Contract			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Garden Constructions Private Limited	5.20	4.90	-
Prestige Garden Estates Private Limited	-	1.20	10.70
Prestige Amusements Pvt Ltd	-	-	2.40
Exora Business Parks Private Limited	-	50.00	62.20
SilverOak Projects	-	-	8.80
Vijaya Productions Private Limited	25.00	8.30	-
Total	**30.20**	**64.40**	**84.10**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	2013	2012
Rent Income			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
City Properties Maintenance Company Bangalore Limited	0.50	29.30	-
Morph Design Company	1.50	1.60	1.30
Prestige Amusements Pvt Ltd	-	-	1.80
Prestige Fashions Private Limited	14.10	8.70	8.10
The Good Food Co.	11.20	11.80	9.50
Sublime	0.70	0.70	0.50
Sub Total	**28.00**	**52.10**	**21.20**
Key Management Personnel & their relative			
Irfan Razack	-	1.30	-
Rezwan Razack	-	1.30	-
Noaman Razack	-	1.30	-
Sub Total	**-**	**3.90**	**-**
Total	**28.00**	**56.00**	**21.20**
Interest Income			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Exora Business Parks Pvt Ltd	-	-	2.10
Geotrix Building Envelope Private Limited	2.10	-	-
Prestige Garden Resorts Pvt Ltd	-	-	0.60
Prestige Golf Resorts Private Limited	0.70	0.70	0.70
Sub Total	**2.80**	**0.70**	**3.40**
Key Management Personnel & their relative			
Irfan Razack	-	7.80	-
Rezwan Razack	-	7.40	-
Noaman Razack	-	7.40	-
Sub Total	**-**	**22.60**	**-**
Total	**2.80**	**23.30**	**3.40**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	2013	2012
Rendering of services			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
23 Carat	1.20	1.10	0.60
Exora Business Parks Private Limited	6.30	3.30	7.60
Castlewood Investments	0.70	0.40	0.40
Daffodil Investments	0.20	-	-
India Learning Foundation	3.60	-	-
Morph	0.70	0.60	0.50
Morph Design Company	0.40	0.30	-
Prestige Constructions	0.40	0.30	0.40
Prestige Garden Constructions Private Limited	1.40	0.20	-
Prestige Amusements Pvt Ltd	-	-	0.10
Prestige Projects Private Limited	0.50	-	-
Prestige Realty Ventures	0.30	-	-
Prestige Nottinghill Investments	0.80	-	2.80
PSN Property Management & Services	-	27.50	-
Prestige Fashions Private Limited	7.00	4.90	4.90
RRR Investments	-	0.30	0.50
Nebulla Investments	-	-	0.10
Good Food Co.	0.90	0.80	0.70
Silverline Estates	0.50	1.30	2.20
Sublime	0.10	0.80	-
Silveroak Projects	34.90	0.70	0.70
Sai Chakra Hotels Private Limited	13.50	0.10	-
Spring Green	2.00	-	-
Eureka Investments	-	0.10	-
Xtasy Investments	0.50	-	-
Vijaya Productions Private Limited	5.10	-	-
Sub Total	**81.00**	**42.70**	**21.50**
Key Management Personnel & their relative			
Irfan Razack	2.60	1.60	2.60
Rezwan Razack	2.60	1.50	2.40
Noaman Razack	1.20	0.90	1.60
Rabia Razack	1.10	0.80	0.80
Badrunissa Irfan	-	0.10	0.80
Sameera Noaman	0.30	2.10	0.10
Anjum Jung	0.70	0.40	0.50
Uzma Irfan	0.70	0.90	1.20
Faiz Rezwan	1.00	2.60	0.90
Sana Rezwan	-	0.10	0.30
Danya Noaman	-	0.10	0.20
Sub Total	**10.20**	**11.10**	**11.40**
Total	**91.20**	**53.80**	**32.90**
Share of Profit from Firms & Dividends from Companies			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Nottinghill Investments	-	3.40	13.80
Prestige Ozone Properties	0.20	0.80	0.80
Silverline Estates	1.60	21.10	19.50
Silveroak Projects	0.30	0.30	-
PSN Property Management & Services	9.30	3.10	-
Total	**11.40**	**28.70**	**34.10**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Purchase of Goods			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Morph	121.20	46.80	122.10
Morph Design Company	46.90	42.70	61.80
Prestige Fashions Private Limited	5.20	5.40	4.30
Geotrix Building Envelope Private Limited	116.60	-	-
Sublime	0.70	4.40	1.00
Silveroak Projects	-	35.10	-
Spring Green	10.10	21.00	24.90
23 Carat	0.20	-	-
The Good Food Co.	-	-	0.10
Window Care	13.80	3.80	1.20
Total	**314.70**	**159.20**	**215.40**
Receiving of Services			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
City Properties Maintenance Company Bangalore Limited	3.20	3.00	2.20
Morph Design Company	-	-	1.20
Prestige Garden Constructions Private Limited	8.80	10.00	4.10
PSN Property Management & Services	2.60	-	-
Prestige Fashions Private Limited	-	1.40	1.30
Prestige Amusements Pvt Ltd	-	-	35.20
Sublime	128.10	57.50	127.20
Total	**142.70**	**71.90**	**171.20**
Interest Expenses			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Exora Business Parks Private Limited	22.60	9.20	-
Prestige Amusements Pvt Ltd	-	-	3.20
Prestige Garden Estates Pvt Ltd	-	-	0.90
Thomsun Realtors Private Limited	-	24.30	2.20
Prestige Projects Private Limited	-	5.00	5.80
Total	**22.60**	**38.50**	**12.10**

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
Rental Expense			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Nebulla Investments	12.00	11.40	11.30
Prestige Garden Constructions Private Limited	12.70	13.90	16.00
Prestige Cuisine	-	-	3.10
Prestige Ozone Properties	6.70	6.70	6.60
Sub Total	**31.40**	**32.00**	**37.00**
Key Management Personnel & their relative			
Almas Rezwan	12.40	11.00	2.80
Badrunissa Irfan	16.80	15.40	7.00
Danya Noaman	-	-	1.10
Faiz Rezwan	5.00	4.50	1.40
Irfan Razack	24.00	43.00	33.50
Matheen Irfan	-	-	0.30
Noaman Razack	24.00	43.00	33.50
Rezwan Razack	24.00	43.00	33.50
Sameera Noaman	12.40	11.00	2.80
Sana Rezwan	6.50	5.00	1.90
Uzma Irfan	10.80	9.60	3.40
Zaid Noaman	4.60	4.10	1.10
Sub Total	**140.50**	**189.60**	**122.30**
Total	**171.90**	**221.60**	**159.30**
Remuneration Paid			
Key Management Personnel & their relative			
Faiz Rezwan	3.00	0.30	0.30
Irfan Razack	24.00	74.00	24.00
Noaman Razack	3.00	3.00	2.00
Rezwan Razack	24.00	74.00	24.00
Sana Rezwan	3.00	0.30	0.10
Omer Bin Jung	18.00	-	-
Uzma Irfan	3.00	0.30	0.30
Mohammed Zaid Sadiq	3.00	0.60	0.60
Total	**81.00**	**152.50**	**51.30**
Share of Loss			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Nottinghill Investments	2.10	-	-
Prestige KRPTL Techpark	0.50	0.10	0.10
RRR Investments	-	-	3.10
Prestige Whitefield Developers	0.10	-	0.30
Total	**2.70**	**0.10**	**3.50**
Miscellaneous Purchases			
Key Management Personnel & their relative			
Rezwan Razack	-	2.50	-
Total	**-**	**2.50**	**-**
Donation Paid			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Foundation	21.20	-	-
Total	**21.20**	**-**	**-**

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Amounts outstanding as at Balance Sheet Date			
Amounts Due to			
Inter Corporate Deposit payable			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Exora Business Parks Private Limited	120.60	854.80	-
Thomsun Realtors Private Limited	-	203.00	200.00
Prestige Projects Pvt Ltd	-	-	65.50
Total	**120.60**	**1,057.80**	**265.50**
Interest accrued but not due on Inter corporate deposits			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Exora Business Parks Private Limited	26.60	8.30	-
Thomsun Realtors Private Limited	6.50	26.50	2.20
Prestige Projects Private Limited	7.20	7.20	5.20
Total	**40.30**	**42.00**	**7.40**
Unsecured Loans Other than ICD payable			
Key Management Personnel & their relative			
Irfan Razack	-	4.50	6.90
Rezwan Razack	-	4.50	4.50
Uzma Irfan	-	4.50	4.50
Total	**-**	**13.50**	**15.90**
Compulsorily Convertible Debentures			
Key Management Personnel & their relative			
Irfan Razack	0.90	0.07	-
Rezwan Razack	0.90	0.07	-
Noaman Razack	0.90	0.07	-
Badrunissa Irfan	0.90	0.07	-
Sameera Noaman	0.90	0.07	-
Almas Rezwan	0.90	0.07	-
Total	**5.40**	**0.42**	**-**
Share / Debenture Application Money pending Allotment			
Key Management Personnel & their relative			
Irfan Razack	0.10	-	-
Rezwan Razack	0.10	-	-
Noaman Razack	0.10	-	-
Badrunissa Irfan	0.10	-	-
Sameera Noaman	0.10	-	-
Almas Rezwan	0.10	-	-
Total	**0.60**	**-**	**-**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	As at March 31,		
	2014	2013	2012
Trade Payables			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
City Properties Maintenance Company Bangalore Limited	0.60	0.60	0.60
Exora Business Parks Private Limited	15.70	-	-
Geotrix Building Envelope Private Limited	4.50	-	-
Nebulla Investments	1.00	-	1.30
Morph	12.30	10.00	14.50
Morph Design Company	14.10	6.10	7.30
Prestige Garden Estates Private Limited	-	-	3.90
Prestige Cuisine	-	-	0.50
Prestige Fashions Private Limited	-	0.40	0.40
Prestige Garden Constructions Private Limited	3.20	0.80	0.90
PSN Property Management & Services	2.90	-	-
Sublime	13.30	4.00	5.60
Spring Green	4.10	2.40	6.60
Window Care	2.00	-	0.10
The Good Food Co.	-	-	0.10
23 Carat	0.20	-	-
Sub Total	**73.90**	**24.30**	**41.80**
Key Management Personnel & their relative			
Almas Rezwan	1.00	0.20	-
Badrunissa Irfan	1.00	0.20	-
Faiz Rezwan	0.40	0.10	-
Irfan Razack	0.80	1.40	-
Noaman Razack	0.80	0.20	0.10
Rezwan Razack	0.80	1.40	-
Sameera Noaman	1.00	0.20	-
Sana Rezwan	1.30	0.10	0.10
Mohammed Zaid Sadiq	-	-	-
Uzma Irfan	1.50	0.20	-
Zaid Noaman	0.40	0.10	-
Sub Total	**9.00**	**4.10**	**0.20**
Total	**82.90**	**28.40**	**42.00**
Remuneration Payable			
Key Management Personnel & their relative			
Irfan Razack	-	50.00	5.60
Rezwan Razack	-	50.00	1.40
Noaman Razack	0.20	-	0.40
Uzma Irfan	0.30	-	-
Mohd. Zaid Sadiq	0.30	-	0.10
Faiz Rezwan	0.30	-	-
Sana Rezwan	0.30	-	-
Total	**1.40**	**100.00**	**7.50**
Lease Deposits Received			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
City Properties Maintenance Company Bangalore Limited	0.30	0.30	0.30
Morph Design Company	0.90	0.90	0.90
Prestige Fashions Private Limited	5.70	5.70	4.30
Total	**6.90**	**6.90**	**5.50**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	**As at March 31, 2014**	**2013**	**2012**
Advances Held			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Projects Private Limited	-	0.10	-
Silveroak Projects	10.50	18.90	4.10
Sub Total	**10.50**	**19.00**	**4.10**
Key Management Personnel & their relative			
Irfan Razack	17.20	18.20	-
Noaman Razack	20.70	18.10	-
Rezwan Razack	21.00	18.20	-
Sub Total	**58.90**	**54.50**	**-**
Total	**69.40**	**73.50**	**4.10**
Amounts Due From			
Inter Corporate Deposit receivable			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Geotrix Building Envelope Private Limited	15.00	-	-
Prestige Golf Resorts Private Limited	4.70	4.70	4.70
Total	**19.70**	**4.70**	**4.70**
Interest accrued but not due Inter Corporate Deposit given			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Exora Business Parks Private Limited	-	-	5.20
Geotrix Building Envelope Private Limited	3.30	-	-
Prestige Golf Resorts Private Limited	3.70	3.00	2.30
Total	**7.00**	**3.00**	**7.50**
Lease Deposits given			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Garden Constructions Private Limited	6.90	6.90	-
Prestige Constructions	0.20	-	-
Prestige Ozone Properties	1.80	1.80	1.80
Sub Total	**8.90**	**8.70**	**1.80**
Key Management Personnel & their relative			
Badrunissa Irfan	3.30	3.30	3.30
Faiz Rezwan	0.20	0.20	0.20
Irfan Razack	2.00	1.30	0.10
Noaman Razack	2.00	1.30	0.10
Matheen Irfan	0.20	0.20	0.20
Rezwan Razack	2.00	1.30	0.10
Sana Rezwan	0.60	0.60	0.60
Uzma Irfan	1.90	0.90	1.30
Sub Total	**12.20**	**9.10**	**5.90**
Total	**21.10**	**17.80**	**7.70**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	As at March 31, 2014	2013	2012
Trade Receivables			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
CapitaLand Retail Prestige Mall Management Private Limited	0.40	0.40	0.40
City Properties Maintenance Company Bangalore Limited	29.60	28.00	-
Castlewood Investments	-	-	0.80
Babji Realtors Private Limited	0.10	-	-
Dollars Constructions & Engineering Private Limited	-	-	1.80
Exora Business Parks Private Limited	0.50	1.80	53.60
Sai Chakra Hotels Private Limited	2.00	-	-
Morph	0.10	-	0.10
Morph Design Company	3.00	2.10	1.80
Prestige Property Management & Services	-	-	-
Prestige Fashions Private Limited	3.80	2.20	-
Prestige Constructions	0.20	-	-
Prestige Nottinghill Investments	0.10	-	3.50
Prestige Garden Constructions Private Limited	13.20	6.70	5.90
Prestige Garden Resorts Pvt Ltd	-	-	0.50
PSN Property Management & Services	0.20	21.80	-
The Good Food Co.	1.20	0.30	1.10
RRR Investments	-	-	0.50
23 Carat	-	-	0.60
Sublime	0.20	0.10	-
Silverline Estates	0.20	0.10	1.20
Silveroak Projects	3.40	10.50	2.40
Vijaya Productions Private Limited	17.00	1.10	1.10
Sub Total	**75.20**	**75.10**	**75.30**
Key Management Personnel & their relative			
Danya Noaman	-	-	14.50
Anjum Jung	42.90	41.10	-
Faiz Rezwan	28.70	12.90	15.80
Irfan Razack	-	-	65.00
Omer Bin Jung	2.40	2.40	2.40
Rabia Razack	-	-	0.20
Rezwan Razack	-	-	64.80
Irfan Razack	15.70	22.90	-
Rezwan Razack	45.60	22.90	-
Badrunissa Irfan	-	-	0.80
Noaman Razack	16.60	22.90	63.60
Sameera Noaman	-	1.90	15.30
Uzma Irfan	-	-	13.60
Sana Rezwan	-	-	0.10
Sub Total	**151.90**	**127.00**	**256.10**
Total	**227.10**	**202.10**	**331.40**

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Loans & Advances recoverable			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Colonial Estates	1.50	1.50	1.50
Castlewood Investments	12.00	9.00	9.00
Dollars Hotel & Resorts Private Limited	20.00	20.00	-
Educate India Foundation	115.10	136.10	160.10
Educate India Trust	35.40	35.40	35.40
Geotrix Building Envelope Private Limited	55.50	-	-
Morph	63.60	70.30	41.70
Morph Design Company	15.70	10.10	17.50
Prestige Fashions Private Limited	0.10	-	-
Prestige Projects Private Limited	1,032.20	1,027.70	1,027.70
Prestige Garden Constructions Pvt Ltd	-	-	6.90
Prestige Constructions	-	-	0.20
RRR Investments	119.20	119.50	59.70
Silverline Estates	-	-	0.10
Sublime	29.60	-	0.20
Spring Green	4.30	0.40	1.50
Thomsun Realtors Private Limited	0.20	0.10	0.10
Window Care	0.20	1.80	1.30
Sub Total	**1,504.60**	**1,431.90**	**1,362.90**
Key Management Personnel & their relative			
Anjum Jung	76.50	67.50	67.50
Irfan Razack	-	61.00	-
Rezwan Razack	-	57.50	-
Noaman Razack	-	57.50	-
Uzma Irfan	-	0.20	0.20
Sub Total	**76.50**	**243.70**	**67.70**
Total	**1,581.10**	**1,675.60**	**1,430.60**
Current account in partnership firms			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Eden Investments & Estates	-	33.10	33.10
Prestige Ozone Properties	43.00	45.70	47.90
Prestige Whitefield Developers	52.00	38.10	38.10
Prestige Realty Ventures	229.00	229.00	229.00
Prestige Nottinghill Investments	233.10	200.10	168.70
Prestige KRPL Techpark	68.50	68.00	68.20
Silver Oak Projects	12.50	6.70	6.40
Silverline Estates	25.00	44.90	153.20
Total	**663.10**	**665.60**	**744.60**
Share Application Money			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
City Properties Maintenance Company Bangalore Ltd	-		
Exora Business Parks Private Limited	184.50	184.50	312.50
Prestige Golf Resorts Private Limited	-	-	0.50
Prestige Garden Estates Private Limited	70.80	70.80	-
Sai Chakra Hotels Private Limited	51.30	16.30	-
Vijaya Productions Private Limited	-	60.30	-
Dashanya Tech Parkz Private Limited	233.00	208.00	-
Dollars Hotel & Resorts Private Limited	77.50	20.00	-
Total	**617.10**	**559.90**	**313.00**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	**As at March 31, 2014**	**2013**	**2012**
Debenture Application Money			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Babji Realtors Private Limited	-	62.80	58.80
Prestige Garden Constructions Private Limited	16.00	-	-
Vijaya Productions Private Limited	50.00	-	-
Total	**66.00**	**62.80**	**58.80**
Guarantees & Collaterals Provided			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Babji Realtors Private Limited	514.80	2,000.00	499.50
Exora Business Parks Private Limited	1,729.10	3,200.00	3,402.50
Prestige Garden Constructions Private Limited	-	400.00	8.50
Vijaya Productions Private Limited	-	-	382.80
Total	**2,243.90**	**5,600.00**	**4,293.30**
Release of Guarantees & Collaterals provided			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Babji Realtors Private Limited	-	1,127.30	-
Educate India Foundation	-	-	17.90
Exora Business Parks Private Limited	1,606.70	1,095.80	1,700.00
Prestige Garden Constructions Private Limited	56.00	24.40	-
Vijaya Productions Private Limited	-	710.70	-
Total	**1,662.70**	**2,958.20**	**1,717.90**
Guarantees & Collaterals Received			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Realty Ventures	1,000.00	-	1,000.00
Sub Total	**1,000.00**	**-**	**1,000.00**
Key Management Personnel & their relative			
Directors & Relatives of Directors	6,924.50	8,342.80	10,039.60
Sub Total	**6,924.50**	**8,342.80**	**10,039.60**
Total	**7,924.50**	**8,342.80**	**11,039.60**
Release in Guarantees & Collaterals received			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Garden Resorts Pvt Ltd	-	-	140.60
Prestige Realty Ventures	440.00	-	3,121.50
Sub Total	**440.00**	**-**	**3,262.10**
Key Management Personnel & their relative			
Directors & Relatives of Directors	8,770.20	4,099.10	25,987.10
Sub Total	**8,770.20**	**4,099.10**	**25,987.10**
Total	**9,210.20**	**4,099.10**	**29,249.20**

PRESTIGE ESTATES PROJECTS LIMITED
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

Annexure I to Note 38 - Details of Related Party Transactions and Balances

(Amount in Rs. Million)

Particulars	**As at March 31,**		
	2014	**2013**	**2012**
Closing Balance as on March 31, 2014			
Guarantees & Collaterals Provided			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Babji Realtors Private Limited	2,514.80	2,000.00	1,127.30
Exora Business Parks Private Limited	4,929.10	4,806.70	2,702.50
Prestige Garden Constructions Private Limited	983.60	1,039.60	664.00
Vijaya Productions Private Limited	-	-	710.70
Total	**8,427.50**	**7,846.30**	**5,204.50**
Guarantees & Collaterals Received			
Associates, Joint Ventures and Companies, firms (including firms in which Company is a partner)& trusts in which the directors are interested			
Prestige Realty Ventures	1,560.00	1,000.00	1,000.00
Prestige Garden Resorts Private Limited	-	-	234.40
Sub Total	**1,560.00**	**1,000.00**	**1,234.40**
Key Management Personnel & their relative			
Directors & Relatives of Directors	19,503.80	21,349.50	17,106.60
Sub Total	**19,503.80**	**21,349.50**	**17,106.60**
Total	**21,063.80**	**22,349.50**	**18,341.00**

(A) Related party relationships are as identified by the Company on the basis of information available with them and accepted by the auditors.
(B) The above amounts exclude reimbursement of expenses.
(C) No amount is / has been written off or written back during the year in respect of debts due from or to related parties.

INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
PRESTIGE ESTATES PROJECTS LIMIED

1 We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **PRESTIGE ESTATES PROJECTS LIMITED** ("the Company") for the Quarter ended 30 June, 2014 ("the Statement"), being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2 We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3 Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4 a) Trade receivables as at 30 June, 2014 include Rs. 10,599 lakhs (31 March, 2014 **-** Rs. 11,073 lakhs) due from certain parties which have been considered as good and recoverable by the Management, inter alia, based on the continuing business relationships and arrangements that the Company has with these parties.

b) We draw attention to Note 3 of the Statement. As explained in the note, the Company is in the process of evaluating the useful life of its tangible fixed assets, including components if any, pursuant to the requirements of Schedule II of the Companies Act, 2013 which has come into effect from April 1, 2014. The effect on depreciation consequent to such evaluation will be recorded in the period in which it is determined.

Our report is not qualified in respect of the matters stated in paragraph 4(a) and 4(b) above

5 Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended 30 June, 2014 of the Statement, from the details furnished by the Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No.008072S)

V. Balaji
Partner
(Membership No. 203685)

Bangalore, 01 August, 2014

PRESTIGE ESTATES PROJECTS LIMITED

REGD OFFICE: 'THE FALCON HOUSE' NO 1 MAIN GUARD CROSS ROAD, BANGALORE - 560 001

Statement of Standalone Unaudited Financials Results for the period ended June 30, 2014

PART I - Standalone Unaudited Financial Results for the period ended June 30, 2014 **(Rs. In Lakhs)**

Sl No	Particulars	Quarter Ended			Year ended
		June 30, 2014 (Unaudited)	Mar 31, 2014 (Unaudited) Refer Note 6	June 30, 2013 (Unaudited)	Mar 31, 2014 (Audited)
1	**Income from Operations**				
	Sale of Projects and Property Income (net)	56,202	53,231	49,571	1,92,981
	Other Operating Income	107	6,885	257	7,538
	Total Income from operations (net)	**56,309**	**60,116**	**49,828**	**2,00,519**
2	**Expenses**				
	(a) Purchase of stock of units	600	5,003	-	5,136
	(b) (Increase)/Decrease of units in completed projects/Work in progress projects	(9,136)	(12,555)	1,960	(33,892)
	(c) Cost of projects and Other operating expenses	43,842	49,518	31,151	1,59,376
	(d) Employee benefits expenses	3,327	1,289	2,338	8,776
	(e) Depreciation and amortization expense	918	1,075	798	3,554
	(f) Other Expenses	3,978	4,552	1,488	10,868
	Total expenses	**43,529**	**48,882**	**37,735**	**1,53,818**
3	**Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)**	**12,780**	**11,234**	**12,093**	**46,701**
4	Other Income	5,247	5,792	3,103	14,726
5	**Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)**	**18,027**	**17,026**	**15,196**	**61,427**
6	Finance Costs	3,801	3,903	2,568	12,605
7	**Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)**	**14,226**	**13,123**	**12,628**	**48,822**
8	Exceptional items	-	-	-	-
9	**Profit from Ordinary Activities before tax (7+8)**	**14,226**	**13,123**	**12,628**	**48,822**
10	Tax expense	3,822	3,609	3,962	14,820
11	**Net Profit from ordinary activities after tax(9-10)**	**10,404**	**9,514**	**8,666**	**34,002**
12	Extraordinary Items (net of tax expense)	-	-	-	-
13	**Net Profit for the period (11-12)**	**10,404**	**9,514**	**8,666**	**34,002**
14	Paid-up equity share capital (Face Value of the Share Rs.10/- each)	35,000	35,000	35,000	35,000
15	Reserve excluding Revaluation Reserves				2,62,107
16	**Earnings Per Share***				
	a) Basic	2.97	2.72	2.48	9.71
	b) Diluted	2.97	2.72	2.48	9.71
	See accompanying note to financial results				

* Not annualised for quarter

PART II - Select information for the quarter ended June 30, 2014		Quarter Ended			Year ended
		June 30, 2014 (Unaudited)	Mar 31, 2014 (Unaudited)	June 30, 2013 (Unaudited)	Mar 31, 2014 (Audited)
A	**PARTICULARS OF SHAREHOLDING**				
1	**Public Shareholding**				
	- Number of shares	8,75,00,000	8,75,00,000	8,75,00,000	8,75,00,000
	- Percentage of shareholding	25%	25%	25%	25%
2	***Promoters and promoter group Shareholding***				
	a) Pledged/Encumbered	-	-	-	-
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- Number of Shares	26,25,00,000	26,25,00,000	26,25,00,000	26,25,00,000
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	75%	75%	75%	75%

B Number of complaints received from investors/shareholders for the quarter ended on June 30, 2014

Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Responded during the quarter	Nil
Pending at the end of the quarter	Nil

NOTES :

1 The above unaudited results for the quarter ended June 30, 2014 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 01, 2014.

2 **Segmental information**
The company operates within a single business segment which constitutes real estate development and letting out of developed properties. The Company operates only in India and hence there is no other geographical segment. Hence the disclosure of segment information as per Accounting Standard-17 is not applicable.

3 The Company is evaluating the useful life of its tangible fixed assets, including components if any, pursuant to the requirements of Schedule II of the Companies Act 2013, which has come into effect from April 1, 2014. The effect on depreciation consequent to such evaluation will be recorded in the period in which they are determined.

4 During the quarter ended 31 December, 2013, the Company was subject to search under section 132 of the Income Tax Act, 1961. The Company believes that there was no inconsistent information that was noted by the Income Tax authorities during the search and thereafter. As on date the Company has not received communication from the Income Tax authorities regarding the outcome of the search.

5 The statutory auditors have carried out limited review of the above standalone results.

6 The figures for the quarter ended March 31, 2014 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto December 31, 2013.

7 The figures of the previous period have been regrouped/reclassified, wherever necessary to confirm to the current period classification.

On behalf of Board of Directors

Irfan Razack
Chairman and Managing Director

Place: Bangalore
Date August 01, 2014

DECLARATION

Our Company certifies that all relevant provisions of Chapter VIII and Schedule XVIII of the SEBI Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VIII and Schedule XVIII of the SEBI Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

Signed by:

____
Rezwan Razack, *Joint Managing Director*

____
Venkata Narayana K., *Chief Finance Officer*

Date: August 8, 2014

Place: Bengaluru

DECLARATION

We, the Directors of the Company certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the offer shall be used only for the purposes and objects indicated in the Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by:

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Rezwan Razack, *Joint Managing Director*

I am authorized by the QIP Committee, a committee of the Board of Directors of the Company, vide resolution dated May 26, 2014 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

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Venkata Narayana K., *Chief Finance Officer*

Date: August 8, 2014

Place: Bengaluru

PRESTIGE ESTATES PROJECTS LIMITED

Registered and Corporate Office:
The Falcon House, No. 1, Main Guard Cross Road,
Bengaluru 560 001,
Karnataka,
India

Website: www.prestigeconstructions.com; **CIN:** L07010KA1997PLC022322
Contact Person: Medha Gokhale, Compliance Officer
Address of Compliance Officer:
The Falcon House, No. 1, Main Guard Cross Road,
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Karnataka,
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Tel: +91 80 2559 1080; **Fax**: +91 2559 1945; **Email:** investors@prestigeconstructions.com

BOOK RUNNING LEAD MANAGERS

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8/F, Dalamal House, Nariman Point,
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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

AUDITORS TO OUR COMPANY

Deloitte Haskins & Sells
Deloitte Centre, Anchorage II 100/2
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Karnataka, India

DOMESTIC LEGAL COUNSEL TO THE COMPANY

Amarchand & Mangaldas & Suresh A. Shroff & Co.

201, Midford House, Midford Garden
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DOMESTIC LEGAL COUNSEL TO THE LEAD MANAGERS

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INTERNATIONAL LEGAL COUNSEL TO THE LEAD MANAGERS

Clifford Chance Pte Limited

Marina Bay Financial Centre
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12 Marina Boulevard
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