Placement Document
Not for circulation
Private and confidential
Serial No.[●]

PODDAR DEVELOPERS LIMITED

(Our Company was incorporated on June 28, 1982 as a public limited company, in the name of 'Monotona Exports Limited', and was registered with the Registrar of Companies, West Bengal. Our Company received Certificate for Commencement of Business on July 14, 1982 by Registrar of Companies, West Bengal. Our Registered Office was changed from the state of West Bengal to state of Maharashtra vide order dated May 23, 2003 of Company Law Board, Eastern Region Branch, Kolkata. The name of our Company was changed to 'Wearology Limited' and a fresh certificate of incorporation consequent on change of name dated October 11, 2004 was issued by Registrar of Companies, Maharashtra, Mumbai. The name of our Company was further changed from 'Wearology Limited' to 'Poddar Developers Limited' and a fresh certificate of incorporation consequent on change of name dated May 13, 2008 was issued by Deputy Registrar of Companies, Maharashtra, Mumbai. Its corporate identification number (CIN) is L51909MH1982PLC143066).

Poddar Developers Limited (the "**Company" or the "Issuer")** is issuing up to 1,110,900 equity shares of face value ₹10 each (the "**Equity Shares**") at a price of ₹1,125.21 per Equity Share, including a premium of ₹1,115.21 per Equity Share, aggregating up to ₹12,499.96 Lacs (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 (THE "ICDR REGULATIONS") AND SECTION 42 AND 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

THIS ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED UNDER THE ICDR REGULATIONS ("QIBs") IN RELIANCE UPON CHAPTER VIII OF THE ICDR REGULATIONS AND SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE BUYER AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA.

YOU ARE NOT AUTHORISED TO AND MAY NOT (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS 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 ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

Invitations, offers and sale of the Equity Shares shall only be made pursuant to the Preliminary Placement Document, the Application Form (as defined hereinafter), this Placement Document (as defined hereinafter) and the Confirmation of Allocation Note (as defined hereinafter), see the section "*Issue Procedure*" on page 162 for further details. The distribution of this Placement Document or the disclosure of its contents without the Company's prior consent to any person other than Eligible QIBs (as defined hereunder) and persons retained by Eligible QIBs to advise them with respect to their purchase of the 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.

INVESTMENTS IN EQUITY SHARES INVOLVE A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THIS ISSUE UNLESS THEY ARE PREPARED TO RISK LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "*RISK FACTORS*" ON PAGE 51 OF THIS PLACEMENT DOCUMENT BEFORE MAKING AN INVESTMENT DECISION IN THIS ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES TO IT OF AN INVESTMENT IN THE EQUITY SHARES PROPOSED TO BE ISSUED PURSUANT TO THIS PLACEMENT DOCUMENT.

The Equity Shares are listed on the BSE Limited (the "**BSE**") (hereinafter referred to as the "**Stock Exchange**"). The closing price of the outstanding Equity Shares on the BSE on January 20, 2015 was ₹1,376.25 per Equity Share. In-principle approvals under Clause 24(a) of the Listing Agreement for listing of the Equity Shares has been received from BSE on January 19, 2015. Applications will be made for the listing and trading approvals for the Equity Shares pursuant to the Issue on the Stock Exchange. The Stock Exchange assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to trading on the Stock Exchange should not be taken as an indication of the merits of the business of our Company or the Equity Shares.

THE 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 Exchange. A copy of this Placement Document (which includes disclosures prescribed under Form PAS-4 has been filed with the Stock Exchange. The Company shall also make the requisite filings with the Registrar of Companies, Maharashtra, Mumbai (the "**RoC**") and the Securities and Exchange Board of India ("**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 Reserve Bank of India (the "**RBI**"), the Stock Exchange, the RoC or any other regulatory or listing authority. The Equity Shares offered in the Issue have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of this Placement Document. This Placement Document has not been and will not be registered as a prospectus with RoC, 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. This Placement Document will be circulated only to Eligible QIBs whose name are recorded by the Company prior to making an invitation to subscribe to the Equity Shares distributed to Eligible QIBs, only and will not constitute an offer to any other class of investors in India or any other jurisdiction. The Issue of Equity Shares proposed to be made pursuant to this Placement Document is meant solely for Eligible QIBs on a private placement basis.

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

The Equity Shares in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales occur. For a description of these and certain further restrictions on offers, sales and transfers of the Equity Shares and distribution of this Placement Document, see sections "*Notice to Investors", "Distribution and Solicitation Restrictions*" and "*Transfer Restrictions" beginning on page 3,176 and 182 respectively*.

This Placement Document is dated January 21, 2015.
BOOK RUNNING LEAD MANAGER

Equirus Capital Private Limited

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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 Partnerships and its Joint Venture 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 Partnerships and its Joint Venture 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 Partnerships and its Joint Venture 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.

The Book Running Lead Manager has not separately verified the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Manager, nor any of its respective shareholders, employees, legal counsels, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Manager or any of its respective shareholders, employees, counsels, 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 the Equity Shares or their distribution. Each person receiving this Placement Document acknowledges that such person has not relied on either the Book Running Lead Manager 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 Partnerships and its Joint Venture and the merits and risks involved in investing in the Equity Shares issued pursuant to this Issue. Prospective investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice.

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 Book Running Lead Manager. 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 in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales occur. For a description of these and certain further restrictions on offers, sales and transfers of the Equity Shares and distribution of this Placement Document, see sections *"**Notice to Investors**" "**Distribution and Solicitation Restrictions**" and "**Transfer Restrictions**" beginning on page 3, 176 and 182 respectively*.

The Equity Shares have not been recommended by any foreign federal or state securities commission or regulatory authority. The distribution of this Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by law. 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 Book Running Lead Manager 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 other Issue-related 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.

The information contained in this Placement Document has been provided by the Company and other sources identified herein. Distribution of this Placement Document to any person other than the investor specified by the Book Running Lead Manager or its representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

In making an investment decision, prospective investors must rely on their own examination of our Company, its Subsidiaries, its Partnerships, its Joint Venture and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning this Issue. In addition, neither our Company nor the Book Running Lead Manager are 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, in Equity Shares and in our Company under Indian law, including Chapter VIII of the ICDR 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 or otherwise accessing the capital markets in India including the Equity Shares. Each subscriber of 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 are qualified in their entirety by the terms and conditions of such documents.

The information on our Company's website, any website directly or indirectly linked to our Company's website or the website of the Book Running Lead Manager does not constitute or form part of this Placement Document. Prospective investors should not rely on the information contained in, or available through such website.

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 Book Running Lead Manager or its representatives) and those retained by Eligible QIBs to advise them with respect to their purchase of the 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.

Representations by Investors

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

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

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

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

- You are authorised to consummate the subscription of the Equity Shares in the Issue in compliance with all applicable laws and regulations;

- If you are not a resident of India, but a QIB, you are an Eligible FPI 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 under the applicable laws in India, and are eligible to invest in India under applicable law, including FEMA Transfer Regulations, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities. You are investing in the Issue under the Portfolio Investment Scheme;

- 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 (hereinafter defined), sell the Equity Shares so acquired except on the floor of any recognised stock exchange in India on which the shares of the Company are listed (additional requirements apply if you are in jurisdictions other than India, see section "***Transfer Restrictions***" beginning on page 182 for further details);

- You have made, or been deemed to have made, as applicable, the representations set forth under the sections "***Distribution and Solicitation Restrictions***" and "***Transfer Restrictions***" beginning on page 176 and 182, 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 ICDR Regulations or under any other law in force in India. This Placement Document has not been reviewed or affirmed by the RBI, SEBI, the Stock Exchange, the RoC or any other regulatory or listing authority and is intended only for use by 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 participate 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 Book Running Lead Manager 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 you 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 the Book Running Lead Manager or any of its affiliates. Neither the Book Running Lead Manager 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 (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 Book Running Lead Manager 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 Book Running Lead Manager has 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;

- 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 estimates of Saleable Area, 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 of the same shall be on a discretionary basis at the discretion of the Company and the Book Running Lead Manager;

- 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 Equity Shares Allotted to you to the Stock Exchange and the Stock Exchange will make the same available on their website and you consent to such disclosures. Also if post allotment of shares under the Issue you are a top 10 shareholder in our Company, our Company will be required to make a filing with the RoC within 15 days of the change, as per 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***" beginning on page 51;

- In making your investment decision, you have (i) relied on your own examination of our Company, its Subsidiaries, its Joint Venture, its Partnerships and the terms of the Issue, including the merits and risks involved, (ii) made your own assessment of our Company, its Subsidiaries, its Joint Venture, its Partnerships 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, the BRLM or any other party, (iii) consulted your own independent counsel and advisors (including tax advisors) or otherwise have satisfied yourself concerning, without limitation, the effects of local laws and taxation matters, (iv) relied solely on the information contained in this Placement Document and no other disclosure or representation by our Company or any other party, (iv) 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;

- Neither the Book Running Lead Manager 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 Book Running Lead Manager 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 Book Running Lead Manager 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 Book Running Lead Manager 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 ICDR Regulations) of our Company or any of its affiliates and are not a person related to the Promoter, either directly or indirectly, and your Bid does not directly or indirectly represent the 'Promoters', or 'Promoter Group', (as defined under the ICDR Regulations) of our Company or persons relating 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 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 will not or would not eventually 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**");

- Aggregate allotment to you in the Issue, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue, shall not exceed 50% of the Issue. For the purposes of this representation:

  - 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, 1956; and

  - '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 granted by the Stock Exchange;

- You are aware that (i) applications for in-principle approval, in terms of Clause 24(a) of the Listing Agreement, for listing and admission of the Equity Shares and for trading on the Stock Exchange, were made and an approval has been received from the Stock Exchange, and (ii) the application for final listing and trading approvals will be made only after Allotment. There can be no assurance that such 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 approvals or any loss arising from such delay or non-receipt;

- You are aware and understand that the Book Running Lead Manager has entered into a placement agreement with our Company whereby the Book Running Lead Manager has, subject to the satisfaction of certain conditions set out therein agreed to manage the Issue and use reasonable efforts 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 Book Running Lead Manager 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 Book Running Lead Manager (including any view, statement, opinion or representation expressed in any research published or distributed by the Book Running Lead Manager or its affiliates or any view, statement, opinion or representation expressed by any staff (including research staff) of the Book Running Lead Manager or its affiliates or our Company or any of their respective affiliates or any other person, and neither the Book Running Lead Manager 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 Book Running Lead Manager does 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 U.S. Securities Act or registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable US state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur;

- You are purchasing the Equity Shares in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S and you shall not offer, sell, pledge or otherwise transfer such Equity Shares except in an offshore transaction complying with Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India;

- You are, at the time the Equity Shares are purchased pursuant to Regulation S, located outside of the United States (within the meaning of Regulation S) and you are not an affiliate of our Company, or a person acting on behalf of an affiliate.

- 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 Mumbai, 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 in the Issue;

- You acknowledge that if at any time your representations cease to be true, you agree to resell the Equity Shares at the Company's request;

- You agree to indemnify and hold our Company and the Book Running Lead Manager 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 Book Running Lead Manager, their respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Manager on their own behalf and on behalf of our Company, and are irrevocable and agreed that, if any of such acknowledgments, representations or agreements is no longer accurate, you will promptly notify the Company and Book Running Lead Manager.

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**"), FPIs other than Category III Foreign Portfolio Investors (as defined hereinafter) and unregulated broad based funds, which are classified as Category II foreign portfolio investor (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 (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 recognized stock exchange in India, as its underlying) (all such offshore derivative instruments are referred to herein as "**P-Notes**"), for which they may receive compensation from the purchasers of such instruments. P-Notes may be issued only in favour of those entities which are regulated by any appropriate foreign regulatory authorities in the countries of their incorporation, subject to 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 Book Running Lead Manager 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 Book Running Lead Manager and do not constitute any obligations of or claims on the Book Running Lead Manager. Affiliates of the Book Running Lead Manager, 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.

Also see "***Distribution and Solicitation Restrictions***" and "***Transfer Restrictions***" beginning on pages 176 and 182, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGE

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

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

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

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

The filing of this Placement Document should not for any reason be deemed or construed to mean that this Placement Document has been cleared or approved by the Stock Exchange. Every person who desires to apply for or otherwise acquires any Equity Shares of the Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription or acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION AND FINANCIAL DATA

Certain Conventions

In this Placement Document, unless the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investors', 'prospective investors' and 'potential investor' are to the prospective investors of the Equity Shares to be issued pursuant to the Issue. References to 'PDL', the 'Company', or 'our Company' are to Poddar Developers Limited, and references to 'we', 'our' or 'us' are to Poddar Developers Limited and its Subsidiaries, Joint Venture and Partnerships. All references in this Placement Document to "India" are to the Republic of India, to the "Government" or the "Central Government" are to the Government of India and to any "State Government" are to the relevant state government in India. All references herein to the "U.S." or the "United States" are to the United States of America and its territories and possessions.

References to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable, and the words "Lakh" or "Lac" mean "100 thousand", the word "million" means "10 Lacs, the word "crore" means "10 million" or "100 Lacs" and the word "billion" means "1,000 million" or "100 crores".

Currency of Presentation

In this Placement Document, all references to 'US$', 'U.S. dollars' "U.S. Dollar", "dollars", "US Dollars", "USD" or "$" are to the legal currency of the United States of America. All references to 'INR', 'Rs.', 'Re.', '₹', 'Indian Rupees' and 'Rupees' are to the legal currency of India. All references to "Yen", "Japanese Yen" is to the legal currency of Japan. All references to "euro", "EUR" or "€" are to the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time. All references to "British pounds-sterling" or "£" are to the lawful currency of the United Kingdom.

Financial Data

Our Company records and publishes its financial statements in Indian Rupees. Our audited consolidated financial statements as of and for the years ended March 31, 2014, March 31, 2013 and March 31, 2012 and the Unaudited Consolidated Reviewed Financial Statements as of and for the six month period ended September 30, 2014 included in this Placement Document (collectively, the "**Financial Statements**"), have been prepared in accordance with generally accepted accounting principles followed in India (the "**Indian GAAP**"), the Companies Act, 1956, as amended, and the Companies Act, 2013, as applicable, and the requirements under clause 41 of the Listing Agreement, as applicable.

Our Company does not attempt to quantify the impact of United States Generally Accepted Accounting Principles ("**U.S. GAAP**") or from International Financial Reporting Standards ("**IFRS**") on the financial data included in this Placement Document, nor does our Company provide a reconciliation of its Financial Statements to IFRS or U.S. GAAP. Indian GAAP differs in certain significant respects from IFRS and U.S. GAAP. Accordingly, the degree to which the 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. See section "***Risk Factors***" beginning on page 51 for further details.

For the sake of presentation in this Placement Document the numericals and other financial information has been presented in Rupees Lacs. 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. Financial statements for six months ended September 2014 and March 2014 are in Lacs while for FY 2013 and FY 2012 are in Rupees.

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

INDUSTRY AND MARKET DATA

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Company's businesses contained in this Placement Document consists of estimates based on data reports compiled by government bodies, professional organizations and analysts, data from other external sources and our knowledge of the markets in which we compete. Unless stated otherwise, the statistical information included in this Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites.

This data is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither we nor the Book Running Lead Manager has independently verified this data and do not make any representation regarding and take any responsibility for the accuracy and completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. While we believe the Company's internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Book Running Lead Manager can assure potential investors as to their accuracy. Potential investors should not place undue reliance on such information forming a part of this Placement Document.

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:

- the performance of the real estate market and the availability of real estate financing in India;
- the extent to which sale proceeds differ from costs incurred by us to achieve those sales;
- 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 complete development and construction of projects in timely manner;
- the extent to which our projects qualify for 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 and labour costs;
- the continued availability of applicable tax benefits;
- our dependence on our Key Management Personnel and Promoters;
- the outcome of legal or regulatory proceedings that we are or might become involved in;
- contingent liabilities, environmental problems and uninsured losses;
- government approvals;
- changes in government policies and regulatory actions that apply to or affect our business;
- general, political, social and economic conditions in India and elsewhere;
- accidents, natural disasters or outbreaks of diseases;
- other factors beyond our control; and
- our ability to manage risks that arise from these factors.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled "***Risk Factors***" *"**Management's discussion and analysis of financial condition and results of operations**"*, *"**Industry Overview**"* and "***Business***" beginning on pages 51, 79, 101 and 116 respectively.

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, the management. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the Company's underlying assumptions prove to be incorrect, the Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited company incorporated with limited liability under the laws of India. Our Directors and Key Managerial Personnel named herein are residents of India and all or a substantial portion of our assets are located in India. As a result, it may be difficult for investors outside India to affect service of process upon the Company or such persons in India, or to enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (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 country or territory outside India which the GoI 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 an appropriate court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong (among others) are some of the countries that have been declared by the GoI to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court of a country which is not a reciprocating territory may be enforced only by a suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of such 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 Indian public policy.

A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such a judgment, and any such amount may be subject to income tax in accordance with applicable laws. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment.

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 Exchange. 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 exchange rates between the Rupee and the U.S. dollar for the periods indicated. The exchange rates are based on the reference rates released by the 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 January 20, 2015 the exchange rate was ₹61.85 to US$1.00. *(: www.rbi.org.in)*

	Period End	**Average(1)**	**High(2)**	**Low(3)**
FY:				
March 31, 2014	60.10	60.50	68.36	53.74
March 31, 2013	54.39	54.45	57.22	50.56
March 31, 2012	51.16	47.95	54.24	43.95
Quarter Ended:				
December 31, 2014	63.33	62.00	63.75	61.04
September 30, 2014	61.61	60.59	61.61	59.72
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
Month ended:				
December 31, 2014	63.33	62.75	63.75	61.85
November 30, 2014	61.97	61.70	62.10	61.39
October 31, 2014	61.41	61.34	61.75	61.04
September 30, 2014	61.61	60.86	61.61	60.26
August 31, 2014	60.47	60.90	61.56	60.43
July 31, 2014	60.25	60.06	60.33	59.72

Source: *www.rbi.org.in*
(1) Represents the average of the reference rates released by the RBI on every working day of the period for each year, quarter and month presented
(2) Represents the maximum of the reference rates released by the RBI on every working day of the period for each year, quarter and month presented
(3) Represents the minimum of the reference rates released by the RBI on every working day of the period for each year, quarter and month presented

DEFINITIONS AND ABBREVIATIONS

Unless otherwise defined or the context otherwise indicates or requires, certain capitalized terms used in this Placement Document have the meanings set forth below:

Company Related Terms

Term	**Description**
Poddar Developers Limited, the Issuer, the Company, our Company	Poddar Developers Limited, a company incorporated under the laws of India and whose registered office is at Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, 126 N. M. Joshi Marg, Lower Parel - (W) Mumbai - 400 013.
Articles or Articles of Association	The articles of association of the Company, as amended.
Auditors	R.S. Shah & Company, the statutory auditors of our Company.
Board of Directors or Board	The board of directors of the Company and any committee constituted thereof.
Carpet Area	Total of net usable area excluding the areas covered by walls
Completed Projects	Projects which have been completed by the Company and includes Samruddhi Complex, Bhivpuri, Poddar Evergreens Phase – I & II
Chairman	The chairman of the Board of Directors.
Director(s)	The director(s) of the Company.
Equity Shares or Shares	The equity shares of the Company of face value ₹10 each.
Equity Shareholders	Equity Shareholders of our Company.
Joint Venture	Viva Poddar Housing Private Limited.
Key Managerial Personnel/KMP	The key managerial personnel of our Company as defined under the Companies Act, 2013 and ICDR Regulations
Land Bank/ Upcoming Projects	Land parcels in which we hold interest, but on which there is no development as of the date hereof and includes Badlapur land bank; Bhivpuri land bank; Atgaon land bank; Goregaon land bank; Mohili land bank; Vasai; and Vidyavihar
Managing Director	The managing director of our Company.
Memorandum or Memorandum of Association	The memorandum of association of the Company, as amended.
Ongoing Projects	Such projects of the Company for which construction, including construction of infrastructure, or development activities have commenced; and includes Poddar Evergreens Phase III & IV, Poddar Navjeevan Phase – I and Poddar Aspire
Promoter(s)	Dipak Kumar Jagdishprasad Poddar, Rohitashwa Dipak Kumar Poddar
Promoter Group	Promoter group of our Company as per the definition provided in Regulation 2(1)(zb) of the ICDR Regulations
Registered Office	Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, 126 N. M. Joshi Marg, Lower Parel - (W), Mumbai - 400 013
Registrar of Companies or RoC	The Registrar of Companies, Mumbai, Maharashtra
Partnerships	Organically LLC, USA, M/s. Nav Nirman Agro and M/s. Shiv Shakti Developers
Value Segment	Projects which provide relatively lower value residential units within city limits
Saleable Area	Total area which the Company develops in each project and includes Carpet Area, common area, service and storage area as well as other open areas including car parking
Subsidiaries	Poddar Infrastructure Private Limited, Poddar Habitat Private Limited, Poddar Leisure Infrastructure Private Limited, Poddar Natural Resources and Ores Limited, Poddar Housing FZC.
“We”, “us” or “our”	Poddar Developers Limited, its Subsidiaries, its Partnerships and its Joint Venture

Issue related Terms

Term	Description
Allocated or Allocation	The allocation of Equity Shares following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by such Eligible QIBs, by our Company in consultation with the Book Running Lead Manager and in compliance with Chapter VIII of the ICDR Regulations.
Allottees	Successful Bidders to whom Equity Shares are issued and Allotted pursuant to the Issue.
Allot/ Allotment/ Allotted	The issue and allotment of Equity Shares pursuant to this Issue.
Application	Indication of interest from an Eligible QIB to subscribe for a specified number of Equity Shares in this Issue on the terms set out in the Application Form to the Company.
Application Form	Form (including any revisions thereof) pursuant to which an Eligible QIB submits a bid for the Equity Shares pursuant to the Issue.
Application Form or Bid cum Application Form	The form, including all revisions and modifications thereto, pursuant to which an Eligible QIB submits an Application.
Bid(s)	Indication of an Eligible QIB's interest, to subscribe for the Equity Shares pursuant to the Issue.
Bidder	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form.
Bidding / Issue Period	The period between the Issue Opening Date and Issue Closing Date, inclusive of both dates, during which prospective Bidders can submit Bids.
Book Running Lead Manager / BRLM	Equirus Capital Private Limited.
BSE	BSE Limited.
CAN or Confirmation of Allocation Note	Note or advice or intimation 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.
CDSL	Central Depository Services (India) Limited.
Closing Date	On or about January 23, 2015, the date on which the Allotment is expected to be made.
Cut-off Price	The Issue Price of the Equity Shares, which shall be determined by the Company, in consultation with the Book Running Lead Manager.
Designated Date	The date of credit of Equity Shares to the QIB's dematerialised account, as applicable to the respective QIB.
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 January 19, 2015, entered into amongst our Company, the Escrow Bank and the Book Running Lead Manager for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders.
Escrow Bank	Yes Bank Limited
Escrow Account	The account entitled "Poddar Developers – QIP Escrow Account" with regard to any money received towards the subscription of the Equity Shares, opened with the Escrow Bank, subject to the terms of the Escrow Agreement.
Floor Price	The floor price of ₹1,184.43 per Equity Share, calculated in accordance with Chapter VIII of the ICDR Regulations. Our Board/Finance Committee, may offer a discount of upto 5% of the Floor Price in accordance with Regulation 85(1) of the ICDR Regulations.

Term	Description
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
Issue	The offer, issue and Allotment of 1,110,900 Equity Shares to Eligible QIBs, pursuant to Chapter VIII of the ICDR Regulations and the provisions of Companies Act, 2013 and the rules made thereunder.
Issue Closing Date or Bid Closing Date	January 21, 2015, the date on which the Company (or the Book Running Lead Manager on behalf of the Company) shall cease acceptance of Application Forms.
Issue Opening Date or Bid Opening Date	January 19, 2015, the date on which the Company (or the Book Running Lead Manager on behalf of the Company) shall commence acceptance of Application Forms.
Issue Price	₹1,125.21 per Equity Share
Issue Size	The issue of 1,110,900 Equity Shares aggregating upto ₹12,499.96 Lacs.
Listing Agreement	The agreement entered into between our Company and the Stock Exchange in relation to listing of the Equity Shares on the Stock Exchange.
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
NSDL	The National Securities Depository Limited.
Pay-in Date	The last date specified in the CAN for payment of application monies by the successful bidders.
Placement Agreement	The Placement Agreement, dated January 19, 2015, entered into by the Company and the Book Running Lead Manager.
Placement Document	The placement document to be issued by our Company in accordance with Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013.
Preliminary Placement Document	The preliminary placement document issued in accordance with Chapter VIII of the ICDR Regulations and Section 42 of the Companies Act, 2013.
QIB or Qualified Institutional Buyer	Any Qualified Institutional Buyer as defined under Regulation 2(1)(zd) of Chapter VIII of the ICDR Regulations or such other persons as maybe permitted by applicable laws to acquire the Equity Shares to be issued pursuant to the Issue
QIP	Qualified institutions placement under Chapter VIII of the SEBI Regulations and Section 42 of the Companies Act, 2013 and the Rules made thereunder.
Regulation S	Regulation S, as defined under the U.S. Securities Act.
Relevant Date	January 19, 2015, which is the date of the meeting of the Board of Directors or any committee duly authorised by the Board of Directors deciding to open the Issue.
SEBI	The Securities and Exchange Board of India.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Stock Exchange	BSE Limited
U.S. Securities Act	The U.S. Securities Act of 1933, as amended.

Industry related Terms

Term	Description
Acres	1 Acre = 43,560 Sq. ft.
BHK	Bedroom Hall Kitchen
BOQ	Bill of Quantities
BPO	Business Process Outstanding

Term	Description
CBD	Commercial Business District
CY	Current Year
ECS	Electronic Clearing Service
EWS	Economically Weaker Section
FAR	Floor Area Ratio
FSI	Floor Space Index which means a quotient of the ratio of the combined gross floor area of all floors excepting areas specifically exempted to the total area of the plot
ICRA	ICRA Limited (formerly known as Investment Information and Credit Rating Agency of India Limited)
IT	Information Technology
ITES	Information Technology Enabled Services
JDA	Joint Development Agreement
KDMC	Kalyan Dombivali Municipal Corporation
Kms	Kilometers
LIG	Lower Income Group
MEP	Mechanical, Electrical and Plumbing
MHADA	Maharashtra Housing & Area Development
MIG	Middle Income Group
NCR	National Capital Region of Delhi
NHB	National Housing Bank
PAP	Project Affected People
PSL	Priority Sector Lending
Q4	Fourth quarter of the financial year
REIT	Real Estate Investment Trust
RK	Room Kitchen
SPVs	Special Purpose Vehicle
SRA	Slum Rehabilitation Authority
Sq. ft.	Square Feet
Sq. km	Square Kilometer
Sq.mt. / Sq. mts./ Sq. m/sq.m	Square meters
TDR	Transferable Development Rights which mean when in certain circumstances the development potential of land may be separated from the land itself and may be made available to the owner of the land in the form of transferable development rights
USP	Unique Selling Proposition

General Terms / Abbreviations

Term	Description
AGM	Annual General Meeting
AIFs	Alternative investment funds (as defined under Regulation 2(1)(b) of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended) registered with the SEBI under applicable laws in India.
AS	Accounting Standards issued by ICAI
AY	Assessment Year
Act or Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as applicable.
BKC	Bandra Kurla Complex
CAD	Current Account Deficit
CAGR	Compound annual growth rate
Category II Foreign Portfolio	An FPI registered as a category II foreign portfolio investor under the SEBI FPI

Term	Description
Investors	Regulations.
Category III Foreign Portfolio Investors	An FPI registered as a category III foreign portfolio investor under the SEBI FPI Regulations.
CARO	Companies Auditors Report Order, 2003
CFS	Consolidated Financial Statements
CIN	Corporate Identity Number
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended.
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, as amended
Control	It shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Code.
Crore	100 Lacs.
CRR	Cash Reserve Ratio
CPI	Consumer Price Index
CSE	Calcutta Stock Exchange
CSR	Corporate Social Responsibility
Delisting Regulations	The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended.
Depositories Act	The Depositories Act, 1996, as amended.
Depository	Any depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended.
Depository Participant	Any depository participant, as defined under the Depositories Act, as amended.
DIN	Director Identification Number
DTC	Direct Tax Code, 2013, proposed by the Ministry of Finance, Government of India
Eligible FPIs	FPIs that are eligible to participate in the Issue and does not include qualified foreign investors and Category III Foreign Portfolio Investors (who are not eligible to participate in the Issue)
ECS	Electronic Clearing Services
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as amended.
EPS	Earnings per Share.
Euro	Single currency of the participating member states in the third stage of European Economic and Monitory Union of the Treaty establishing the European Community, as amended from time to time.
ESI Act	The Employees State Insurance Act, 1948, as amended.
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	The Foreign Exchange Management Act, 1999, as amended.
FEMA Transfer Regulations or FEMA 20	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FI	Financial Institution.
FIIs	Foreign institutional investors as defined under the SEBI FPI Regulations.
FII Regulations	The Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIPB	Foreign Investment Promotion Board.
FPI(s)	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

Term	Description
	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	Any foreign venture capital investor (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended) registered with the SEBI under applicable laws in India.
FY/Fiscal Year/ Financial Year	Twelve months starting April 1 and ending March 31 of next year
FZC	Free Zone Company
GAAP	Generally Accepted Accounting Principles.
GDP	Gross Domestic Product.
GST	Goods and Service Tax
GoI/Government	Government/ Government of India/ Central Government.
Gratuity Act	The Payment of Gratuity Act, 1972, as amended.
HOD	Head of Department
HUF	Hindu Undivided Family
I.T. Act	The Income Tax Act, 1961
IAS	International Accounting Standards.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards of the International Accounting Standards Board.
INR	Indian Rupees
Ind(AS)/ Ind AS	Indian accounting standards converged with IFRS, which has been proposed for implementation by the ICAI.
Indian GAAP	Generally accepted accounting principles followed in India.
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended.
IT Act or the Income Tax Act	The Income Tax Act, 1961, as amended.
Kms	Kilometers
KYC	Know Your Customer.
Lacs	One hundred thousand.
LIC	Life Insurance Corporation
LLCs	Limited Liability Companies
LLP	Limited Liability Partnership
MCA	Ministry of Corporate Affairs, Government of India
MCGM	The Municipal Corporation of Greater Mumbai
MFs	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
MAT	Minimum Alternate Tax
Minimum Wages Act	Minimum Wages Act, 1948, as amended.
MMR	Mumbai Metropolitan Region
MMRDA	Mumbai Metro Region Development Authority
MoEF	Ministry of Environment and Forests, Government of India.
Mn/Mln	Million
MOF	Ministry of Finance, Government of India.
MoU/MOU	Memorandum of Understanding.
Net Worth	Net worth comprises share capital and reserves and surplus and is adjusted for miscellaneous expenditure to the extent not written off
NRI	Non-Resident Indian.
p.a.	Per annum.

Term	Description
P/E Ratio	Price/earnings ratio.
PAN	Permanent Account Number.
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, as amended.
Private Placement Regulations	Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014
Real Estate Bill	Real Estate (Regulation and Development) Bill, 2013
RBI	The Reserve Bank of India.
Re. or Rs. or ₹ or Rupees or INR	Indian Rupees.
S&P SENSEX	S&P Bombay Stock Exchange Sensitive Index
SCORES	SEBI Complaints Redress System
SCR (SECC) Rules	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, notified by the SEBI
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended.
Securities	Shall have the meaning given to such term under the SCRA.
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985, as amended.
SLR	Statutory Liquidity Ratio
SRE	Standard on Review Engagement.
STT	Securities transaction tax.
Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
TDS	Tax Deducted at Source.
UAE	United Arab Emirates
USA	United States of America
USD or US Dollar or U.S. Dollar	United States Dollar
U.S. GAAP	Generally accepted accounting principles followed in the United States.
VAT	Value Added Tax
VCF	A venture capital fund as defined under the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996

DISCLOSURE REQUIREMENTS UNDER FORM PAS-4 PRESCRIBED UNDER THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER

The table below sets out the disclosure requirements as provided in Form 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 PPD
1.	**GENERAL INFORMATION**	
a.	Name, address, website and other contact details of the Company indicating both Registered Office and corporate office	215
b.	Date of incorporation of the Company	cover page,211
c.	Business carried on by the Company and its subsidiaries with the details of branches or units, if any.	116-137
d.	Brief particulars of the management of the Company.	146-157
e.	Names, addresses, DIN and occupations of the Directors.	146-149
f.	Management's perception of risk factors	51-73
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	
(i)	Statutory dues;	203-209
(ii)	Debentures and interest thereon;	Not applicable
(iii)	Deposits and interest thereon; and	Not applicable
(iv)	Loan from any bank or financial institution and interest thereon.	Not applicable
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.	215
2.	**PARTICULARS OF THE OFFER**	
a.	Date of passing of board resolution.	211
b.	Date of passing of resolution in the general meeting, authorising the offer of securities.	211
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security.	34-35
d.	Price at which the security is being offered including the premium, if any, along with justification of the price.	34-35
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.	75
g.	Terms of raising of securities:	Not applicable
(i)	Duration, if applicable;	Not applicable
(ii)	Rate of dividend;	Not applicable
(iii)	Rate of interest;	Not applicable
(iv)	Mode of payment; and	Not applicable
(v)	Repayment.	Not applicable
h.	Proposed time schedule for which the offer letter is valid.	19-20, 34-35
i.	Purposes and objects of the offer.	75
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	75
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.	149-156
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.	208-209

Sr. No.	Disclosure Requirements	Relevant Page of this PPD
c.	Remuneration of Directors (during the current year and last three FYs).	151-152
d.	Related party transactions entered during the last three FYs immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	F-1 to F-81
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five FYs 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.	44-50
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.	209
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 company.	209
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);	77
(b)	Size of the present offer; and	34
(c)	Paid up capital:	77
(A)	After the offer; and	77
(B)	After conversion of convertible instruments (if applicable);	Not applicable
(d)	Share premium account (before and after the offer).	77
(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.	77
	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 FYs immediately preceding the date of circulation of offer letter.	F-1 to F-81
c.	Dividends declared by the Company in respect of the said three FYs; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	78, 50
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.	40-41
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	43-44
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	85
5.	**A DECLARATION BY THE DIRECTORS THAT**	
a.	The Company has complied with the provisions of the Act and the rules made thereunder.	214
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.	214
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	214

SUMMARY OF BUSINESS

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, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our financial year ends on March 31 of each year, so all references to a particular FY are to the twelve months ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Poddar Developers Limited and its subsidiaries/its partnerships/joint venture on a consolidated basis, and any reference to the "Company" refers to Poddar Developers Limited.

Unless otherwise indicated, all financial information included in this section have been derived from our audited consolidated financial statements for FY 2014, 2013 and 2012 and our Unaudited Consolidated Reviewed Financial Statements as of and for the six months ended September 30, 2014.

OVERVIEW

We have over 6 years of experience in development of real estate focusing on affordable housing and value housing segments and are one of the leading companies in these categories in and around Mumbai. As of January 10, 2015, we have completed projects with a Saleable Area of approximately 1.05 million Sq.ft., comprising of a total of 2,428 units, across 151 buildings, including 2,314 residential units and 114 retail shops. As part of the integrated residential complexes and for the convenience of our customers we have also developed retail shops in some of our projects. As of January 10, 2015, we own or have entered into joint-development agreements or joint venture agreement for 8.40 million Sq. ft. of Saleable Area in ongoing and upcoming projects in which we have beneficial interest over 7.14 million Sq.ft.

We are experienced in various aspects of the real estate development business, including land identification and acquisition, design, development, project management, marketing, sales and facilitating housing finance for our customers in relation to our real estate projects.

Since we undertook our first real estate development project in 2008, we believe that we have established a strong brand, have demonstrated a successful track record of execution and an impressive portfolio of real estate projects. In the period from 2008 to January 10, 2015 we have completed 3 residential projects with a Saleable Area of 1.05 million Sq. ft. across following projects:

- Samruddhi Complex, Bhivpuri
- Poddar Evergreens– Phase I, Badlapur
- Poddar Evergreens– Phase II, Badlapur

As of January 10, 2015, we have 4 Ongoing Projects which comprises 116 residential buildings with a total Saleable Area of 1.18 million Sq. ft. and our beneficial interest of 1.09 million Sq.ft. This includes:

- Poddar Evergreens– Phase III, Badlapur
- Poddar Evergreens– Phase IV, Badlapur
- Poddar Navjeevan – Phase I, Atgaon
- Poddar Aspire, Tisgaon (Kalyan)

As of January 10, 2015 we have 7 Upcoming Projects, which will be developed through a combination of land owned by us, land parcels where we have beneficial interest, joint development agreements and joint ventures with various third parties. For these projects, we have either already acquired the land or entered into joint development agreement or joint venture agreement, as applicable. Our upcoming projects also include projects which are under Redevelopment or under SRA scheme. We have Land Bank/ Upcoming Projects of approximately 71.15 acres, converting into a Saleable Area of 7.22

million Sq. ft. We expect that our share of Saleable Area from Land Bank should be 6.06 million Sq.ft. Our Land Bank includes land at:

- Bhivpuri
- Mohili, Kalyan
- Atgaon
- Badlapur
- Vasai
- Goregaon
- Vidyavihar

We typically develop our projects (1) through acquiring land ourselves and retaining the sole development rights in respect of any project; (2) through joint development agreements with land-owners, in terms of which we acquire the development rights to the underlying land; or (3) through joint venture with third parties. As of January 10, 2015, 4.56 million Sq.ft. or 54.3%, of our Ongoing Projects and Upcoming Projects are being developed through joint development agreements and joint venture.

We alongwith M/s Viva Holdings and Viva Vikas Realtors Private Limited have entered into a Memorandum of Understanding to create a joint venture limited liability company named 'Viva Poddar Housing Private Limited' formerly known as Poddar Viva Housing Private Limited. Our Upcoming Project in Vasai will be developed by Viva Poddar Housing Private Limited.

We strive to ensure that our residential projects offer a combination of location, affordability, amenities and reflect what we believe are modern architectural styles, aesthetic features, designs and specifications. A few of our projects include amenities such as gymnasia and health clubs, open playgrounds with amenities like tennis courts, badminton courts, jogging tracks and nana-nani parks. We also propose to have schools and hospitals in some of our projects like Poddar Evergreens and Poddar Navjeevan.

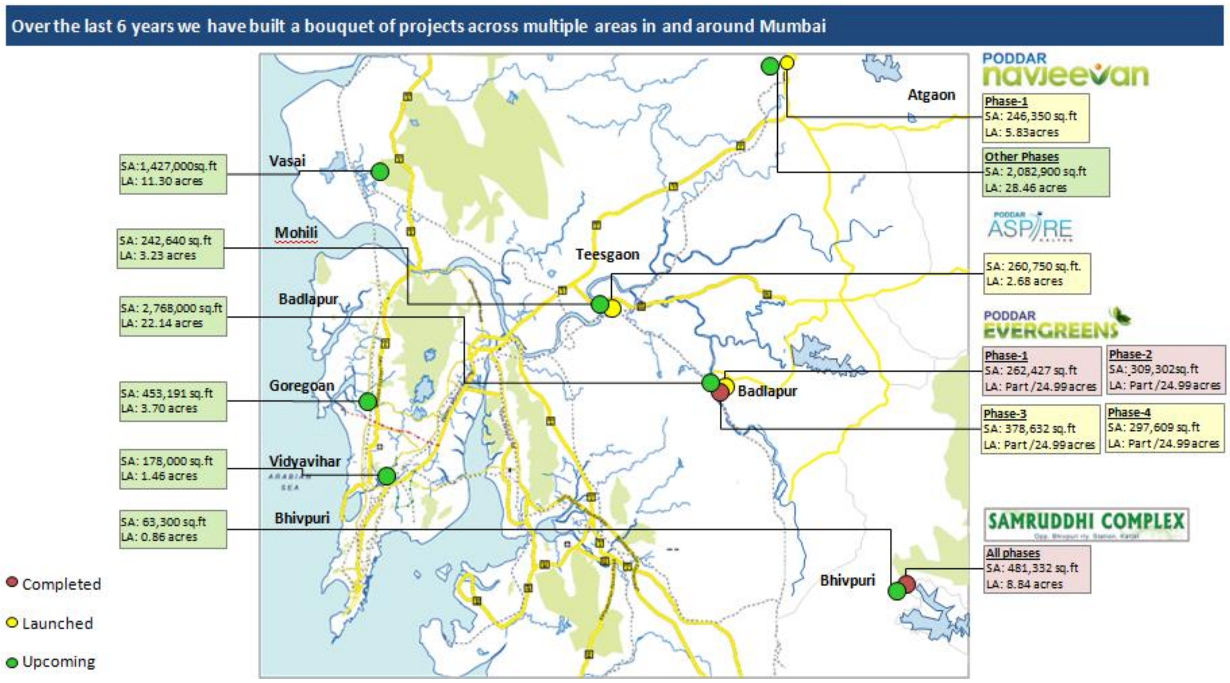
Our real estate projects have achieved recognition in the country. Our Company was awarded the Most Promising Brand in the category of real estate awarded by World Consulting and Research Corporation (WCRC), Process Advisors & Evaluators- Ernst & Young for the year 2014.

Our Promoters have been associated with the real estate business in the past and they have developed multiple projects from time to time and have ownership or beneficial interest in multiple land parcels. Their most recent development in the residential space is Samruddhi Hill View in Bhivpuri completed in April 2014.

Historically, our real estate projects have been focused in the Mumbai Metropolitan Region and in and around 100 Kms of Mumbai and we intend to continue to focus on the same in the future. See "*Our Strategy – Continued focus on developing projects in and around Mumbai"* beginning on page 122.

Our total consolidated revenue for the six months ended September 30, 2014 and FY 2014 and 2013 was ₹7,340.69 Lacs, ₹6,816.27 Lacs and ₹2,695.08 Lacs respectively.

The following map illustrates our geographic presence:



SA refers to Saleable Area; LA refers to Land Area

Definition of affordable housing

Various industry bodies define affordable housing through a combination of multiple factors.

Sizes of dwelling units

The Task Force recommends that to establish the minimum size of a habitable EWS dwelling unit, the absolute minimum size of areas as presented in the NBC code should be followed. The recommendations on the size of Affordable Housing Dwelling Units are as follows:

- For Economically Weaker Section (EWS): 21- 27sq.m Carpet Area
- For Lower Income Group (LIG-A): 28-40 sq.m Carpet Area
- For Upper Lower Income Group (LIG-B): 41-60 sq.m Carpet Area

Income criteria based on Income ceiling of households

Based on the results of calculations, the maximum Household Income for the EWS and LIG category are recommended to be Rs. 8,000/- and Rs 16,000/- per month and since many households in this category do not have regular monthly income, an annual income of Rs. 100,000 for EWS and Rs. 200,000/- for LIG households could also be used.

The Task Force also felt that for cities and urban agglomerations with more than a million population state governments could consider an increase of upto a maximum of 25 percent on the recommended household income levels mentioned above, if deemed necessary, based on proper justification

We believe affordability of housing should be defined while taking into consideration price trends in the local and nearby markets and a one-size fit all definition at a national level may not be relevant in many geographies/ micro markets.

We are currently involved in development of residential projects focusing on the EWS, LIG, MIG and Value Segment in and around Mumbai. We classify the segments we operate in as follows:

- *EWS Segment:* residential units, typically 1 RK apartments with an average size of less than 300 Sq.ft. in Carpet Area. These units typically cost up to ₹15.0 Lacs.
- *LIG Segment:* residential units, typically 1 BHK apartments with an average size between 270 – 450 Sq.ft. in Carpet Area. These units typically cost up to ₹35.0 Lacs.
- *MIG Segment:* residential units, typically 1.5, 2-3 BHK apartments with an average size between 450 – 750 Sq.ft. in Carpet Area. These units typically cost up to ₹45.0 Lacs.
- *Value Segment:* projects which provide relatively lower priced residential units within city limits. We are yet to launch any project under the Value segment.

COMPETITIVE STRENGTHS

We believe that the following are our primary competitive strengths:

Our ability to understand the requirements of end-user and design a project to fulfil them

We believe that we benefit from our focus on needs of the end-user segment at project conceptualization stage which results in higher sales velocity. We believe a large part of our customers are dependent on public transport for commute and thus we have structured all our projects close to local train network with dedicated shuttle service in projects like Poddar Evergreens, Badlapur from our project to Badlapur station. We believe that high land prices impacts the ability of many end consumers to buy houses and therefore as part of our projects we offer 1RK with Carpet Area of less than 300 Sq.ft. which enables us to offer residential units under ₹10.00 Lacs. We also believe that despite the smaller ticket size our end customers seek contemporary building design, quality of construction and internal as well as external amenities. We strive to ensure that our residential projects reflect what we believe are modern architectural styles, aesthetic designs and specifications. We believe that we are known amongst end customers for developing residential projects with flats that offer certain in-flat amenities such as concealed electrical wiring and plumbing, instant geysers, waterproof door at the bath and a wide range of amenities such as children’s play area, school, amenity hall, etc. Financing for most of our customers remains a key consideration. We try to help our customers in availing housing finance through project approvals with various banks/ financial institutions and introducing the customer to such banks/ financial institutions.

Strong presence in Mumbai and its nearby areas

We believe that we have good knowledge of the market and regulatory environment in areas around Mumbai that assists us in identifying opportunities for existing and upcoming locations around Mumbai. Most of our Completed, Ongoing and Upcoming projects are located within 100 Kms from Mumbai, which we believe is an attractive real estate market in terms of returns on investment, product positioning and depth of demand for real estate developments across segments and price points. We also believe that Mumbai’s position as the commercial capital of India, together with high costs provides a substantial and sustainable market for our projects.

Proven experience in land acquisition and growth through joint development agreements

We believe that our Land Bank forms an important asset of our real estate development business.

Our experience in land assessment, negotiations with land owners, acquisitions and approvals helps us in securing land parcels in potential high growth areas at an early stage. In this regard, we have a team of skilled researchers who focus on identification of geographical areas which have the potential to deliver significant appreciation in value. Thereafter, our team carries out the requisite land related searches which helps us to identify available land parcels and then negotiate rates. We have a dedicated team of lawyers and surveyors who look into any disputes pertaining to the identified land and procure clearances as to the title of the land.

We also acquire access to land parcels 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. We believe our experience in securing joint development agreements and joint venture with land owners helps us create a healthy project pipeline

We believe that our ability to secure such land parcels at an early stage helps us competitively price our projects while maintaining our profitability margins. As of January 10, 2015 we had development rights over approximately 7.22 million Sq.ft. in Saleable Area, of which 43.8% represents land owned or contracted to be acquired by us and 56.2% from joint development agreements and joint venture in our upcoming projects.

Proven track record of efficient execution and project management skills

We believe that we have the requisite skills for efficient project management and execution, with skilled manpower, quick decision-making abilities, efficiently deployed resources, as well as strategic purchasing capabilities benefiting from an integrated business model. Our Company has also established strong working relationships with various contractors/sub-contractors and other third parties who provide services across our Company's segments of operations. We believe that these relationships with contractors/sub-contractors complement our project management and cost management capabilities and helps extending our Company's project execution capabilities. We have an in-house team of contour surveyors, architects, MEP engineers, infra engineers and planning engineers who provide cost effective services. Our focus on land assessment prior to acquisition, focus on design and proper ground level planning, master planning, utilization of optimum FSI available, design mix and layout plans helps us reduce costs. We believe our processes for vendor selection, cost comparison for material as well as service contracts, budgeting and monitoring across the project life cycle helps minimize wastage, improves accountability and optimize costs. We believe that our track record of timely payments to our vendors further helps us in getting preferential prices for various raw materials and services.

Strong project pipeline providing near term cash flow visibility

We believe that we have a strong project pipeline, which provides near term cash flow visibility. We currently have 4 Ongoing and 7 planned projects, which are expected to provide a total Saleable Area of approximately 8.40 million Sq.ft. These include four Ongoing Projects with approximately 1.18 million Sq.ft. of estimated Saleable Area and seven planned projects with 7.22 million Sq.ft. of estimated Saleable Area. We expect to complete and deliver most of these projects over the next five to seven years.

Low leverage and conservative liquidity management

We strive to maintain a conservative debt policy. As of September 30, 2014, we had ₹1,790.48 Lacs in total debt with an implied Debt/ Equity[1] of 0.22 and Net Debt/ Equity ratio[2] of 0.14. We believe that we have the ability to leverage our balance sheet to take advantage of a favourable business cycle or market opportunity. As of September 30, 2014, our consolidated net worth was ₹8,095.65 Lacs and we had cash or cash equivalents of ₹689.79 Lacs and ₹1,937.04 Lacs in short term investments which primarily comprises of investments in schemes of various mutual funds. We believe that our financial strength and strong project pipeline makes us well positioned for changes in market conditions.

Strong brand and reputation

We believe that we have established a reputable brand in the affordable real estate market in areas around Mumbai due to the perceived value proposition and high quality execution of our projects. 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

[1] Debt/Equity ratio is calculated as Total Debt/Net worth;

[2] Net Debt/Equity ratio is calculated as (Total Debt – Cash & Cash equivalents)/ Net Worth

developed some of the most identifiable projects in the affordable housing segment. We have also created a diverse product mix by developing residential units that fall within the budget and requirement of a wide variety of customers.

We believe that our attention to quality has resulted in us receiving various awards. Our Company has been awarded the 'Most Promising Brand' in the category of real estate by World Consulting and Research Corporation (WCRC), Process Advisors & Evaluators- Ernst & Young, for 2014.

Experienced and dedicated management team

We are managed by experienced, well qualified and dedicated team of professionals, many of whom have more than 25 years of experience in their respective fields. Because of our established reputation for project execution, we have been able to attract high calibre management and employees. Our professionally qualified staff includes engineers, design and structural consultants, marketing specialists, procurement officers and legal & finance professionals. We provide our staff with extensive training that encourages professional excellence. Our management has experience in identifying market trends, strategic locations for land acquisitions and potential sites for development and acquiring land and development rights, as well as in the design, engineering, construction management, supervision and marketing of affordable residential housing projects.

OUR STRATEGY

Grow our business across affordable housing and value segments

We propose to leverage our brand, experience and project execution capabilities to further grow our business with focus on affordable housing and Value Segments. As a part of our affordable segment we look to create a balance between affordability of residential units and aspirational preferences of our customers through careful selection of locations, contemporary design, quality of construction and well planned amenities. We aim to continue to put importance on affordability of our residential units and ease of access and commute for the dwellers in our residential units and thus a large part of our development in affordable housing category will be located within not more than two hours of travel time from city centre.

Our Value Segment is focused on developments within the city wherein we intend to offer residential units at overall cost which enables us to tap into a large segment which is usually neglected by most real estate developers. We intend to employ innovative design, speedy construction and access to lower cost land through joint development agreements or through schemes such as SRA and smaller unit sizes to maintain overall costs at lower levels.

We believe that our future growth will come from a combination of both segments with larger contribution to growth expected from affordable housing segment.

Continue to expand our Land Bank through a combination of ownership, joint development and joint venture models

As of January 10, 2015 we had Land Bank of 71.15 acres of which we had complete ownership of 19.79 acres, contractual ownership of 6.99 acres, and 44.37 acres under joint development arrangements and joint ventures. We strive to continue to expand and develop our Land Bank through a combination of land ownership, joint development agreements and/or joint venture 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 venture will, we believe, provide us with the continued ability to source land in strategic locations with minimal initial cash investment and help us to continue to focus on and execute projects.

We believe that our joint development/ joint venture strategy enables our joint development agreement, joint venture partners to get more value out of their land as our brand and the quality of our product are able to add value to their property and in turn enable us to access quality land to develop and sell without significant capital investment.

We believe that a significant portion of our Land Bank has been accumulated at a competitive cost in the past through our research efforts that help us to predict areas that are to be developed within the foreseeable future and then selecting locations for our projects that lead to strong demand and faster appreciation of land. The average cost of land for our completed and ongoing projects is as under:

Completed and Ongoing Projects	Land cost per saleable Sq.ft. (INR)
Samruddhi Complex- Bhivpuri	63.51
Evergreens (Phase I-IV), Badlapur	89.63

Continued focus on developing projects in and around Mumbai

In the short-medium term we intend to continue to focus on Mumbai and areas within 100 Kms of Mumbai city centre with a combination of large and smaller projects. We believe that Mumbai and areas around Mumbai are an attractive real estate market in terms of returns on investment, product positioning and depth of demand for real estate developments across segments and price points. We also believe that Mumbai's position as the commercial capital of India, together with the demographics of the Mumbai population, high real estate costs, discerning customer base and improving modes of urban commute provide a substantial market for our developments, which emphasise affordability, contemporary architecture, strong project execution and quality construction. Our development sites are located in Mumbai as well within 100 kms radius of city centre, with different target markets, and we intend to continue to tailor our projects to the particular requirements of each market. While areas in and around Mumbai remain and is expected to remain our primary focus, we are opportunity centric and have evaluated and will continue to evaluate growth opportunities outside of our current focus area on a case by case basis.

Continue to strengthen relationships with key service providers

We intend to continue to follow our outsourcing model and further strengthen our relationships with key service providers such as architects and contractors. This will enable our management to focus more on our core business by continuing to outsource the design and construction to our service providers in consultation with our in-house teams. We also believe that our outsourcing model will enable us to develop projects with quality design and construction as we are able to access the service providers ideally suited to create the type of projects that we believe our customers want.

Focus on cash flow generation

We continue to try and ensure that we are able to achieve quick turn-around in our projects with an attempt to minimize the time duration between our investment in land to project launch and final delivery to our customers. We have built in-house capabilities as well as relationships with external agencies that help us achieve this through pre-planning of projects, clear documentation, timely approvals, pre-emptive approach to address construction related delays and challenges and constant monitoring of timelines and budgets.

We expect to complete and deliver each of our projects within two to three years. We aim to reduce this period further and improve our turn-around to generate cash faster and reduce the risks that we are exposed to as a part of the process.

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 under the sections "**Risk Factors**", "**Use of Proceeds**", "**Issue Procedure**", "**Placement**" and "**Description of the Equity Shares**" beginning on pages 51,75, 162,174, and 186 respectively.*

Issuer	Poddar Developers Limited
Face Value	₹10
Issue Size	Issue of upto 1,110,900 Equity Shares, aggregating to ₹12,499.96 Lacs. A minimum of 10% of the Issue Size i.e. up to 111,090 Equity Shares shall be available for Allocation to Mutual Funds only, and the balance 999,810 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	December 5, 2014
Date of Shareholders' Resolution	January 10, 2015
Floor Price	₹1,184.43 per Equity Share. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 85 of the ICDR Regulations.
Issue Price per Equity Share	₹1,125.21
Eligible Investors	Eligible QIBs as defined in regulation 2(1)(zd) of the ICDR Regulations and not excluded pursuant to Regulation 86 of the SEBI Regulations (excluding FVCIs and multilateral and bilateral financial institutions) who are outside of the United States acquiring Equity Shares in an offshore transaction in reliance on Regulation S. Only Eligible QIBs which are FIIs and Eligible FPIs are permitted to participate in this Issue. For further details, see sections "***Issue Procedure***" and "***Transfer Restrictions***" beginning on pages 162 and 182 respectively.
Equity Shares paid-up and outstanding immediately prior to the Issue	5,204,500
Equity Shares paid-up and outstanding immediately after the Issue	6,315,400
Listing	Our Company has obtained in-principle approvals in terms of Clause 24(a) of the Listing Agreement, for listing of the Equity Shares issued pursuant to the Issue from the Stock Exchange. Our Company will make application to the Stock Exchange to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.
Transferability Restrictions	The Equity Shares being allotted pursuant to this Issue cannot be sold for a period of one year from the date of Allotment, except if sold on the floor of any recognised stock exchange in India on which the shares of the Company are listed. For further details, see section "***Transfer Restrictions***" beginning on page 182.
Lock-up	The Company has agreed that it will not, without the prior written consent of the Book Running Lead Manager (which such consent shall not be unreasonably withheld), for the period commencing from the date of the Placement Agreement and ending 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 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 Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; or (c) publicly 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 Equity Shares, or such other securities, in cash or otherwise. Each of the Promoters and members of the promoter group as per the Clause 35 filing with the Stock Exchange as at December 31, 2014 have agreed that they, without the prior written consent of the Book Running Lead Manager (which shall not be unreasonably withheld), will not, during the period commencing on the date of the Placement Agreement and ending 90 days after the date of allotment of the Issue Shares, directly or indirectly: (a) sell, lend, pledge, contract to sell, purchase any option or contract to sell, 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 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 Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; or (c) publicly 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 Equity Shares, or such other securities, in cash or otherwise; provided however that the foregoing restrictions will (i) not be applicable to any pledge or mortgage of the Equity Shares already existing on the date of this Agreement or transfer of such existing pledge or mortgage; and (ii) not restrict the existing shareholders of the Company from acquiring or purchasing any Equity Shares in the Company, directly or indirectly, in accordance with and subject to applicable laws. As used in the lock-up undertaking, the term “promoter group shares” shall mean 3,852,768 Equity Shares owned by the Promoters and the members of the promoter group as per the Clause 35 filing with the Stock Exchange as at December 31, 2014 together with any and all Equity Shares that may be acquired by them during the Lock-up Period. Notwithstanding anything provided above, the foregoing restrictions on transfer of promoter group shares by the Promoters and promoter group as per the Clause 35 filing with the Stock Exchange as at December 31, 2014 shall not apply to any inter group transfer made to any entities forming a part of the Promoter Group, subject to compliance with applicable laws and subject to observance by the transferee Promoter Group of the foregoing restrictions on transfer of promoter group shares until the expiry of the Lock-up Period.
Pay-In Date	Last date specified in the CAN sent to the successful Bidders 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 January 23, 2015 (the “**Closing Date**”).
Ranking	The Equity Shares being issued in the Issue are subject to the provisions of our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including with respect to dividend rights. Shareholders will be entitled to participate in dividends and other corporate benefits, if any, declared by us after the Closing Date, in compliance with the Companies Act, 2013, the Listing Agreement and other applicable laws and regulations. Shareholders of our Company may attend and vote in shareholders’ meetings in accordance with the provisions of the Companies Act, 2013. See section “***Description of the Equity Shares***” beginning on page 186.

Use of Proceeds	The gross proceeds of the Issue will be approximately ₹12,499.96 Lacs. For further details, see section "***Use of Proceeds***" on page 75.
Risk Factors	For a discussion of certain risks in connection with an investment in the Equity Shares, see section "***Risk Factors***" beginning on page 51.
Security codes:	**ISIN:** INE888B01018 **BSE Code**: 523628

SELECTED FINANCIAL INFORMATION

The following selected Financial Information is derived from and should be read in conjunction with, the Audited Financial Statements and notes thereto as at, and for twelve months ended March 31, 2014, 2013 and 2012, and the Unaudited Consolidated Reviewed Financial Statements of our Company as of and for the six months ended September 30, 2014 prepared in accordance with the Companies Act and the SEBI Regulations, each included elsewhere in this Placement Document.

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.

SELECTED FINANCIAL INFORMATION FROM THE STATEMENT OF UN-AUDITED CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR HALF YEAR ENDED SEPTEMBER 30, 2014

(₹ in Lacs)

		Half year ended		Year ended
	Particulars	**September 30, 2014**	**September 30, 2013**	**March 31, 2014**
	Total Income from operations (net)	**7,340.69**	**3,464.07**	**6,816.27**
	Expenses :			
	Cost of construction	3,511.79	3,109.51	6,841.32
	(Increase)/ Decrease in WIP & Finished goods	1,373.89	(624.55)	(1,890.45)
	Employee benefit expenses	171.49	137.40	296.13
	Depreciation and Amortisation expenses	52.43	30.18	57.55
	Other expenses	208.14	123.81	349.84
	Total expenses	**5,317.74**	**2,776.35**	**5,654.39**
	Profit / (Loss) from operations before other income, finance costs and exceptional items	**2,022.95**	**687.72**	**1,161.88**
	Other Income	69.11	55.89	102.65
	Profit / (Loss) from ordinary activities before finance costs and exceptional items	**2,092.06**	**743.61**	**1,264.53**
	Finance costs	2.75	2.50	5.49
	Profit / (Loss) from ordinary activities after finance costs but before exceptional items	**2,089.31**	**741.11**	**1,259.04**
	Exceptional items	23.50	(4.06)	5.83
	Profit / (Loss) from ordinary activities before tax	**2,112.81**	**737.05**	**1,264.87**
	Tax expenses:			
	1) Current tax	(720.00)	(280.00)	(481.43)
	2) Deferred tax	12.19	9.13	3.17
	Net Profit / (Loss) from ordinary activities after tax	**1,405.00**	**466.18**	**786.61**
	Extraordinary items	0.00	0.00	0.00
	Net Profit / (Loss) for the period	**1,405.00**	**466.18**	**786.61**

	Particulars	Half year ended		Year ended
		September 30, 2014	September 30, 2013	March 31, 2014
	Minority Interest	1.38	0.73	2.01
	Net Profit / (Loss) for the period	**1,406.38**	**466.91**	**788.62**
	Earnings per share (after extra-ordinary items) (in ₹)			
	Basic	27.02	8.97	15.15
	Diluted	27.02	8.97	15.15

Note: Figures relating to March 31, 2014 have been regrouped/ rearranged wherever necessary to make it comparable with the figures of subsequent period.

SELECTED FINANCIAL INFORMATION FROM THE STATEMENT OF UN-AUDITED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2014

(₹ in Lacs)

	Particulars		As at	
			September 30, 2014	March 31, 2014
I.	**Equity and liabilities**			
(1)	**Shareholders' funds**			
	(a)	Share Capital	520.45	520.45
	(b)	Reserves & Surplus	7,575.20	6,164.67
	(c)	Minority Interest	0.00	0.00
(2)	**Non-current liabilities**			
	(a)	Long-term borrowings	1,358.68	2,017.36
	(b)	Deferred tax liabilities (Net)	0.00	4.77
	(c)	Other Long term liabilities	0.00	10.57
	(d)	Long-term provisions	385.18	31.33
(3)	**Current liabilities**			
	(a)	Short-term borrowings	0.00	0.00
	(b)	Trade payables	563.15	296.67
	(c)	Other current liabilities	10,621.49	12,093.35
	(d)	Short-term provisions	188.25	211.64
	Total		**21,212.40**	**21,350.81**
II.	**Assets**			
(1)	**Non-current assets**			
	(a)	Fixed assets	637.24	431.32
	(b)	Non-current investments	317.53	348.35
	(c)	Deferred tax assets (Net)	7.42	0.00
	(d)	Long-term loans and advances	904.38	792.88
	(e)	Other non-current assets	0.00	0.00
(2)	**Current assets**			

	Particulars		As at	
			September 30, 2014	**March 31, 2014**
	(a)	Current investments	1,937.04	322.22
	(b)	Inventories	16,113.54	17,672.57
	(c)	Trade receivables	372.59	147.81
	(d)	Cash and cash equivalents	689.79	1,367.65
	(e)	Short-term loans and advances	230.36	265.50
	(f)	Other current assets (share in joint venture)	2.51	2.51
	Total		**21,212.40**	**21,350.81**

1. The Auditors have carried out limited review of the above unaudited financial results and the same were approved by the Board of Directors in their meeting held on January 6, 2015.
2. The Unaudited Consolidated Reviewed Financial Statements include the results of the following Companies:

Name of the Company	Proportion of Ownership	Year Ending
Poddar Housing FZC, Sharjah, U.A.E	90%	Subsidiary
Poddar Natural Resources & Ores Limited	100%	Subsidiary
Poddar Infrastructure Private Limited	100%	Subsidiary
Poddar Habitat Private Limited	100%	Subsidiary
Poddar Leisure Infrastructure Private Limited	100%	Subsidiary
Viva Poddar Housing Private Limited	50%	Joint Venture

3.
   a. The Company had received demand notice of ₹349.05 Lacs towards royalty including penal charges from Land revenue authorities (Tahsildar) Government of Maharashtra for excavation of Land and Stone in respect of land at Badlapur against which the Company had preferred an appeal before the higher authorities. The said authorities have set aside the demand and referred the matter back to the land revenue authorities with an instruction to re-compute the liability. Accordingly, there is no demand pending against the Company as on this date. Moreover, the Company does not expect any significant liability on re-computation.
   b. Similar demand of ₹27.23 Lacs had been raised in the name of Land owners in respect of Land covered under joint development agreement between the subsidiary company and land owners in case of Atgaon project against which the Company has preferred an appeal and the same is pending.

4. The provision in respect of sticky loan of ₹115.00 Lacs will be considered at the year end if necessary.

5. Consequent to enactment of Companies Act 2013, (the Act) and its applicability for accounting periods commencing from 1st April, 2014, the Company has reassessed the remaining useful life of fixed assets in accordance with the provisions prescribed under Schedule II to the Act. The effect of the same is adjusted in Depreciation for the quarter ended June 30, 2014.

6. Previous quarters′ / year′s figures have been regrouped / rearranged wherever considered necessary.

SELECTED FINANCIAL INFORMATION FROM THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014, MARCH 31, 2013 AND MARCH 31, 2012

(₹ in Lacs)

	Particulars		As at		
			March 31, 2014	**March 31, 2013**	**March 31, 2012**
I.	**Equity and liabilities**				
(1)	**Shareholders' funds**				
	(a)	Share Capital	520.45	520.45	520.45
	(b)	Reserves & Surplus	6,164.67	5,455.70	4,738.82
	(c)	Minority Interest	0.00	0.00	11.69
(2)	**Non-current liabilities**				
	(a)	Long-term borrowings	2,017.36	1,122.58	74.49
	(b)	Deferred tax liabilities (Net)	4.77	7.94	20.49
	(c)	Other Long term liabilities	10.57	0.00	0.00
	(d)	Long-term provisions	31.33	78.71	16.35
(3)	**Current liabilities**				
	(a)	Short-term borrowings	0.00	2,250.00	1,378.18
	(b)	Trade payables	296.67	457.70	372.80
	(c)	Other current liabilities	12,093.35	9,835.47	5,818.99
	(d)	Short-term provisions	211.64	142.19	140.74
	Total		**21,350.81**	**19,870.74**	**13,093.00**
II.	**Assets**				
(1)	**Non-current assets**				
	(a)	Fixed assets			
		(i) Tangible assets	427.37	472.71	488.20
		(ii) Intangible assets	3.56	4.02	5.00
		(iii) Capital work-in-progress	0.00	0.00	0.00
		(iv) Intangible assets under development	0.00	0.00	0.00
		(v) Goodwill as per AS-21 on Consolidation	0.39	0.39	0.39
	(b)	Non-current investments	348.35	343.16	184.85
	(c)	Deferred tax assets (Net)	0.00	0.00	0.00
	(d)	Long-term loans and advances	792.88	4,034.93	1,510.69
	(e)	Other non-current assets	0.00	0.00	0.00
(2)	**Current assets**				
	(a)	Current investments	322.22	0.00	952.43
	(b)	Inventories	17,672.57	11,593.53	6,819.90
	(c)	Trade receivables	147.81	117.76	231.26

	Particulars		As at		
			March 31, 2014	**March 31, 2013**	**March 31, 2012**
	(d)	Cash and cash equivalents	1,367.65	2,772.06	2,264.68
	(e)	Short-term loans and advances	265.50	532.18	635.60
	(f)	Other current assets (share in joint venture)	2.51	0.00	0.00
	Total		**21,350.81**	**19,870.74**	**13,093.00**

SELECTED FINANCIAL INFORMATION FROM THE CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014, MARCH 31, 2013 AND MARCH 31, 2012

(₹ in Lacs)

	Particulars	For 12 months ended		
		March 31, 2014	**March 31, 2013**	**March 31, 2012**
I.	Revenue from operations	6,816.27	2,695.08	1,644.43
II.	Other income	102.65	380.46	234.79
III.	**Total Revenue (I + II)**	**6,918.92**	**3,075.54**	**1,879.22**
IV.	Expenses :			
	Cost of construction	6,794.64	6,324.41	4,882.39
	Purchase for Resale			38.71
	(Increase)/ Decrease in stock	(1,890.45)	(4,520.56)	(3,545.52)
	Employee benefit expenses	296.13	214.46	39.99
	Finance costs	5.49	6.22	8.67
	Depreciation and Amortisation expenses	57.55	89.71	75.43
	Other expenses	396.52	378.81	150.42
	Total expenses	**5,659.88**	**2,493.05**	**1,650.09**
V.	Profit before exceptional and	1,259.04	582.49	229.13
	extraordinary items and tax (III-IV)			
VI.	Exceptional items	5.83	539.60	(240.20)
VII.	Profit before extraordinary items and tax (V - VI)	1,264.87	1,122.09	(11.07)
VIII.	Extraordinary Items			
IX.	Profit before tax (VII - VIII)	1,264.87	1,122.09	(11.07)
X.	Tax expenses:			
	1) Current tax	(481.43)	(382.96)	(76.00)
	2) Deferred tax	3.17	12.55	4.09
XI.	Minority Interest	2.01	14.85	0.63
XII.	Profit / (Loss) for the year from continuing operations (IX - X)	788.62	766.53	(82.35)
XIII.	Profit / (Loss) for the year from discontinuing operations	0.00	0.00	0.00
XIV.	Tax expenses of discontinuing operations	0.00	0.00	0.00
XV.	Profit / (Loss) for the year from discontinuing operations (after tax) (XII-XIII)	0.00	0.00	0.00
XVI.	Profit / (Loss) for the year (XI + XIV)	788.62	766.53	(82.35)
XVII.	Earnings per Share (in ₹)			
	Basic	15.15	14.73	(1.58)
	Diluted	15.15	14.73	(1.58)

Note: Figures in FY 2012 have been regrouped/ rearranged to make it comparable to the subsequent year.

SELECTED FINANCIAL INFORMATION FROM THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014, MARCH 31, 2013 AND MARCH 31, 2012

(₹ in Lacs)

Particulars		For 12 months ended		
		March 31, 2014	**March 31, 2013**	**March 31, 2012**
A.	**Cash Flow from Operating Activities**			
	Net Profit / (Loss) after Tax and Extra-Ordinary Items	788.62	766.53	(82.34)
	Adjustments For			
	Depreciation and Amortization expenses	57.55	89.71	75.43
	Diminution in value of Investments	(5.83)	62.90	240.20
	(Profit) / Loss on Sale of Fixed Assets	11.08	0.77	4.48
	(Profit) / Loss on sales of Investments	0.00	(0.18)	0.13
	Share of Loss/(Profit) in Partnership	9.19	1.06	7.82
	Interest Received	(77.23)	(354.40)	(188.05)
	Interest Paid	5.49	6.22	6.04
	Dividend Received	(20.02)	(21.58)	(29.88)
	Deferred Tax	(3.17)	(12.55)	(4.09)
	Foreign Currency Translation Reserve on Foreign Investments	14.00	42.51	68.70
	Statutory Reserves	0.42	1.31	1.17
	Preliminary expenses written off	0.00	0.15	0.25
	Return on Investment	0.00	0.00	(11.54)
	Operating Profit/(Loss) before changes in assets and liabilities	780.10	582.45	88.32
	Changes in assets and liabilities			
	Trade & Other Receivables	3,476.17	(2,285.43)	(989.72)
	Inventories	(6,079.04)	(4,795.50)	(2,504.94)
	Liabilities and provisions	2,129.49	4,165.20	3,358.75
	Net Cash Flow from Operating Activities (A)	**306.72**	**(2,333.28)**	**(47.59)**
B.	**Cash Flow from Investing Activities**			
	(Purchase) / Sale of Fixed Assets	(22.83)	(74.01)	(257.95)
	(Purchase) / Sale of Investments	(321.58)	731.39	207.08
	Share of Profit / (Loss) in Partnership	(9.19)	(1.06)	(7.82)
	Return on Investment	0.00	0.00	11.54
	Interest Received	77.23	354.40	188.05
	Dividend Received	20.02	21.58	29.88
	Net Cash Flow from Investing Activities (B)	**(256.35)**	**1,032.30**	**170.78**
C.	**Cash Flow from Financing Activities**			
	Proceeds from / (Repayment of) Borrowing	(1,355.22)	1,919.90	1,307.83

Particulars		For 12 months ended		
		March 31, 2014	March 31, 2013	March 31, 2012
	Dividend Paid including Tax thereon	(89.54)	(90.73)	(90.73)
	Minority Interest (including dividend)	(4.53)	(14.59)	(18.59)
	Interest Paid	(5.49)	(6.22)	(6.04)
	Net Cash Flow from Financing Activities (C)	**(1,454.78)**	**1,808.36**	**1,192.47**
	Net increase (Decrease) in Cash & Cash Equivalents (A+B+C)	**(1,404.41)**	**507.38**	**1,315.66**
	Cash & Cash Equivalents (Opening Balance)	**2,772.06**	**2,264.68**	**949.02**
	Cash & Cash Equivalents (Closing Balance)	**1,367.65**	**2,772.06**	**2,264.68**

Summary of reservations or qualification or adverse remarks observations in the auditors' report in the last five Financial Years immediately preceding the year of filing the PPD.

Financial Year 2009-10

Matter of emphasis/ Qualification/ Adverse remarks

The Company has not considered the effect of impairment loss on the fixed assets as required under AS – 28 on 'Impairment of assets' issued by the Institute of Chartered Accountants of India.

Management's Response
There would not have been any significant effect of considering impairment as the major assets of the Company comprised of buildings and vehicles which had been procured in last two to three years. Currently, the Company provides for impairment loss, if any.

Matter of emphasis/ Qualification/ Adverse remarks
Loans and Advances include ₹25 Lacs which is considered doubtful of recovery for which no provision has been made in the accounts.

Management's Response
The Company had recovered ₹1.02 Lacs in the FY ended March 31, 2011 and balance amount of ₹23.98 Lacs was written-off during the FY ended March 31, 2013.

Matter of emphasis/ Qualification/ Adverse remarks
Advances recoverable in cash/kind or for value to be received include advances aggregating to ₹26.88 Lacs given in the earlier year for procurement of land at Tisgaon-Dombivali, Maharashtra. In addition to above, the Company has also given further advance of ₹1.45 Lacs during the year. There is no significant development on such procurements during the year .The recovery thereof would depend upon further development of the project and market conditions.

Management's Response
The Company has entered into an arrangement with land aggregators and farmers for the purchase of approximately 30-40 acres of land at Tisgaon-Dombivali. MoU for 4.53 acres has been signed and efforts are on for acquiring the balance land. The Company will adjust the above advances against the consideration of land and brokerage thereon.

Matter of emphasis/ Qualification/ Adverse remarks
The Company has given advances of ₹25.27 Lacs towards purchase of land at Bhivpuri, which is not prima facie suitable for the construction and necessary steps are being taken to recover/realize the same.

Management's Response
At the time of land acquisition at Bhivpuri and in case of some land parcels, the Company had paid advance amount against MoU for hilly land, and the said amount was recovered partially in the FY ended March 31, 2013.

Matter of emphasis/ Qualification/ Adverse remarks
The Company has entered into agreements for purchase of Development rights on agricultural land at Badlapur site for aggregate total consideration of ₹1,075.25 Lacs including stamp duty and other expenses, which is subject to approvals/ permission of various government authorities. The total amount has been shown as Land Development Rights under the head 'Inventories'.

Management's Response
The Company had purchased approximately 25 acres agriculture land at Badlapur for housing project and at that time an application for conversion of the said land to non-agriculture and conveyance of the same was pending. However, all approvals and formalities are complete and this point has not been raised by the auditors in the following year.

Financial Year 2010-11

Matter of emphasis/ Qualification/ Adverse remarks
The Company has not considered the effect of impairment loss on the fixed assets as required under AS-28 on 'Impairment of assets'.

Management's Response
There would not have been any significant effect of considering impairment as the major assets of the Company comprised of buildings and vehicles which had been procured in last two to three years. Currently, the Company provides for impairment loss, if any.

Matter of emphasis/ Qualification/ Adverse remarks
Loans and Advances include ₹23.98 Lacs which are considered doubtful of recovery for which no provision has been made in the accounts.

Management's Response
The Company has written off the amount of ₹23.98 Lacs during the FY ended March 31, 2013.

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have drawn attention regarding the recovery and confirmation of advances given towards redevelopment project at Colaba amounting to ₹41.63 Lacs.

Management's Response
Discussion relating to re-development of Colaba project could not progress, however the said advances have been appropriated towards another project.

Matter of emphasis/ Qualification/ Adverse remarks
The Company had given advances of ₹40.02 Lacs towards purchase of additional land at Bhivpuri which includes certain land which are not useable for the purpose of the construction being in a hilly area.

Management's Response
At the time of land acquisition at Bhivpuri and in case of some land parcels, the Company had paid advance amount against MoU for hilly land, but Company has not completed the transaction as yet and the amount is still pending. The Company had recovered ₹23.43 Lacs during the FY ended March 31, 2013. The balance amount will be transferred to the cost of land once the land gets converted into non-agricultural land.

Matter of emphasis/ Qualification/ Adverse remarks
The Company had entered in to agreements for purchase of development Rights/agriculture Land at Mohili-Kalyan & paid advances of ₹490.17 Lacs including incidental expenses, approvals for which were pending.

Management's Response

The Company has partly sold the rights of the said land during the FY ended March 31, 2013.The requisite approval/ permissions are pending from various government authorities. After getting the permission from Government authorities Company will start the construction or transfer the remaining development rights to others.

Matter of emphasis/ Qualification/ Adverse remarks
Advances recoverable in cash/kind or for value to be received include advances aggregating to ₹20.28 Lacs paid for aggregation and procurement of land at Tisgaon-Dombivali, Maharashtra. The recovery thereof would depend upon the further development of the project & market conditions.

Management's Response
The Company has entered into an arrangement with land aggregators and farmers for the purchase of approximately 30-40 acres of land at Tisgaon-Dombivali. MOU for 4.53 acres has been signed. Efforts are on for acquiring the balance land. The Company will adjust the above advances against the consideration of land and brokerage thereon.

Financial Year 2011-12

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have drawn attention towards doubtful Loans and Advances amounting to ₹51.84 Lacs for which no provision has been made in the accounts. These Advances were given for procurement of land.

Management's Response
These advances were given either for aggregation of land or for purchase of lands. In the FY ended March 31, 2013, an amount of ₹25.77 Lacs was written-off as Irrecoverable Advances while the other advances have been either recovered or adjusted against purchases of lands.

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have drawn attention towards certain advances amounting to ₹67.69 Lacs including doubtful advances of ₹3.18 Lacs for which no provision has been made, given for purchase of land at Bhivpuri.

Management's Response
At the time of land acquisition at Bhivpuri, and in case of some land parcels, our Company had paid advance amount against MoU for hilly land but our Company has not completed the transaction as yet and the amount is still pending. The Company is in the search of alternate buyer for the same land and will get our advance recovered in due course.

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have drawn attention towards stagnant advances of ₹20.28 Lacs to the aggregator of land at Tisgaon-Dombivali and expenditure incurred for development of land at Tisgaon belonging to others of ₹21.88 Lacs in case the project is abandoned.

Management's Response
The company has decided to develop and launch the project and apply for necessary permission, which we believe we should be awarded shortly. Therefore the above advances are good and recoverable.

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have drawn attention regarding the recovery and confirmation of advances given towards redevelopment project at Colaba amounting to ₹41.63 Lacs.

Management's Response
Discussion relating to re-development of Colaba project could not progress, however the said advances have been appropriated towards another project.

Financial Year 2012-13

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have qualified their opinion with respect to a loan given by our Company to a body corporate, not related to the management, of ₹115.00 Lacs and provided an interest income of ₹30.49 Lacs, in the earlier years, which are not recovered as stipulated. We are informed that the financial position of the said company is under stress and there are chances of significant delay in recovering the amounts. Accordingly, the above amount of ₹145.49 Lacs is doubtful of recovery for which no provision has been made in the books of accounts. Had the same been provided for, the assets and the profit of the Company would have been lower to that extent.

Management's Response
Our Company had given the loans to the body corporate, engaged in the business of construction of Residential Complex, amounting to ₹115.00 Lacs as a part of treasury operations and to generate excess returns on surplus funds not immediately required. We have been informed that the financial position of the body corporate is under stress on account of delay in recovery of the amounts due in their contracting business and pending various approvals for their residential complex.
The discussion for re-scheduling the repayment of subject loan is under progress. However, the company as prudence policy has decided not to account for income acquired on such loan and also provided for the interest of ₹30.49 Lacs which was accounted as income in the earlier years.

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have qualified their opinion that with respect to the foreign subsidiary, as stated by the respective auditor, the investments have been stated at cost and have not been tested for impairment since fair value could not be determined without undue cost or effort. Further, the investment balances are subject to confirmation.

Management's Response
Poddar Housing FZC, one of our Subsidiaries, had invested AED 1,409,479.00 (amounting to ₹229.89 Lacs based on the exchange rates as on 30 September 2014 with Capitoline Ventures II LLC, in the year 2010 to 2012 for investment in equity investment funds of various companies as venture capital along with the funds of their other clients. Due to global melt-down those companies did not fare well and net asset value and other information were not available at that time. However the management after persuasion has settled the matter and it was agreed between the Capitoline Ventures II LLC and Poddar Housing FZC that they would be repaying the total amount invested by the Company. As part of the same, the Subsidiary has received ₹101.76 Lacs while the balance is expected to be realized on or before 31st March 2015, out of the above.

We believe that in respect of the foreign subsidiary, the current value of investments do not warrant impairment and that the investment balances are correct to the best of our knowledge.

Financial Year 2013-14

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have qualified their opinion with respect to a loan of ₹115.00 Lacs given to a body corporate in earlier year, not related to the management, which is unable to repay the installment and interest thereon. It has been informed that the said loan is being rescheduled and is under final stage of settlement. However, the Company has made suitable provision for accrued interest of ₹31.17 Lacs. Further, no interest income has been provided during the current year. Accordingly, the loan amount of ₹115.00 Lacs is doubtful of recovery for which no provision has been made in the books of accounts. Had the same been provided for, the assets and the profit of the Company would have been lower to that extent.

Management's Response
Our Company had given the loans to the body corporate, engaged in the business of construction of Residential Complex, amounting to ₹115.00 Lacs as a part of treasury operations and to generate excess returns on surplus funds not immediately required. We have been informed that the financial position of the body corporate is under stress on account of delay in recovery of the amounts due in their contracting business and pending various approvals for their residential complex.
The discussion for re-scheduling the repayment of subject loan is under progress. However, the company as prudence policy has decided not to account for income acquired on such loan and also provided for the interest of ₹30.49 Lacs which was accounted as income in the earlier years.

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have qualified their opinion that with respect to the foreign subsidiary, as stated by the respective auditor, the investments have been stated at cost and have not been tested for impairment since fair value could not be determined without undue cost or effort. Further, the investment balances are subject to confirmation.

Management's Response
Poddar Housing FZC, one of our Subsidiaries, had invested AED 1,409,479.00 (amounting to ₹229.89 Lacs based on the exchange rates as on 30 September 2014 with Capitoline Ventures II LLC, in the year 2010 to 2012 for investment in equity investment funds of various companies as venture capital along with the funds of their other clients. Due to global melt-down those companies did not fare well and net asset value and other information were not available at that time. However the management after persuasion has settled the matter and it was agreed between the Capitoline Ventures II LLC and Poddar Housing FZC that they would be repaying the total amount invested by the Company. As part of the same, the Subsidiary has received ₹101.76 Lacs while the balance is expected to be realized on or before 31st March 2015, out of the above.
We believe that in respect of the foreign subsidiary, the current value of investments do not warrant impairment and that the investment balances are correct to the best of our knowledge.

Matter of emphasis/ Qualification/ Adverse remarks
The Auditors have drawn attention to the demand notice raised by the land revenue authorities on the Company in respect of land at Badlapur pertaining to royalty including penal charges amounting to ₹349.05 Lacs. The management has filed a writ petition in the Bombay High Court against the order. Similar levy has been raised on other land owners and have obtained stay from the Court. Similarly, in case of one of the subsidiaries, a demand of ₹27.23 Lacs has been raised in the name of land owners in respect of land covered under joint development agreement between the subsidiary and land owners in respect of Atgaon project. Further, the land owners have filed a writ petition in the Bombay High Court against the order.

Management's Response
The Company has received demand notice of ₹349.05 Lacs towards royalty including penal charges from land revenue authorities (Tahsildar) Government of Maharashtra for excavation of land and stone in respect of land at Badlapur against which the Company has preferred an appeal before the higher authority. The said authorities have set aside the demand and referred the matter back to the land revenue authorities with an instruction to reassess the liability. Accordingly, there is no demand pending against the Company as on date. Moreover, the Company does not expect any significant liability in re-computation.

REMARKS IN CARO REPORTS FOR FINANCIAL YEAR 2009-10, 2010-11, 2011-12, 2012-13 AND 2013-14

Financial Year 2009-10
None

Financial Year 2010-11

Remarks
Auditors have drawn attention towards non maintenance of detail records of consumption in respect of each building and related upon in figures estimated by technical persons.

Management's Response
The Company is engaged in the business of developing affordable housing projects and under each phase of project there are around 30 to 35 buildings. The Company maintains proper records of consumption of each phase as the materials issued to the contractor could be used by him in any of the buildings allotted to him based on cluster. Moreover, the guidance note, issued by Institute of Chartered Accountants of India on accounting for real estate transactions, does not specify to maintain a record in respect of each building. However, the Company does maintain proper records for consumption in respect of each phase / cluster of project.

Remarks
Auditors have drawn attention towards strengthening internal control procedure in respect of purchase of inventory assets and sale of goods.

Management's Response
The management has taken necessary steps to strengthen the system of internal control procedure after pointing out by the auditors and there are no remarks in the subsequent year.

Financial Year 2011-12

Remarks
Auditors have drawn attention towards non maintenance of detail records of consumption in respect of each building and related upon in figures estimated by technical persons.

Management's Response
The Company is engaged in the business of developing affordable housing projects and under each phase of project there are around 30 to 35 buildings. The Company maintains proper records of consumption of each phase as the materials issued to the contractor could be used by him in any of the buildings allotted to him based on cluster. Moreover, the guidance note, issued by Institute of Chartered Accountants of India on accounting for real estate transactions, does not specify to maintain a record in respect of each building. However, the Company does maintain proper records for consumption in respect of each phase / cluster of project.

Remarks
Auditors have drawn attention towards strengthening internal control procedure in respect of purchase of inventory assets and sale of goods.

Management's Response
The management has taken necessary steps to strengthen the system of internal control procedure after pointing out by the auditors and there are no remarks in the subsequent year.

Financial Year 2012-13

Remarks
Auditors have drawn attention towards non maintenance of detail records of consumption in respect of each building and related upon in figures estimated by technical persons.

Management's Response
The Company is engaged in the business of developing affordable housing projects and under each phase of project there are around 30 to 35 buildings. The Company maintains proper records of consumption of each phase as the materials issued to the contractor could be used by him in any of the buildings allotted to him based on cluster. Moreover, the guidance note, issued by Institute of Chartered Accountants of India on accounting for real estate transactions, does not specify to maintain a record in respect of each building. However, the Company does maintain proper records for consumption in respect of each phase / cluster of project.

Remarks
Auditors had drawn the attention in respect of misappropriation by one of the employees of ₹3.00 Lacs while carrying cash to the site.

Management's Response
The cash is required for payment of wages to the workers. Normally we transfer the amount to the branch nearest to the site. However, sometimes the Branch does not have sufficient cash balance to withdraw and make the payments to workers. We have filed the police complaints and suitable provision was made in the accounts for ₹3.00 Lacs. Additionally, we have taken insurance for cash in transit and normally avoid carrying cash to the site.

Financial Year 2013-14

Remarks
Auditors have drawn attention towards non maintenance of detail records of consumption in respect of each building and related upon in figures estimated by technical persons.

Management's Response
The Company is engaged in the business of developing affordable housing projects and under each phase of project there are around 30 to 35 buildings. The Company maintains proper records of consumption of each phase as the materials issued to the contractor could be used by him in any of the buildings allotted to him based on cluster. Moreover, the guidance note, issued by Institute of Chartered Accountants of India on accounting for real estate transactions, does not specify to maintain a record in respect of each building. However, the Company does maintain proper records for consumption in respect of each phase / cluster of project.

INTEREST COVERAGE RATIO FOR LAST THREE YEARS

	FY 2014	FY 2013	FY 2012
Interest Coverage Ratio[1]	3.25	4.16	0.96

[1]Interest Coverage Ratio implies (Cash Profits after Tax plus Interest Paid)/ Interest Paid

RISK FACTORS

This section describes the risks that we currently believe may materially affect our business and operations. You should carefully consider the following, in addition to any forward-looking statements and the cautionary statements in this Placement Document and other information contained in this Placement Document, before making any investment decision relating to the Equity Shares. Prospective investors should read this section in conjunction with the sections "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", as well as other financial and statistical information contained in this Placement Document. The risks described below are not the only ones relevant to us or the Equity Shares. Additional risks may be unknown to us and some risks that we do not currently believe to be material could later turn out to be material. Although we will seek to mitigate or minimize these risks, one or more of these risks or a combination of these risks could materially and adversely impact our business, financial condition and results of operations and may cause the market price of the Equity Shares to fall significantly which may cause you to lose all or part of your investment in the Equity Shares. Investors should pay particular attention to the fact that the Company is an Indian company and is subject to a legal and regulatory regime which in some respects may be different from that applicable in other countries. Investors should consult their own tax, financial and legal advisors about the particular consequences of an investment in the Issue.

This Placement Document contains forward-looking statements that involve risks and uncertainties. Our Company's 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.

In this section, any reference to "we", "us" or "our" refers to Poddar Developers Limited, its Subsidiaries, its Partnerships and Joint Venture on a consolidated basis, as the context requires, and any reference to "Company" refers to Poddar Developers Limited. Unless otherwise indicated, all financial information presented herein is on a standalone basis.

Risks relating to our Company

1) Our Company has limited operating history in the development of real estate.

Our Company has forayed into the business of development of real estate since 2008 only and hence has a limited operating history in this sector. As such, this may involve risks and difficulties with which our Company may not be familiar. Our Company may not be successful in the business of development of real estate and we cannot provide you with any assurances as to the sustainability of our business and the timing and amount of any returns or benefits that we may receive from this business. Our inability to successfully expand our business may adversely affect our prospects and could constrain our long term growth prospects.

2) Our Ongoing and Upcoming Projects, which are expected to generate the majority of our revenue, are concentrated in and around Mumbai.

Our Ongoing and Upcoming projects portfolio is concentrated in and around Mumbai. In the event of a regional slowdown in construction activity in Mumbai or within areas where we undertake our projects, or any change in regulations, natural disasters or any other developments that make projects in Mumbai or its nearby areas less economically beneficial, we may experience pronounced effects on our business, financial condition and results of operations could be adversely affected.

3) We face competition in our business from real estate companies in India. We may not be able to compete effectively in our focus markets and diversify into newer markets.

We operate in highly competitive markets, and competition in these markets is based primarily at project level with nearby projects competing with our projects. 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. 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. Increasing competition could result in price and supply volatility which could materially and adversely affect our results of operations and financial condition.

While Mumbai and areas within 100 Kms of Mumbai remain and are expected to remain our primary focus, we may evaluate growth opportunities in other parts of India on a case-to-case basis. However, we have limited experience in conducting business outside Mumbai and nearby areas and have not previously completed any real estate development projects outside such areas. If we enter new markets and geographical areas in India, we are likely to compete not only with national developers, but also local developers who may be better known in those 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. Our inability to expand into and compete successfully in areas outside the Mumbai real estate market may adversely affect our business prospects.

4) ***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 affordable residential real estate developments in and around Mumbai and pursuant to this strategy, we have 4 Ongoing Projects and 7 Upcoming Projects as of January 10, 2015. 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. Such 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 our future real estate developments will not encounter delays or will be successful. We similarly cannot assure you that we will be able, to carry 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.

5) ***The success of our business 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 lower middle and upper middle income classes has led to a change in aspirations, resulting in a substantial change in the nature of their demands. Increasingly, consumers are seeking better housing and better amenities in new residential developments. Given the current economic scenario, we face an increasing pressure to service our customers commensurate to their expectations. 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.

6) ***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 and over a period of time, for future development. In some cases, these parcels of land are not consolidated and/or contiguous which 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.

7) ***Some of the land parcels forming part of our Land Bank are classified in the 'green zone area' or are classified as "Agricultural Land".***

Some portions of our Land Bank are classified as land falling in the 'green zone area', i.e. land parcels falling within a restricted area as declared by the state of Maharashtra, where no commercial or residential development is permissible. Any other form of activity to be carried out will require the prior consent of the relevant authority. We cannot assure you that we will be granted or will obtain permission to develop these land parcels in a timely manner or at all. If we do not receive permissions in a timely manner or in a manner acceptable to us, we may not be able to develop these land parcels which could adversely affect our business, prospects, financial condition and results of operations.

Further, some portions of our Land Bank are classified as "Agriculture Land" which are held by certain third parties who have entered into binding agreements to sell the land to us post receipt of approvals for change of end-use. No commercial or residential development is permitted on such land without prior approval of local authorities, including the conversion of such land to the appropriate zone for development. We cannot assure you that we will be able to obtain the requisite permissions and conversions by the relevant authorities to convert the use of such land for commercial or residential development purposes in a timely manner or at all. If we do not receive permissions and conversions in a timely manner, we may not be able to develop these land parcels as intended, which could materially and adversely affect our business, prospects, financial condition and results of operations.

8) ***Our business and profitability is significantly dependent on the performance of the real estate market in India in general, and in Mumbai and its nearby areas in particular.***

Our business is significantly dependent on the performance of the real estate market in India, and particularly in Mumbai and its nearby areas, 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 conditions, demographic trends, employment levels, availability of financing, interest rates and demand for real estate, or the public perception that any of these factors are likely to become unfavourable. These factors can adversely affect the demand for, and pricing of, our Completed Projects and Ongoing Projects, as well as adversely affects 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. For further information, see section "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 79.

As of January 10, 2015, 100% of the total Saleable Area of our Ongoing Projects and Land Bank are located in Mumbai and its nearby areas. For details regarding the break-up of our Completed Projects, Ongoing Projects and Land Bank in Mumbai and its outskirts, see section "***Business***" beginning on page 116. The real estate market in Mumbai and its outskirts 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 section "***Industry Overview***" beginning on page 101. We cannot assure you that the demand for our properties in Mumbai or its nearby areas will grow, or will not decrease, in the future.

9) ***We are required to obtain, renew and maintain statutory and regulatory permits, licenses and approvals for execution of our projects and our business operations from time to time. Any delay or inability to obtain such approvals or non-compliance with applicable regulations may have an adverse impact on our business.***

We require certain statutory and regulatory permits, licenses and approvals to execute our projects and operate our business. Several of our projects are in various stages of development and we have either made or are in the process of making the applications to regulatory authorities in connection with the development of these projects. We also require sanction of our project plans from relevant statutory authorities prior to commencement of our projects and at various stages of our projects. Such sanctions are typically granted with covenants and may lapse in the event the conditions as mentioned in the sanctions are not commenced within the prescribed time period. While, we have in the past applied for and received these approvals and permits, 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 these projects will be issued or granted to us in a timely manner or at all.

Prior to the commencement of construction, and depending on location of the project, we may be required to obtain clearance from pollution control boards, fire services, forest department, water supply department, municipal sewage department and highway authorities amongst others. After obtaining all such clearances and approvals, we are required to obtain planning permission from the relevant municipal authorities or gram panchayats as applicable. 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. 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.

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 or at all may affect our ability to execute or complete existing and/or new development projects.

The proposed use and development plans for these projects may be subject to further changes, as we may determine to be 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. 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.

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. 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 of our projects, impede the execution of our business plans, expose us to litigation and or penalties under various regulations and may materially and adversely affect our business and financial condition.

While we have received occupancy certificates for all our Completed Projects, we cannot assure you that we will be able to obtain them for our Ongoing and Upcoming Projects in future.

10) Our business is subject to extensive regulation by the Government of India, state governments and local authorities which may become more stringent in the future.

The real estate industry in India is heavily regulated by the Government of India, state governments and local authorities. Real estate developers are required to comply with numerous requirements mandated by Indian laws and regulations, including policies and procedures established by local authorities such as requirement for payment of stamp duty and registration of property documents. For details, see section "***Overview of the Indian Regulations and Policies***" beginning on page 138 for a brief description of some regulations applicable to us.

11) 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 are derived primarily from the sale of residential units which is dependent on various factors such as the sales volume and rate of progress of construction and development, the price at which such developments are sold, the extent to which they qualify for revenue recognition under our accounting policies, rights of third parties that could impair our ability to sell properties and general economic and real estate conditions in western India. Our accounting policy requires us to recognize revenues and profitability only post certain milestones are met which may result in wide fluctuations in the financials of our Company.

Further, delay in completion of identified projects and failure to undertake new projects will impact the results of our operations significantly. 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.

While we make sales of properties, our ability to recognize revenue and profits will depend on the successful execution 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 and management estimates and could change. Any delay in construction schedule could adversely affect advance collection from our customers which is generally based on percentage of completion of construction which in turn might adversely affect our liquidity position and result of operations.

12) Our Promoters are engaged in real estate business outside of our Company.

Our Promoters have in the past developed real estate projects outside of our Company and continue to hold land parcels across geographies where we are active. We cannot ensure that in future our Promoters will engage in development of real estate only through us. In case our Promoters decide to engage in real estate development outside our Company, it can cause conflict of interest and dilution of management focus on our business which may adversely impact our reputation, business, financial condition, results of operations and prospects.

13) We have entered into, and in the future may continue to enter into, related party transactions.

We have entered into transactions with several related parties, including our Promoters, Directors, Key Management Personnel and promoter group entities. The transactions we have entered into or may enter into with such related parties have involved or could potentially involve terms which may not be favourable to us. For further information, see section "***Financial Statements***" beginning on page 212.

14) There are legal proceedings currently outstanding involving our Company, our officers and our Promoters. Any adverse decision may expose us or our Promoters to liabilities/penalties and may adversely affect our business, results of operations and profitability.

There are certain outstanding legal proceedings, including criminal proceedings against us, our officers and our Promoters pending at various levels of adjudication before various courts, tribunals, authorities and appellate bodies. Such legal proceedings divert management time and attention and consume financial resources in their defence or prosecution. We cannot give you any assurance that these legal proceedings will be decided in our favour. Any adverse decision may render us liable to penalties/ liabilities and have a significant effect on our reputation and business including our financial condition, delay in implementation of our current or future projects and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that we will be able to recover any losses incurred from third parties, regardless of whether we are at fault. For further information, see section "***Legal Proceedings***" beginning on page 203.

15) Our rights to develop certain parcels of our Land Bank may be restricted due to litigation in which we may or may not be directly involved.

Our rights to develop certain parcels of our Land Bank may be restricted due to litigation in which we may or may not be directly involved. These may be pending at various levels of adjudication before various courts, tribunals, authorities and appellate bodies. For example, our Land Bank at Vidyavihar and some portion of our Goregaon land bank is subject of litigation. For further information, see section "***Business***" beginning on page 116 and "***Legal Proceedings***" beginning on page 203. There can be no assurance that the decision passed by the court, authority or appellate body where such proceedings are pending will be favourable to us and at the same time not restrict us from developing all or any portion of the aforesaid land bank. Additionally, we may be included as a party in some of or all of these litigations thereby exposing us to liabilities/penalties and may adversely affect our business, results of operations and profitability.

16) The statements contained in this Placement Document with regard to our Ongoing Projects and Land Bank 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 Saleable Area, Carpet Area and general composition of our land and projects presented herein with regard to Ongoing Projects and Land Bank, are based on management estimates. Further, the classification of projects as Ongoing Projects and Land Bank are based on internal management classifications, and may therefore not be precise. The square footage that we may develop in the future with regards to a particular property may differ from what is presented herein based on various factors such as prevailing market conditions, title defects, an inability to obtain the required regulatory approvals, and a change in the development norms (such as FSI 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 land parcels 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 be verified by us and may be incomplete or unreliable.

17) We might have been non-compliant with various SEBI regulations, Listing Agreement and other regulations in the past and continue to be non-compliant with certain regulations.

As a listed entity, our Company is subject to reporting requirements under various SEBI regulations and making certain periodic filings under the Listing Agreement. Though our Company endeavors to comply with all such reporting requirements and periodic filings, in the past there have been certain delays in complying with such reporting requirements and filings. We cannot assure you that there will be no action initiated against us by any regulatory authority for such past non-compliance or that despite our policy to comply with applicable regulations there will be no such non-compliance in the future. Any such past or continued non-compliance may render us liable to prosecution and/or penalties. Any such penalty may impact our reputation, business, financial condition, results of operations and price of Equity Shares and may even lead to suspension in trading of Equity Shares.

There exists a separate charge in the Registrar of Companies, Kolkata in the name of Monotona Exports Limited, our erstwhile name. Though we have received a fresh certificate of incorporation pursuant to change of our name from “Monotona Exports Limited” to “Wearology Limited” and subsequently to “Poddar Developers Limited”, the records of the Registrar of Companies, Kolkata have not been updated and a separate charge in name of Monotona Exports Limited, our erstwhile name, is still reflected in the records of Registrar of Companies, Kolkata as available on MCA website. While we believe that the listing on Registrar of Companies, Kolkata is erroneous, we may be deemed to have defaulted in making annual and periodic filings to Registrar of Companies, Kolkata with respect to Monotona Exports Limited over the period of time. As a corrective measure, our Company has made an application to Registrar of Companies, Kolkata for deletion of any records appearing in the name of Monotona Exports Limited. We cannot assure you that Registrar of Companies, Kolkata will permit the deletion of such records and that there will be no penalty imposed on us in future due to such non-compliance or that we may not face any action from the Registrar of Companies, Kolkata in this regard.

18) Certain of our listed group companies may have been non-compliant under their respective listing agreements, SEBI regulations and other regulations that they are subject to.

Some of our listed group companies including Brite Merchants Limited, Janpriya Traders Limited and Poddar Bhumi Holdings Limited might be non-compliant under their respective listing agreements. One of our group companies, Poddar Bhumi Holdings Limited, listed on the CSE has recently been suspended from trading. While we are in process of resolving the non-compliances with CSE, there can be no assurance that such non-compliances will not occur in the future, which could materially and adversely affect our reputation, business and price of our Equity Shares.

19) SEBI has passed an adjudication order against Monotona Exports Limited (our erstwhile name) with respect to failure to obtain SEBI Complaints Redress System (SCORES) and redressing investor grievance complaints and thereby imposing penalties totaling₹3 Lacs.

SEBI has passed an adjudication order dated September 19, 2014 against Monotona Exports Limited (our erstwhile name), and a company that was till recently listed on CSE, with respect to failure to obtain SEBI Complaints Redress System (SCORES) and redressing investor grievance complaints where penalties totaling ₹3 Lacs were imposed. However, our Company is having a valid SCORES registration in its present name i.e. Poddar Developers Limited and as on this date there is no investor complaint pending against Poddar Developers Limited. While our Company has paid the said penalty *vide* letter dated January 8, 2015, any further proceedings initiated by SEBI against us pursuant to the said order may negatively affect our reputation, business, financial condition, results of operations and price of Equity Shares.

20) Some of our corporate records including those relating to regulatory filings and allotments of our equity shares in the past are not traceable.

We are unable to locate copies of certain corporate records and filings in our possession which includes filings in relation to equity shares issued and allotted by our Company in the past. We are in the process of retrieving these filings from respective regulators but in the interim, we have placed reliance on other documents including filings with the BSE, annual reports and minutes of the Board meetings for corroborating the share capital history of our Company.

Further, in some instances, our Company does not have acknowledgement of receipt of certain stock exchange filings/reporting made under the listing agreement and various SEBI regulations due to which we may not be in a position to ascertain or evidence compliance with such reporting requirements.

While we have put in place processes to ensure better record keeping and archiving, we cannot assure you that our actions will have the desired results in improving our record keeping. Our missing records and failure to improve record keeping may impede our ability to demonstrate compliance in any event of enquiry or proceedings by any regulatory authority which may lead to monetary, civil or criminal actions initiated against our Company, officers of our Company or our Promoters.

21) We do not hold title to certain of our real estate assets and may not be able to defend our ownership and title of such assets.

We enter into memorandum of understanding, agreements to sell and similar agreements with land owners to acquire land parcels or interest in the land parcels (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 and receipt of required approvals we pay the remaining amount. We also enter into purchase agreements 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 agreed upon pre-conditions, such as the acquisition of land and the conversion of land for non-agricultural purposes. There can be no assurance that these third parties will be able to satisfy any/or all of these conditions. We have entered into agreements and JDAs to acquire 51.36 acres for our Land Bank, which will constitute approximately 72.2% of our Land Bank. While we believe that we have irrevocable beneficial ownership of the assets acquired through these arrangements, 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 deemed invalid or expire, we may lose the right to acquire these land parcels 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 land parcels. 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.

There may be various legal defects and irregularities to the title to the land parcels 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. However, there can be no assurance that such documents and information is accurate, authentic or complete. Our rights in respect of these land parcels may be compromised by improper execution or non registration of relevant property documents, encumbrances created in favour 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 land parcels 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 estate 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. 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 section "***Legal Proceedings***" and "***Business***" beginning on pages 203 and 116 respectively. Some of our projects are executed through joint venture in collaboration with third parties or by entering into joint development agreements where the title to land remains with the land owner. 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 venture 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 assurance, 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.

22) 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. 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.

23) We do not have ownership or irrevocable rights to our trademarks.

Our logos are owned by one of our Promoters, Mr. Rohitashwa Poddar and we have entered into a deed of assignment dated December 24, 2014 with Mr. Rohitashwa Poddar as per which all of the rights and goodwill accruing to the logos, are assigned to us for use towards the main objects of our existing Articles of Association for a consideration of ₹1.

Though the deed of assignment is for perpetuity, both parties retain the right to terminate the assignment deed after giving a notice for 6 months. We cannot assure you that Mr. Rohitashwa Poddar will never exercise his right to terminate the assignment deed and should he choose to do so, of our ability to transition to a new logo within the stipulated period of 6 months. Any such termination and/ or our inability to transition to a new logo may lead to a loss of goodwill associated with the logo and could have a materially adverse effect on our business, results of operations and future prospects.

24) Some of our intellectual properties may not be registered and we may be subject to claims alleging breach of third-party intellectual property rights.

Our Promoter, Mr. Rohitashwa Poddar has applied for the registration of certain trademarks including certain logos that have been assigned to us through deed of assignment dated December 24, 2014. As of December 31, 2014, our Promoters had 4 trademark applications pending before the Trade Marks Registry, Mumbai. There can be no assurance that our Promoters would be able to register the trademarks or that third parties will not infringe on our intellectual property or misuse the said names or logos, which may adversely affect our business, prospects and reputation.

Further, we may become subject to claims by third parties if we use slogans, logos, names, designs, software or other such subjects in breach of any intellectual property rights registered by such third party. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties, as well as compel us to change our logo, marketing strategies or brand names of our products and services, which could adversely affect our business, prospects, results of operation and financial condition.

25) Our Company may not be able to enforce its rights pertaining to certain parcels of the Land Bank that it owns or with respect to which it has entered into a development agreement with third parties which could have an adverse effect on our business.

Some of the agreements pertaining to our Company's Land Bank have not been duly stamped as required under the applicable stamping regulation and have not been registered with the local land registry office. Under Indian law, a document inadequately stamped or an unregistered title to property is inadmissible as evidence in legal proceedings. This could result in our Company incurring penalties from government authorities or limit our ability to enforce our rights over these properties which could adversely affect our business, results of operations and financial conditions.

26) We are currently undertaking a few projects in cooperation with joint venture partners which exposes us to risks inherent in a joint venture.

We undertake certain projects independently, and others in cooperation with other parties. Where we collaborate as joint venture partner with other parties, the success of our business collaboration depends significantly on the satisfactory performance by our joint venture partners of their contractual and other obligations.

As we do not control our joint venture partners, we face the risk that they may not perform their obligations in time or at all. If a joint venture partner fails to perform its obligations satisfactorily, the joint venture may be unable to perform adequately or successfully complete the intended project on the intended timetable, at the intended cost, or at all. If the interests of our joint venture partners conflict with our interests, our business may be adversely affected. Arrangements governing our joint venture may permit us only partial control over the operations of the joint venture under certain circumstances.

In such circumstance, we may become liable for its obligations, which could result in material adverse effect on our business, reputation, financial condition and results of operations. As we rely on such joint venture and depend on such parties, we cannot assure you of their participation. Further, with respect to parties with whom we have entered into or may in future enter into joint venture, we cannot assure you that they will not face financial or legal difficulties, which could mean that we would bear increased or possibly sole responsibility for the relevant projects.

27) We undertake some of our projects through joint development agreements which entail certain risks inherent to such arrangements.

We have entered into joint development agreements with various parties in relation to some of our projects. As a part of some of these joint development agreements with third parties, we are required to provide the owners of the land with a deposit, which is expected to be returned upon the completion of the property development or credited against payments made to the owners of land. Under some of these joint development agreements, in the event of any delay in the completion of the property within the time frame specified, we are required to indemnify such parties with whom we have joint development agreements. 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. In addition, if for any reason the joint development agreement is terminated or the property development is delayed or cancelled, we may not be able to recover such deposits. Additionally, if there is a delay in the said development of the project, we may also lose the underlying interest in the land parcel and any investment incurred by us on the land parcel. This could have an adverse effect on our business prospects, financial condition or results of operations.

Our Company, through one of its subsidiaries, has entered into a joint development agreement with our Promoters, wherein, we have agreed to share the constructed area in the concerned project. This joint development agreement places certain contractual and other obligation upon our subsidiary with respect to the construction and development of the concerned project. Further, the said agreement envisages that promoters shall defray the cost of construction of their agreed proportion at a fixed consolidated rate which shall not be liable to any escalation irrespective of the actual rate of construction. Therefore, increase in costs could affect our Subsidiary to an extent disproportional to its shareholding. Any non-performance of any of the obligations by our subsidiary may delay the successful completion of our project which could have a material adverse effect on our business, reputation, financial condition and results of operations.

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

Our principal raw materials include steel, bricks 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. If, for any reason, our 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 depends on factors not under our control, including general economic conditions, competition, production levels, transportation costs and import duties and any adverse development could impact the supply and/or the price of such raw materials.

29) We depend on various contractors and 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 contractors and sub-contractors. Although we believe that our relationships with third party sub-contractors are cordial, we cannot assure you that skilled contractors and sub-contractors will continue to be available and willing to work with us or offer services at reasonable rates. Also, we cannot assure that there will not be any material delays or drop in quality in the work awarded by the sub-contractors, which may adversely affect our reputation, and business.

30) Our Auditors have qualified their audit report and/ or have provided an emphasis of matter on our consolidated financial statements for the last five years

The audited financial statements of our Company for the last five financial years, i.e. FY 2009 till FY 2014 had certain qualifications. While we believe that we have already addressed a large part of these qualifications and/ or emphasis of matter, our Company is in the process of addressing any outstanding qualifications and/ or emphasis of matter. For further information, see section "***Selected Financial Information***" and "***Financial Statements***" beginning on pages 37 and 212 respectively.

31) Our consolidated unaudited financial results and related financial disclosure in this Placement Document as at and for the six months period ended September 30, 2014 are unaudited and are not comparable with prior periods and reliance on such financial results should, accordingly, be limited.

This Placement Document includes Unaudited Consolidated Reviewed Financial Results for the six months period ended September 30, 2014 in relation to our Company along with its Subsidiaries (the "Unaudited Consolidated Reviewed Financial Results"), which have been prepared by our 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 Consolidated Reviewed Financial Results prepared by our Company in accordance with Clause 41 of Listing Agreement have been subject only to a limited review and not to an audit, any reliance by prospective investors of such consolidated Unaudited Consolidated Reviewed Financial Results should accordingly be limited.

32) We appoint contract labour at 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.

Our Company appoints independent contractors who in turn engage on-site contract labour for the performance of certain operations at our project sites. Although our Company does not engage these labourers directly, it may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. This in turn may have an adverse impact on our results of operations and financial condition.

Any violation of the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, by the Company, including non-compliance 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 offence. While we believe that we are in compliance with the requirements under requisite labour laws, we cannot assure you that there will be no action initiated against our Company or our officers, Promoters, etc. for non-compliance with various laws for any past periods or in future. We may be liable for or exposed to sanctions, penalties or losses arising from such deemed non-compliance which may have an adverse impact on our financial condition and our results of operations.

33) We face labour risks, including potential increases in labour costs.

We operate in a labour-intensive industry and our contractors hire contractual labour as a part of our business. In the event of a labour dispute, if our contractors are unable to successfully negotiate with the workmen or sub-contractors, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. It may also be difficult to procure the required skilled workers for existing or future projects. Though we undertake requisite measures to mitigate such risks, any such event could disrupt our operations, result in increased wages and other costs and otherwise have a material adverse effect on our business, results of operations or financial condition. In addition, we may be liable for or exposed to litigations, sanctions, penalties or losses arising from accidents or damages caused by our workers or contractors.

34) Our operations and the work force on our development sites are exposed to various hazards.

There are certain unanticipated or unforeseen risks that may arise in the course of project development due to adverse weather and geological conditions such as storms, hurricanes, lightnings, floods, landslides, rockslides and earthquakes. Additionally, our operations are subject to hazards inherent in conducting our business and services, such as risk of equipment failure, impact from falling objects, collision, work related 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. 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 such incidents will not occur in the future.

35) Delays in the completion of our Ongoing Projects and Upcoming Projects or inability to comply 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, equipment, technical skills and labour, 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. Our Company and its subsidiaries and partnership 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 penalties imposed on us 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, there is a long lag between the time we acquire land and/or development rights and the time when 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 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 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.

36) The plan layout of our projects is subject to change at any given point of time which might lead to customer dissatisfaction and hence result in potential litigation.

Owing to changing regulatory, demand and economic scenario in most of our projects we retain the option to change the plan layout of our projects. There is a possibility that we might promise a particular layout to a customer at the time of booking of the flat and as result of change of plan layout, the apartment delivered to customer is in a different layout. This might lead to customer dissatisfaction and consequently result in litigation which may impact our reputation, business and results of operation.

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

We expect to finance our growth through a combination of internal accruals, equity issuances, including through the Net Proceeds of this Issue, as well as through debt financing. We may not be successful in obtaining additional funds in a timely manner, on terms acceptable to us 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 growth plans or reduce capital expenditures and the size of our operations.

38) Our loan agreements have certain restrictive covenants. Such restrictive covenants may restrict our ability to undertake certain corporate actions or otherwise.

We have entered into certain financing arrangements with a few banks and financial institutions that contain provisions which restrict our ability to do, among other things, the following: (i) pay any consideration, whether by way of commission, brokerage, fees or in any other form to the guarantors for giving their personal guarantee; (ii) create or allow to exist any encumbrance or security over assets specifically charged; (iii) undertake or permit any reorganization, amalgamation, reconstruction, takeover, or any other scheme of compromise or arrangement, or amend any provisions of our major constitutive documents in such manner that will adversely affect the rights of our lenders. We must obtain the consent or send an intimation of these proposals to our lenders prior to undertaking the abovementioned actions. There can be no assurance that we will obtain relevant consents, on time or at all, and this may restrict/ delay some of the actions / initiatives necessary to operate and grow our business and also impact us financially. While we believe that we are in compliance with all of our loan agreements, our lenders retain right to initiate action against us for breach of covenants, which may lead to accelerating our obligations under our debt facilities and adversely impacting our liquidity position, reputation and our ability to discharge our liabilities in time.

39) Our Company has given corporate guarantees and our Promoters have given personal guarantees in relation to certain debt facilities in favour of one of our subsidiaries and may in future provide similar guarantees in relation to our other subsidiaries, partnerships or joint venture to lenders or other third parties, which if claimed on, may require the Company and/or the promoters to pay the guaranteed amounts.

As of December 31, 2014, our Company has given a corporate guarantee in relation to debt facility of ₹2,200 Lacs availed by our subsidiary, Poddar Habitat Private Limited of which an amount equivalent to ₹566.67 Lacs is outstanding. In addition our Company may be required to give similar corporate guarantees for our subsidiaries, partnerships or joint venture. If these subsidiaries, partnerships or joint venture 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, partnerships or joint venture may be required to substitute such guarantees, failing which our creditors may revoke the debt facilities, in part or full.

Our Promoters have also given personal guarantee in relation to debt facility of ₹2,200 Lacs availed by our subsidiary, Poddar Habitat Private Limited of which an amount equivalent to ₹566.67 Lacs is outstanding. In the event that this guarantee is revoked, the lenders for the aforesaid facility 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 the aforesaid facility or seek additional sources of capital, which could affect our financial condition and cash flows.

40) Our Company has experienced negative operating cash flows in the past.

The following table sets forth the profit/loss after tax from our consolidated statement of profit or loss as well as selected items from our consolidated cash flow statement for the preceding three FYs:

Particulars (In `Lacs)	FY 2014	FY 2013	FY 2012
Cash flow from operating activities	306.72	(2,333.28)	(47.59)
Net Cash from /(used in) investing activities	(256.35)	1,032.30	170.78
Net Cash from /(used in) financing activities	(1,454.78)	1,808.36	1,192.47

There can be no assurance that the business of our Company will be in line with those estimated or historically achieved or that we will not continue to incur losses in the future. Any negative cash flows in the future could adversely affect our Company's results of operation and financial condition. For further information, see section "***Financial Statements***" beginning on page 212.

41) Some of our subsidiaries have incurred losses in the past and it may not be possible to predict when and if they would return to profitability. One of our subsidiaries also has a negative net worth.

For FY 2014, our subsidiaries namely Poddar Natural Resources & Ores Limited, Poddar Leisure Infrastructure Private Limited, Poddar Infrastructure Private Limited and Poddar Housing (FZC) were incurring losses. Additionally as at March 31, 2014, one of our subsidiaries, Poddar Infrastructure Private Limited has a negative net worth. Though these losses are not significant, and may have arisen because of limited business activity undertaken by these subsidiaries, we cannot assure that in future the business of these subsidiaries will revive or will be in line with our estimates or that there will not be any material adverse change in their financial condition or results of operations. Any breach or contravention by these companies of financial covenants or licences or any applicable laws may adversely affect our results of operations and financial condition.

There can be no assurance that the entities that have incurred significant losses in FY 2014 or historically will not continue to incur significant losses in the future. For further information, see section "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 79.

42) 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 of our Company 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. 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. For further information, see section "***Dividend Policy***" beginning on page 78.

43) Our contingent liabilities could adversely affect our financial condition.

As of September 30, 2014, our contingent liabilities aggregated to ₹432.76 Lacs. We cannot assure you that any or all of these contingent liabilities will not materialize. In the event any or all of these contingent liabilities materializes, it may have an adverse effect on our financial condition and results of operations. For further information, see section "***Financial Statements***" beginning on page 212. Post September 30, 2014, a part of our contingent liabilities are under reassessment and may increase or decrease depending upon the aforesaid reassessment. For further details, see section *"**Legal Proceedings**"* beginning on page 203.

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

As of December 31, 2014, our Promoters and Promoter Group own 74.03% of the outstanding Equity Shares of our Company. Consequently the Promoters and Promoter Group are likely to have the ability to exercise significant control over most matters requiring approval by shareholders, 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 favour.

45) We are highly dependent on our senior management to manage our current operations and meet future business challenges.

Our future success is highly dependent on expertise, experience and services of Company's current Managing Director and other members of the senior management to maintain strategic direction, manage current operations and risk profile and meet future business challenges, including the planned expansion and the addition of new projects. Loss of, or inability to attract or retain, such persons could adversely affect our business and results of operations. Our Company does not maintain any director's and officer's insurance policy or any key man insurance policy. If one or more of these key personnel are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly or at all, and we may not be able to further augment our management team appropriately and this could have a materially adverse effect on our business, results of operations and financial condition.

46) Our Company's registered office and some of the other premises from which we operate or are used by us for the purposes of our operations are taken on a leave and license basis. Any termination of the relevant leave and license agreements in connection with such premises or our failure to renew the same could adversely affect our operations.

Our Company's registered office and some of the other premises from which we operate or are used by us for the purposes of our operations are taken on a leave and license basis. In the event that we are required to vacate these premises and relocate our Company's registered office/ branch office, we will be required to expend time and financial resources to locate suitable premises to set up these units, which may adversely affect our financial condition. Also, we may be unable to relocate to an appropriate location in a timely manner, or at all. Additionally, if the owner of such premises renews such agreements on terms and conditions that are unfavourable to our Company or terminates the agreements prior to its tenure, our business and results of operations may be adversely affected. In addition, any adverse impact on the title and ownership rights of the owners from whose premises we operate or any breach of the contractual terms of such leave and license agreements may adversely impact us.

47) 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 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.

Risks Relating to India

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

Our results of operations and financial condition are dependent on, conditions in the Indian economy. 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. The real GDP growth rate of India marginally improved in FY 2014 to 4.7% from 4.5% in FY 2013. (*Source: Economic Survey 2013-14, Ministry of Finance, Government of India*) The inflation rate in India remained at approximately 9% for both FY 2011 and FY 2012 and increased to approximately 10.9% for FY 2013. (*Source: World Bank*) We tend to experience inflation driven increases in certain of our costs that are linked to general price levels in India. However, we may not be able to increase the prices that we charge for our units sufficiently to preserve operating margins. Accordingly, high rates of inflation in India could increase our costs and decrease our operating margins, which could have an adverse effect on our business and results of operations.

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 350 basis points from 5.00% to 8.50% during that period. (*Source: RBI*) From April 2012 to May 2013, repo rates decreased from 8.50% to 7.75%, and have since again increased to 8.00% in January 2014, after which it remained stable at 8.00% till December 2014. With inflation pressures ebbing, RBI has again cut rates by 25 basis points to 7.75% on January 15, 2015, signalling a shift in monetary policy stance. (*Source: Reserve Bank of India*) The CRR of scheduled commercial banks was reduced by 75 basis points, from 4.75% to 4.00% of their net demand and time liabilities, during the period from March 2012 to February 2013, and has since remained constant as on January 15, 2015. (*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. Unavailability of credit to such customers, affects the affordability of, and hence the market demand for, our real estate projects. Further, adverse development in 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.

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.

49) 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 below investment 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 to us and to our customers This could have an adverse effect on our project expenditure plans, business and financial performance.

50) 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 25%. Subsequently, the S&P SENSEX increased by approximately 26%, representing approximately 4,000 points and by approximately 9%, representing more than 1,700 points in the calendar year 2012 and 2013 respectively and further increased by approximately 30%, representing more than 6,300 points in the calendar year 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.

51) Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate.

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 (the "Land Acquisition Act") has the right to compulsorily acquire any land if such acquisition is for a "public purpose", after 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.

52) Introduction of new laws and changes in existing laws may impact our ability to comply with such modified or new laws and increase its compliance cost.

The Company's efforts to comply with evolving laws and regulations in this regard may result in increased general and administrative expenses and cause a diversion of management resources and time. In the event, we fail to comply with new or changed laws, regulations or standards, penalties and/or other restrictions may be imposed on us as per applicable law.

53) 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 Indian stock exchanges compared with information that would be available if that company were listed on a securities market in certain other countries.

54) 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 real estate sector, foreign investment and other matters affecting investment in our securities could change as well. A new central government was elected in May 2014 and state government was elected in October 2014. The newly elected governments 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.

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

Circular 1 of 2014 and the Press Note 10 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. They permit foreign direct investment of up to 100% without prior approval subject to the project fulfilling certain specified conditions. The circular and the press note, however, are subject to differing interpretations. For example, foreign direct investment is subject to the condition that the investee company will be required to bring a minimum FDI of USD 5 million within six months of commencement of the project. However, there is some ambiguity on what is meant by "minimum capitalisation". In addition, although the circular and the press note 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 prior approval of RBI will be required. Foreign direct investment in construction, township, housing and built-up infrastructure may be permitted to be repatriated by the government before completion of the project, on a case by case basis. 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 approval required from the RBI or any other Government agency can be obtained on any particular terms or at all.

56) 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 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 potential decrease in the sale of, or market rates for, our projects, delays in the launch 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.

57) 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. 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.

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

Certain events that are beyond our control, such as terrorist attacks and other acts of violence or war, including those involving India, the United Kingdom, the United States or other countries, may adversely affect financial markets worldwide and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighboring countries, including India, Pakistan and China.

India witnessed a major terrorist attack in Mumbai on 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 business of 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 our business. As a result, our business, results of operations, financial condition and trading price of the Equity Shares may be adversely affected.

59) 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 further information, see section "***Certain Conventions, Currency of Presentation and Financial Data***" beginning on page 12. 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. Further, on January 2, 2015, the Ministry of Corporate Affairs, GoI has released a revised press note for companies for the purpose of implementation of Indian Accounting Standards (Ind AS) converged with the IFRS. As per the aforesaid revised roadmap, companies whose shares are listed on any stock exchange and have a net worth less than 500 crores, applicability of Ind AS shall be mandatory from accounting periods beginning on or after April 1, 2017 with comparatives for the periods ending March 31, 2017 or thereafter. We cannot assure you that we will be able to meet the aforesaid timelines or adopt the revised roadmap or transition into Ind AS. Our inability to do so can expose us to sanctions, penalties and regulatory actions consequently affecting our business, financial condition and results of operation. Further, transition to the Ind AS may lead to such financial statements not being comparable with our past financial records. Additionally, our results of operation may be adversely impacted by such transition.

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

Our articles of association, policies approved by shareholders and/or our board of directors and Indian laws 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.

61) Investors may not be able to enforce a judgment of a foreign court against us.

We are a 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.

62) 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.

63) 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 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 FY, at least 2% of our average net profits during the three immediately preceding FYs 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 listing agreement which was 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 agreement. 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 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.

64) 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 conditions and cash flows.

Risks Associated with the Equity Shares

65) The price of the Equity Shares may be highly volatile after the Issue.

The price of the Equity Shares on the Indian stock exchange 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.

66) 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.

67) Fluctuation in the exchange rate between the Rupee and foreign currencies 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. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into foreign currencies 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 major foreign currencies including USD, Euro and Yen 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.

68) 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.

69) 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***” beginning on page 174, 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 except Promoters and members of promoter group which are locked-up as detailed in section “***Placement***” beginning on page 174.

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 or the price at which the Equity Shares are being issued in this offering.

70) There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the BSE in a timely manner or at all and any trading closures at the BSE may adversely affect the trading price of our 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. 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 has in the past experienced problems, including temporary closures, broker defaults, settlement 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. A closure of, or trading stoppage on the BSE could adversely affect the trading price of the Equity Shares.

71) 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.

Our Company is 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 exchange is 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.

72) An investor will not be able to sell any of the Equity Shares other than on the floor of any recognised stock exchange in India on which the shares of the Company are listed 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 pursuant to this Issue may only sell their Equity Shares on the floor of any recognised stock exchange in India on which the shares of the Company are listed 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.

73) 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 any further shares in the listed company during any FY; 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 potential 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.

74) 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, for details see section "***Taxation***" beginning on page 192.

MARKET PRICE INFORMATION

Our Equity Shares are listed and traded on the BSE. The stock market data presented below is given for the BSE. As on the date of this Placement Document, our Company has 5,204,500 Equity Shares of face value ₹10 each issued, subscribed and paid up.

(i) The following tables set forth the reported high, low, the number of Equity Shares traded and the total trading volume on the dates on which such high and low prices were recorded and the average closing prices of the Equity Shares, on the BSE during the FY ended March 31, 2014, March 31, 2013 and March 31, 2012.

FY	High (₹)	Date of high	No. of Equity Shares traded on date of high	Volume on date of high (₹)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Volume on date of low (₹)	Average price for the FY (₹)
2014	130.10	25/02/2014	2,130	272,077	80.00	24/01/2014	50	4,000	106.70
2013	128.50	10/04/2012	2,000	255,967	74.90	14/02/2013	20	1,498	92.19
2012	120.00	26/03/2012	100,010	12,001,140	80.00	22/12/2011	25	2,000	104.49

Source: www.bseindia.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, the number of Equity Shares traded and the total trading volume on the dates on which such high and low prices were recorded and the average closing prices of the Equity Shares on the BSE during the last six months:

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Month, Year	High (₹)	Date of high	No. of Equity Shares traded on date of high	Volume on date of high (₹)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Volume on date of low (₹)	Average price for the Month (₹)
July'14	179.30	09/07/2014	1,200	192,612	156.45	11/07/2014	519	83,002	164.12
August'14	194.95	19/08/2014	369	70,435	160.10	11/08/2014	90	14,409	181.20
September'14	405.00	29/09/2014	4,106	1,652,737	180.00	03/09/2014	1,321	237,781	318.15
October'14	851.15	27/10/2014	10,254	8,632,985	418.00	01/10/2014	926	380,499	672.13
November'14	917.05	28/11/2014	11,163	10,095,203	747.85	03/11/2014	1,818	1,336,178	847.19
December'14	1,161.20	11/12/2014	10,946	12,658,318	962.90	01/12/2014	6,211	5,955,903	1,068.98

Source: www.bseindia.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 sets forth the market price on the Stock Exchange on December 8, 2014 the first working day following the approval of the Board of Directors for the Issue:

Date	BSE					
December 8 , 2014	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ in Lacs)
Price of the Equity Shares (₹)	1,022.40	1,080.80	1,010.05	1,080.80	6,997	7,428,639

Source: www.bseindia.com

USE OF PROCEEDS

The gross proceeds from the Issue will be approximately ₹12,499.96 Lacs. The net proceeds from the Issue after deducting fees, commissions and expenses of the Issue will be approximately ₹12,200.00 Lacs ("**Net Proceeds**").

Subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds for meeting business requirements including, acquisition of land for development, expanding our project portfolio and for general corporate purposes.

Subject to supervision of the Audit Committee and the Board and as permissible under applicable laws and government policies, the management of our Company will have flexibility in deploying the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes as described above, our Company intends to temporarily invest the funds in creditworthy instruments, including money market mutual funds and deposits with banks and corporates. Such investments would be in accordance with the investment policies as approved by the Board from time to time and all applicable laws and regulations.

Neither our Promoters nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the objects of the Issue.

CAPITALIZATION AND INDEBTEDNESS

The following table sets forth our consolidated capitalisation and total debt, as of September 30, 2014, and as adjusted to give effect to the Issue. This table should be read with the sections *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"*on page 79 and other financial information contained in the section "***Financial Statements***" on page 212.

(₹ In Lacs)

Particulars	As of September 30, 2014	
	Unadjusted	**As adjusted for the Issue**
Indebtedness (as per limited review for six months ended September 30, 2014)		
Long term Borrowings	**1,358.68**	**1,358.68**
-Secured borrowings	1,046.68	1,046.68
-Unsecured borrowings	312.00	312.00
Short Term Borrowing	**0.00**	**0.00**
-Secured borrowings	0.00	0.00
-Unsecured borrowings	0.00	0.00
Current Maturities of Long term Borrowings	**431.80**	**431.80**
Total Indebtedness (A)	**1,790.48**	**1,790.48**
Shareholders' Funds		
Equity Share Capital	520.45	631.54
Reserves and Surplus[1]	7,575.20	19,964.07
Total Shareholders' Funds (B)	**8,095.65**	**20,595.61**
Total Capitalization (A) + (B)	**9,886.13**	**22,386.09**

Note: [1] Reserves and Surplus is calculated on the basis of gross proceeds from the issue

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Primary Placement Document is set forth below:

No.	Particulars	Amount (in ₹) Aggregate nominal value
A.	**Authorised Share Capital**	
	7,000,000 Equity Shares of ₹10 each	70,000,000
B.	**Issued, Subscribed and Paid-up Capital before the Issue**	
	5,204,500 Equity Shares of ₹10 each	52,045,000
C.	**Present Issue in Terms of this Placement Document**	
	1,110,900 Equity Shares aggregating to 12,499.96 Lacs(1)	1,249,995,789
D.	**Subscribed and Paid-Up Share Capital after the Issue**	
	6,315,400 Equity Shares of ₹10 each	63,154,000
E.	**Securities Premium Account**	
	Before the Issue	0.00
	After the Issue (2)	1,238,886,789

Note:

1. *The Issue has been authorised by the Board of Directors on December 5, 2014 and by the shareholders through postal ballot dated January 10, 2015.*

2. *The Securities Premium Account is calculated on the basis of gross proceeds from the Issue.*

History of Equity Share Capital of our Company

On incorporation, the authorised share capital of the Company was ₹2,500,000 divided into 250,000 shares of ₹10 each. The subscribers to the Memorandum of Association of the Company had subscribed to 70 shares of ₹10 each.

History of the Equity Share capital of our Company since incorporation is provided in the following table:

Date of Allotment	No. of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Form of consideration	Cumulative number of Equity Shares	Cumulative Paid - up Capital (₹)
June 28, 1982	70	10	10	Cash	70	700
October 15, 1982	150,000	10	10	Cash	150,070	1,500,700
October 21, 1982	89,930	10	10	Cash	240,000	2,400,000
August 18, 1992*	3,240,000	10	Nil	Bonus Issue 13.5:1	3,480,000	34,800,000
April 1, 1994	1,724,500	10	Nil	Amalgamation of Citus (India) Limited	5,204,500	52,045,000

**Record date for bonus issue*

DIVIDEND POLICY

The declaration and payment of dividends will depend on a number of factors, including but not limited, to our profits, capital requirements and overall financial condition. Under the Companies Act, unless the board of directors of a company recommends payment of dividend, the shareholders at a general meeting have no power to declare any dividend. The shareholders at a general meeting may declare a lower, but not higher, dividend than that recommended by our Board of Directors.

The following table details the dividend paid by our Company on the Equity Shares for FY 2014, 2013 and 2012:

Particulars	FY 2014	FY 2013	FY 2012
Face Value of Equity Shares (₹ per share)	10	10	10
Final Dividend on Equity Shares (₹ per share)	1.50	1.50	1.50
Total Dividend on Equity Shares (₹ in Lacs)	78.06	78.06	78.06
Dividend Distribution Tax (₹ in Lacs)	11.48	12.66	12.66
Dividend Payout Ratio (%)*	9.46	8.64	81.08

***** *Dividend per share divided by earning per share*

Note: The numbers above are based on the standalone financial statements for FY 2012, 2013 and 2014

Future Dividends

Our Company has no formal policy relating to payment of dividends. Amounts paid as dividends in the past are not reflective of any future dividends, which are subject to the recommendation of the Board based on various factors and the approval of our Company‘s shareholders. Investors are cautioned not to rely on past dividends as an indication of our Company‘s future performance or for an investment in the Equity Shares. The form, frequency and amount of future dividends will depend on our revenues, cash flows, financial condition (including capital position) and other factors and shall be at the discretion of our Board and subject to the approval of our shareholders.

When dividends are declared, all the shareholders whose names appear in the share register as on the record date or book closure date are entitled to be paid dividend declared by our Company. Any shareholder who ceases to be a shareholder prior to the record date, or who becomes a shareholder after the record date, will not be entitled to the dividend declared by our Company.

For a summary of certain Indian tax consequences of dividend distributions to shareholders, see section "***Taxation***" beginning on page 192.

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

The following discussion should be read in conjunction with our unaudited consolidated reviewed financial statements as of and for the six months ended September 2014 and audited consolidated financial statements as of and for the financial years ended March 31, 2014, 2013 and 2012 including annexures, schedules and notes thereto and the report thereon, which appear elsewhere in this Placement Document and which have been prepared in compliance with all material aspects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act,1956, read with General Circular No.15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. Indian GAAP differs in certain material respects from U.S. GAAP and Ind AS/IFRS.

For the purpose of this section, unless the context requires otherwise, references to "FY 2014", "FY 2013" and "FY 2012" are to the FY ended March 31 of the relevant year, and references to "year" are to the FY 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**" and "**Risk Factors**" beginning on pages 14 and 51 respectively 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 6 years of experience in development of real estate focusing on affordable housing and value housing segments and are one of the leading companies in these categories in and around Mumbai. As of January 10, 2015, we have completed projects with a Saleable Area of approximately 1.05 million Sq.ft., comprising of a total of 2,428 units, across 151 buildings, including 2,314 residential units and 114 retail shops. As part of the integrated residential complexes and for the convenience of our customers we have also developed retail shops in some of our projects. As of January 10, 2015, we own or have entered into joint-development agreements or joint venture agreement for 8.40 million Sq. ft. of Saleable Area in ongoing and upcoming projects in which we have beneficial interest over 7.14 million Sq.ft.

We are experienced in various aspects of the real estate development business, including land identification and acquisition, design, development, project management, marketing, sales and facilitating housing finance for our customers in relation to our real estate projects.

Since we undertook our first real estate development project in 2008, we believe that we have established a strong brand, have demonstrated a successful track record of execution and an impressive portfolio of real estate projects. In the period from 2008 to January 10, 2015 we have completed 3 residential projects with a Saleable Area of 1.05 million Sq. ft. across following projects:

- Samruddhi Complex, Bhivpuri
- Poddar Evergreens– Phase I, Badlapur
- Poddar Evergreens– Phase II, Badlapur

As of January 10, 2015, we have 4 Ongoing Projects which comprises 116 residential buildings with a total Saleable Area of 1.18 million Sq. ft. and our beneficial interest of 1.09 million Sq.ft. This includes:

- Poddar Evergreens– Phase III, Badlapur
- Poddar Evergreens– Phase IV, Badlapur
- Poddar Navjeevan – Phase I, Atgaon
- Poddar Aspire, Tisgaon (Kalyan)

As of January 10, 2015 we have 7 Upcoming Projects, which will be developed through a combination of land owned by us, land parcels where we have beneficial interest, joint development agreements and joint ventures with various third parties. For these projects, we have either already acquired the land or entered into joint development agreement or joint venture agreement, as applicable. Our upcoming projects also include projects which are under Redevelopment or under SRA scheme. We have Land Bank/ Upcoming Projects of approximately 71.15 acres, converting into a Saleable Area of 7.22 million Sq. ft. We expect that our share of Saleable Area from Land Bank should be 6.06 million Sq.ft. Our Land Bank includes land at:

- Bhivpuri
- Mohili, Kalyan
- Atgaon
- Badlapur
- Vasai
- Goregaon
- Vidyavihar

We typically develop our projects (1) through acquiring land ourselves and retaining the sole development rights in respect of any project; (2) through joint development agreements with land-owners, in terms of which we acquire the development rights to the underlying land; or (3) through joint venture with third parties. As of January 10, 2015, 4.56 million Sq.ft. or 54.3%, of our Ongoing Projects and Upcoming Projects are being developed through joint development agreements and joint venture.

We alongwith M/s Viva Holdings and Viva Vikas Realtors Private Limited have entered into a Memorandum of Understanding to create a joint venture limited liability company named 'Viva Poddar Housing Private Limited' formerly known as Poddar Viva Housing Private Limited. Our Upcoming Project in Vasai will be developed by Viva Poddar Housing Private Limited.

We strive to ensure that our residential projects offer a combination of location, affordability, amenities and reflect what we believe are modern architectural styles, aesthetic features, designs and specifications. A few of our projects include amenities such as gymnasia and health clubs, open playgrounds with amenities like tennis courts, badminton courts, jogging tracks and nana-nani parks. We also propose to have schools and hospitals in some of our projects like Poddar Evergreens and Poddar Navjeevan.

Our real estate projects have achieved recognition in the country. Our Company was awarded the Most Promising Brand in the category of real estate awarded by World Consulting and Research Corporation (WCRC), Process Advisors & Evaluators- Ernst & Young for the year 2014.

Our Promoters have been associated with the real estate business in the past and they have developed multiple projects from time to time and have ownership or beneficial interest in multiple land parcels. Their most recent development in the residential space is Samruddhi Hill View in Bhivpuri completed in April 2014.

Historically, our real estate projects have been focused in the Mumbai Metropolitan Region and in and around 100 Kms of Mumbai and we intend to continue to focus on the same in the future. See "***Our Strategy – Continued focus on developing projects in and around Mumbai***" beginning on page 122.

Our total consolidated revenue for the six months ended September 30, 2014 and FY 2014 and 2013 was ₹7,340.69 Lacs, ₹6,816.27 Lacs and ₹2,695.08 Lacs respectively.

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 the time taken to get approvals to commence construction. 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), recommendatory in nature, 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 construction, infrastructure, administrative and marketing 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 opted for and applied the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) for all projects except the Bhivpuri project, to the extent of recognizing profitability on percentage completion basis by giving necessary effect to the valuation of inventory (work-in-progress) at the reporting date.

However, the revenue (sale) is recognized on project completion basis viz. on the basis of agreement to sale as well as on the transfer of all significant risks and rewards to the customer on handing over the possession of the property.

Determination of "reasonable level of development"

Pursuant to 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 profits 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 was considered to have occurred when the building-wise stage of construction, as determined by technical estimates, was substantially complete and the same method was continued consistently for those projects, which have been completed in financial year ended March 31, 2014.

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

In line with our revenue recognition policy, see "*Significant Accounting Policies - Revenue Recognition*", our revenue 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 labour 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. Accordingly, the faster we are able to construct and complete projects, the sooner we can recognize revenues from various projects.

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 properties by reference to market rates for similar types of properties in their locality. The sales prices of our properties therefore depend on the location, number, square footage and mix of properties we sell during each financial 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 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.

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 land parcels. 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, and cost of registration and stamp duty constitutes a significant part of our project costs. We generally acquire land from private parties through a negotiated process. 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.

In certain projects, we acquire the right to develop projects through joint development agreements and/or joint venture with land-owners, who typically either seek upfront payment for the land or seek pre-determined portion or area in the project as compensation towards their investments in land parcel. 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 section "***Business***" beginning on page 116. Accordingly, we seek to achieve growth through a combination of land ownership and joint development model to develop our projects with a minimal initial cash investment.

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 labour and raw material shortages and industrial action such as strikes and lockouts.

Availability of financing on favourable terms

The sale of residential properties accounts for a substantial majority of our income. One of the major factors affecting demand for our properties is the availability of financing at reasonable rates for our potential customers. As of December 31, 2014, a significant portion of buyers for our residential properties have availed financing from financial institutions. 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 350 basis points from 5.00% to 8.50% during that period. (*Source: RBI*) From April 2012 to May 2013, repo rates decreased from 8.50% to 7.25%, and have since again increased to 8.00% in January 2014, after which it remained stable at 8.00% till December 2014. With inflation pressures ebbing, RBI has again cut rates by 25 basis points to 7.75% on January 15, 2015, signalling a shift in monetary policy stance. (*Source: Reserve Bank of India*) The CRR of scheduled commercial banks was reduced by 75 basis points, from 4.75% to 4.00% of their net demand and time liabilities, during the period from March 2012 to February 2013, and has since remained constant as on January 15, 2015. (*Source: Reserve Bank of India)*

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 with limited reliance on borrowings from banks and financial institutions and proceeds from the issuances of equity shares. Availability of financing on favourable terms is important to our business. We believe that our credit record allows us to access debt financing at favourable rates of interest. Our average cost of borrowings for FY 2014, 2013 and 2012 was 12.80%, 10.86% and 13.06%.

General economic and real estate conditions in Western India

All of our current operations are located in Western India, and the economic condition of Western India, particularly Mumbai and its adjoining areas, has a significant impact on demand for housing and hence our revenues and results of operations.

We believe that the success of our projects depends on the general economic growth and demographic conditions in Mumbai and its adjoining areas. In addition, the condition of the real estate sector in Mumbai and adjoining areas, 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 and around Mumbai, where we focus most of our operations, include, among other things, high regional employment, the improvement and development of roads, public transportation and public infrastructure.

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 real GDP growth rate of India marginally improved in FY 2014 to 4.7% from 4.5% in FY 2013. (*Source: Economic Survey 2013-14, Ministry of Finance, Government of India*)

FY 2015 has seen the Indian economy rebound as it logged 5.3% growth in the second quarter of this fiscal, against 5.7% in the first quarter. (*Source: Monthly economic Bulletin, Ministry of External Affairs, Government of India, October 2014)*

The inflation rate in India remained at approximately 9% for both FY 2011 and FY 2012 and increased to approximately 10.9% for FY 2013 (*source: World Bank*). However, recently inflation as measured by CPI has decelerated sharply, as observed by RBI, in its fifth Bi-monthly Monetary Policy statement, given the softening of the international commodity prices, especially crude and reasonable stability in the foreign exchange market.

Headline inflation has been receding steadily in the current year and current readings are below the January 2015 target of 8 per cent as well as the January 2016 target of 6 per cent set by RBI. Over the next 12-month period, inflation is expected to retain some momentum and hover around 6 per cent, except for seasonal movements. *(Source: Fifth Bi-Monthly Monetary Policy Statement, 2014-15- RBI, December 10, 2014)*

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 350 basis points from 5.00% to 8.50% during that period. (*Source: RBI*) From April 2012 to May 2013, repo rates decreased from 8.50% to 7.25%, and have since again increased to 8.00% in January 2014, after which it remained stable at 8.00% till December 2014. With inflation pressures ebbing, RBI has again cut rates by 25 basis points to 7.75% on January 15, 2015, signalling a shift in monetary policy stance. (*Source: Reserve Bank of India*) The CRR of scheduled commercial banks was reduced by 75 basis points, from 4.75% to 4.00% of their net demand and time liabilities, during the period from March 2012 to February 2013, and has since remained constant as on January 15, 2015. (*Source: Reserve Bank of India)* Changes in interest rates have a significant impact on the real estate financing and the demand for residential real estate projects as 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 of commercial properties. Availability of credit to such customers, affects the affordability of, and hence the market demand for, our real estate projects.

Recognition of and Accounting for Subsidiaries on Consolidation

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 expenditure, after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profits and losses. The financial statements of subsidiaries used in preparation of consolidated financial statements are drawn up to the same reporting date as that of the Company.

The interest in joint venture has been consolidated by using the proportionate consolidation method by showing separate line items for the Company’s share of the assets, liabilities, income and expenses in the joint venture after eliminating intra group balances and intra group transactions and resulting unrealized profits and losses.

In case of foreign subsidiaries being non-integral foreign operations, revenue items have been consolidated at the average of the rates prevailing during the year. All assets and liabilities are translated at the rates prevailing at the balance sheet date. The exchange difference arising on the translation is debited or credited to foreign currency translation reserve. The same is in accordance with Accounting Standard – 11 on the effects of changes in foreign exchange rates. See *“Significant Accounting Policies - Basis of Consolidation*”.

SIGNIFICANT ACCOUNTING POLICIES
BASIS OF CONSOLIDATION

a) The Consolidated Financial Statements (CFS) relate to Poddar Developers Ltd, the Company, its subsidiary companies and its joint venture (collectively referred to as “the Group”). Details of the same are given below:-

Name of the Company	Country of Incorporation	Proportion of Ownership	Year Ending
Subsidiaries			

Poddar Housing FZC (earlier known as Wearology (FZC))	U.A.E.	90%	31.03.2014
Poddar Natural Resources & Ores Ltd	India	100%	31.03.2014
Poddar Habitat Pvt. Ltd.	India	100%	31.03.2014
Poddar Leisure Infrastructure Pvt. Ltd.	India	100%	31.03.2014
Poddar Infrastructure Pvt. Ltd.	India	100%	31.03.2014
Joint Venture			
Viva Poddar Housing Pvt. Ltd.*	India	50%	31.03.2014

**Unaudited and certified by the management*

b) 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 expenditure, after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profits and losses. The financial statements of subsidiaries used in preparation of consolidated financial statements are drawn up to the same reporting date as that of the Company.

c) The interest in joint venture has been consolidated by using the proportionate consolidation method by showing separate line items for the Company's share of the assets, liabilities, income and expenses in the joint venture after eliminating intra group balances and intra group transactions and resulting unrealized profits and losses. However, there is no income or expenses for the current year as the joint venture company is yet to commence its commercial activities.

d) The consolidated financial statements have been prepared in accordance with Accounting Standard – 21 on 'Consolidated Financial Statements', Accounting Standard – 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' and Accounting Standard – 27 on 'Financial Reporting of Interest in Joint Venture'.

e) In case of foreign subsidiaries being non-integral foreign operations, revenue items have been consolidated at the average of the rates prevailing during the year. All assets and liabilities are translated at the rates prevailing at the balance sheet date. The exchange difference arising on the translation is debited or credited to Foreign Currency Translation Reserve. The same is in accordance with Accounting Standard – 11 on the effects of changes in foreign exchange rates.

There has been no change in accounting policy of the Company since FY12

A. Method of Accounting and Basis of preparation of Financial Statements

a) The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of insurance claim and overdue interest from customers where the recovery thereof is uncertain.

b) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

c) The financial statements have been prepared in compliance with all material aspects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956, read with General Circular No.15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.

d) Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities at the date of the financial statements and the reported accounts of revenue and expenses for the year presented. Actual results could differ from these estimates.

C. Fixed Assets and Depreciation

a) **Fixed assets:**

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

b) **Depreciation:**

i) Consequent to enactment of Companies Act 2013, (the Act) and its applicability for accounting periods commencing from 1st April, 2014, the Company has reassessed the remaining useful life of fixed assets in accordance with the provisions prescribed under Schedule II to the Act. The effect of the same is adjusted in Depreciation for the quarter ended June 30, 2014.

ii) Depreciation on assets sold, discarded or scrapped, is provided upto the date on which the said asset is sold, discarded or scrapped.

iii) In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets.

D. Impairment

a) The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

b) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

E. Investments

Long-term Investments are valued at cost of acquisition (including cost of purchase, brokerage, and other related expenses incurred thereon). However, provision is made for any diminution in value, other than temporary, in which case the carrying value is reduced to recognize the decline and the same is being reversed when value of those investments is improved. Short-term investments are valued at lower of the cost or market price at the end of the year.

F. Exchange Fluctuations

Trade receivables and payables and loans & advances in the foreign currency which are outstanding as on the date of balance sheet are converted on the basis of rates prevailing at the year-end. Exchange differences arising on settlement of monetary items during the year are recognized as Forex gain or loss of that year. Investments in Foreign Subsidiaries and Partnership LLCs are converted on the basis of rates prevailing at the year-end. Exchange differences for the same are credited / debited to foreign currency translation reserve and effect to the Profit & Loss is given only when the investment is actually realized.

G. Inventories

Realty & Construction

i) Land and land development right in hand is valued at cost including incidental and development expenses.

ii) Construction materials are valued at cost.

iii) Work in progress is valued at cost consisting of land, land development, construction, infrastructure, administration, marketing and finance expenses, plus also the effect of profit / loss where the construction is reasonably complete, in respect of unit sold, as determined by the management with the help of technical experts in respect of projected cost of completion, percentage of completion and the projected revenue and as per Guidance Note issued by the ICAI in respect of 'Accounting for Real Estate Transactions (Revised 2012)'.

iv) a. Finished goods, which are unsold, are valued at cost, consisting of land and land development rights, construction, development, administration, marketing and finance expenses, or market value whichever is lower. For this purpose items of similar nature are compared in totality.

b. Finished goods which are sold but possession of which could not be given on account of technical reasons are valued at the agreement price.

H. Revenue Recognition

a) Revenue recognition in respect of property sale transaction is on the basis of agreement to sale as well as on the transfer of all significant risks and rewards of ownership to the buyers on handing over the possession of the property.

b) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable where the recovery thereof is reasonably certain. In other case, the same is accounted for as and when realized.

c) Dividend income is recognized when the shareholders' right to receive the payment is established.

I. Advances from customers

The amounts received from the customers against progressive demand note from time to time, are credited to Advances against sale of flats and the same are treated as Current Liabilities and adjusted against the sale value as per the terms of the Agreements at time of handing over the possession of the flats. Moreover, the amounts lying in the debit to account of certain customers, due to the difference in surrender value of the flat and rate at which it was originally booked, are being netted off from the aggregate credit of the customer's account and finally reduced from the sale value whenever revenue of such flats is recognized.

J. Joint Venture Development (in respect of one of the subsidiaries)

The subsidiary company has entered into an agreement with the land owners, including one of the directors of the said company, for construction and development of real estate project at Atgaon in five phases. As per the revised terms of joint development agreement, the Land owner shall be entitled to receive 3,608.59 Sq.mtr. in the first phase of constructed area earmarked in the agreement against the recovery of the construction cost of ₹1,001 per Sq.ft. (in terms of built-up area) in addition to the Land provided for construction.

K. Gratuity, Leave Encashment & Retirement Benefits

a) The Company has taken group insurance policy in respect of future Gratuity liability for all its employees and contributes annual premium on the basis of liability determined by LIC on actuarial basis.

b) The Company provides for unutilised privilege leave and leave travel allowance available to its employees on the assumption that all of its employees would retire at the end of the year.

L. Taxation

a) Income Tax

Provision for Income tax is made on the basis of the taxable income as per the provisions of Income Tax Act, 1961 and the relevant Finance Act. Tax payments are set-off against provisions.

b) Deferred Tax

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the basis of the tax rate and the tax laws enacted or subsequently enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

M. Earnings per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

N. Provisions and Contingent liabilities

Provisions are recognized when the company has a present obligation as a result of past events for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions 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 management estimates.

Contingent liabilities are disclosed when the company has a possible obligation and it is probable that a cash outflow will not be required to settle the obligation.

O. Other Accounting Policies

These are consistent with the generally accepted accounting policies.

RESULTS OF OPERATIONS

The key components of our income and expenditure are:

Revenue

Revenue from operations

Our revenue from operations accounted for 99.07% and 98.41% of our total revenue for the six months ended September 30, 2014 and for the six months ended September 30, 2013 respectively and 98.52%, 87.63% and 87.51% of our total revenue for FY 2014, 2013 and 2012, respectively.

Revenue from sale of real estate projects

The Company is dealing only in the real estate segment and especially in the affordable sector. We generate revenues from the sale of residential units and retail shops.

Other operating Revenues

Other operating revenues consist income from sources such as profit on transfer of development rights, interest received on overdue payments, surrender & forfeitures, contribution towards other amenities, brokerage received and service tax cenvat credit setoff.

Other income

Other income primarily consists of dividend received, interest income, profit on sales of investments, rent & miscellaneous income, sundry balance written back and return on investments.

Expenses

Cost of construction

Cost of construction consist of expenses relating to the cost of acquisition of land and land related cost, development & construction cost, administration cost, marketing cost, finance cost (to the extent it pertains to projects), advisory fees and service tax cenvat credit setoff incurred for our projects.

Increase/Decrease in stock

Increase/ decrease in stock includes opening and closing stock of completed units & work in progress related to projects.

Employee benefits expense

Employee benefits expense includes salaries, benefits such as provident fund payments, gratuity payments, Insurance premium for group health, welfare and other payments to our employees and excluding the expenses related to construction debited to cost of construction.

Finance costs

Finance costs include interest costs payable by us on loans for purchase of certain vehicles and financial costs such as bank charges and bank interest, excluding the finance costs that are related to construction and are debited to cost of construction.

Depreciation and amortization expense

i) Consequent to enactment of Companies Act 2013, (the Act) and its applicability for accounting periods commencing from 1st April, 2014, the Company has reassessed the remaining useful life of fixed assets in accordance with the provisions prescribed under Schedule II to the Act. The effect of the same is adjusted in Depreciation for the quarter ended June 30, 2014.

ii) Depreciation on assets sold, discarded or scrapped, is provided up to the date on which the said asset is sold, discarded or scrapped.

iii) In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets.

Other expenses

Other expenses primarily include administrative expenses such as rent, insurance, auditors remuneration, manager remuneration, board meeting fees, legal & professional & service charges, telephone & postage, repairs & maintenance, irrecoverable advances written off , loss on sale of fixed assets/discarded, donation, share of loss in partnership, provision for doubtful debts, loans & advances, rates & taxes, preliminary expenses written off, impairment of amounts due from various parties, fees & charges, communication cost, miscellaneous expenses and office & other expenses. Certain expenses have been apportioned to the respective project and debited to cost of construction.

Exceptional items

Exceptional items consist of income from compensation for non-fulfillment of contract and addition & reversal of diminution in value of investments**.**

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% 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 reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the basis of the tax rate and the tax laws enacted or subsequently enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

RESULTS OF OPERATIONS FOR SIX MONTHS ENDED SEPTEMBER 30, 2014 AND 2013

The following table sets forth certain items derived from our unaudited consolidated reviewed financial statements for six months ended September 30, 2014 expressed in absolute terms and as a percentage of total revenue from operations for the period indicated:

Particulars	**Six months ended September 30, 2014**		**Six months ended September 30, 2013**	
	₹ in Lacs	(%)[1]	₹ in Lacs	(%)[1]
Revenue from operations	7,340.69	99.07	3,464.07	98.41
Other income	69.11	0.93	55.89	1.59
Total Revenue (I)	7,409.80	100.00	3,519.96	100.00
Expenses **:**				
Cost of construction	3,511.79	47.39	3,109.51	88.34
Purchase for Resale	0.00	0.00	0.00	0.00
(Increase)/Decrease in stock	1,373.89	18.54	(624.55)	(17.74)
Employee benefit expenses	171.49	2.31	137.40	3.90
Finance costs	2.75	0.04	2.50	0.07
Depreciation and Amortisation expenses	52.43	0.71	30.18	0.86
Other expenses	208.14	2.81	123.81	3.52
Total expenses (II)	**5,320.49**	**71.80**	**2,778.85**	**78.95**
Profit before exceptional and extraordinary items and tax (III =I-II)	2,089.31	28.20	741.11	21.05
Exceptional items (IV)	23.50	0.32	(4.06)	(0.12)
Profit before tax (V = III – IV)	2,112.81	28.51	737.05	20.94
Tax expenses:				
- Current tax	(720.00)	(9.72)	(280.00)	(7.95)
- Deferred tax	12.19	0.16	9.13	0.26
Net tax expense (VI)	**(707.81)**	**(9.55)**	**(270.87)**	**(7.70)**
Minority Interest (VII)	1.38	0.02	0.73	0.02
Profit / (Loss) for the year (VIII = V + VI + VII)	**1,406.38**	**18.98**	**466.91**	**13.26**

(1) Percentage to total income for respective years / period.

Six months ended September 30, 2014 compared to September 30, 2013

Our results of operations for six months ended September 30, 2014 were particularly influenced by higher revenue recognition on sale of residential units in our projects at Poddar Evergreens, Badlapur Phase I & II and Samruddhi Complex, Bhivpuri.

Revenue

Our total revenue increased by ₹3,889.84 Lacs or 110.51% from ₹3,519.96 Lacs for the six months ended September 30, 2013 to ₹7,409.80 Lacs for the six months ended September 30, 2014.

Revenue from operations

Our revenue from operations increased by ₹3,876.62 Lacs or 111.91% from ₹3,464.07 Lacs for the six months ended September 30, 2013 to ₹7,340.69 Lacs for the six months ended September 30, 2014. This increase was primarily due to revenue recognition from various ongoing projects, such as Samruddhi Complex, Bhivpuri and Poddar Evergreens, Badlapur Phase I & II. This was further supported by increase in contribution towards other amenities which increased from ₹218.70 Lacs for the six months ended September 30, 2013 to ₹583.83 Lacs for the six months ended September 30, 2014.

Other income

Other income increased by ₹13.22 Lacs or 23.65%, from ₹55.89 Lacs for the six months ended September 30, 2013 to ₹69.11 Lacs for the six months ended September 30, 2014, primarily due to the increase in the dividend income from mutual funds. However, interest income has gone down in the six months ended September 30, 2014 due to the conversion of loans to Viva Poddar Housing Private Limited, a joint-venture of our Company into business investment on November 12, 2013.

Expenses

Total expenses increased by ₹2,541.64 Lacs or 91.46%, from ₹2,778.85 Lacs for the six months ended September 30, 2013 to ₹5,320.49 Lacs for the six months ended September 30, 2014.

Cost of Construction

Our cost of construction increased by ₹402.28 Lacs or 12.94%, from ₹3,109.51 Lacs for the six months ended September 30, 2013 to ₹3,511.79 Lacs for the six months ended September 30, 2014, due to various ongoing projects such as Poddar Evergreens, Badlapur Phase II & III and Poddar Navjeevan, Atgaon.

Employee benefits expense

Our employee benefits expense increased by ₹34.09 Lacs or 24.81%, from ₹137.4 Lacs for the six months ended September 30, 2013 to ₹171.49 Lacs for the six months ended September 30, 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 ₹0.25 Lacs or 10.00%, from ₹2.50 Lacs for the six months ended September 30, 2013 to ₹2.75 Lacs for the six months ended September 30, 2014 primarily due to decreased borrowings and bank interest towards vehicles. As per our accounting policy, finance cost related to projects is included as a part of the cost of construction.

Depreciation and amortization expense

Depreciation and amortization expense increased by ₹22.25 Lacs or 73.72%, from ₹30.18 Lacs for the six months ended September 30, 2013 to ₹52.43 Lacs for the six months ended September 30, 2014. This increase was primarily consequent to enactment of Companies Act 2013, and its applicability for the accounting periods commencing from April 1, 2014, the Company has reassessed the remaining useful life of fixed assets in accordance with the provisions prescribed under schedule II of the Companies Act 2013 and the impact of aforesaid restatement is reflected in depreciation for six months ended September 30, 2014. Moreover, there was also an addition to fixed assets of ₹28.60 Lacs.

Other expenses

Other expenses increased by ₹84.33 Lacs or 68.11%, from ₹123.81 Lacs for the six months ended September 30, 2013 to ₹208.14 Lacs for the six months ended September 30, 2014. This increase was primarily due to an increase in rent expenses and brokerage paid.

Exceptional items

Income from exceptional items increased by ₹27.56 Lacs from (₹4.06) Lacs for the six months ended September 30, 2013 to ₹23.50 Lacs for the six months ended September 30, 2014. This increase was on account of reversal of provisions for diminution in the value of investments in the earlier period as the market value of quoted investments improved.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹1,375.76 Lacs or 186.66%, from ₹737.05 Lacs for the six months ended September 30, 2013 to ₹2,112.81 Lacs for the six months ended September 30, 2014.

Tax expense

Our tax expense increased by ₹436.94 Lacs or 161.31%, from ₹270.87 Lacs for the six months ended September 30, 2013 to ₹707.81 Lacs for the six months ended September 30, 2014. Our current tax increased by ₹440.00 Lacs or 157.14%, from ₹280.00 Lacs for the six months ended September 30, 2013 to ₹720.00 Lacs for the six months ended September 30, 2014. This increase was due to increase in profit before tax.

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 ₹938.82 Lacs or 201.39%, from ₹466.18 Lacs for the six months ended September 30, 2013 to ₹1,405.00 Lacs for the six months ended September 30, 2014.

Share in (profit)/loss attributable to minority shareholders

Share of loss from subsidiary increased by ₹0.65 Lacs from loss of ₹0.73 Lacs for the six months ended September 30, 2013 to loss of ₹1.38 Lacs for the six months ended September 30, 2014.

Profit after tax and minority interest

As a result of the foregoing, profit for the year increased by ₹939.47 Lacs or 201.21%, from ₹466.91 Lacs for the six months ended September 30, 2013 to ₹1,406.38 Lacs for the six months ended September 30, 2014.

RESULTS OF OPERATIONS FOR TWELVE MONTHS ENDED MARCH 31, 2014, 2013 AND 2012

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

Particulars	**FY 2014**		**FY 2013**		**FY 2012**	
	₹ in Lacs	**(%)[1]**	**₹ in Lacs**	**(%)[1]**	**₹ in Lacs**	**(%)[1]**
Revenue from operations	6,816.27	98.52	2,695.08	87.63	1,644.43	87.51
Other income	102.65	1.48	380.46	12.37	234.79	12.49

Particulars	FY 2014		FY 2013		FY 2012	
Total Revenue (I)	**6,918.92**	**100.00**	**3,075.54**	**100.00**	**1,879.22**	**100.00**
Expenses **:**						
Cost of construction	6,794.64	98.20	6,324.41	205.64	4882.39	259.81
Purchase for Resale	0.00	0.00	0.00	0.00	38.71	2.06
(Increase)/Decrease in stock	(1,890.45)	(27.32)	(4,520.56)	(146.98)	(3545.52)	(188.67)
Employee benefit expenses	296.13	4.28	214.46	6.97	39.99	2.13
Finance costs	5.49	0.08	6.22	0.20	8.67	0.46
Depreciation and Amortisation expenses	57.55	0.83	89.71	2.92	75.43	4.01
Other expenses	396.52	5.73	378.81	12.32	150.42	8.00
Total expenses (II)	**5,659.88**	**81.80**	**2,493.05**	**81.07**	**1,650.09**	**87.81**
Profit before exceptional and extraordinary items and tax (III =I-II)	1,259.04	18.20	582.49	18.93	229.13	12.19
Exceptional items (IV)	5.83	0.08	539.60	17.54	(240.20)	(12.78)
Profit before tax (V = III – IV)	1,264.87	18.28	1,122.09	36.48	(11.07)	(0.59)
Tax expenses:						
- Current tax	(481.43)	(6.96)	(382.96)	(12.45)	(76.00)	(4.04)
- Deferred tax	3.17	0.05	12.55	0.41	4.09	0.22
Net tax expense (VI)	**(478.26)**	**(6.91)**	**(370.41)**	**(12.04)**	**(71.91)**	**(3.83)**
Minority Interest (VII)	2.01	0.03	14.85	0.48	0.63	0.03
Profit / (Loss) for the year (VIII = V + VI + VII)	**788.62**	**11.40**	**766.53**	**24.92**	**(82.35)**	**(4.38)**

(1) Percentage to total revenue for respective years / period.

Note: Figures in FY 2012 have been regrouped/ rearranged to make it comparable to the subsequent year.

FY 2014 compared to FY 2013

Revenue

Our total revenue increased by ₹3,843.38 Lacs or 124.97%, from ₹3,075.54 Lacs for the FY 2013 to ₹6,918.92 Lacs for FY 2014.

Revenue from operations

Our revenue from operations increased by ₹4,121.19 Lacs or 152.92%, from ₹2,695.08 Lacs for FY 2013 to ₹6,816.27 Lacs for FY 2014. This increase was primarily due to revenue recognition from various ongoing projects, such as Samruddhi Complex, Bhivpuri and Poddar Evergreens, Badlapur Phase I & II. It also includes contribution towards other amenities and service tax cenvat credit setoff.

Other income

Other income decreased by ₹277.81 Lacs or 73.02%, from ₹380.46 Lacs in FY 2013 to ₹102.65 Lacs for FY 2014, primarily due to the decrease in interest income from loan to Viva Poddar Housing Private Limited, a joint-venture of our Company, as the loan given to the company was converted into business investment during the year.

Expenses

Total expenses increased by ₹3,166.83 Lacs, or 127.03%, from ₹2,493.05 Lacs in FY 2013 to ₹5,659.88 Lacs for FY 2014.

Cost of Construction

Our cost of construction increased by ₹470.23 Lacs or 7.44%, from ₹6,324.41 Lacs in FY 2013 to ₹6,794.64 Lacs in FY 2014, due to various ongoing projects such as Samruddhi Complex, Bhivpuri and Poddar Evergreens, Badlapur.

Construction of Poddar Evergreens, Badlapur Phase I & II was ongoing and Poddar Evergreens, Badlapur Phase III commenced during the year.

Employee benefits expense

Our employee benefits expense increased by ₹81.67 Lacs or 38.08%, from ₹214.46 Lacs in FY 2013 to ₹296.13 Lacs for FY 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 decreased by ₹0.73 Lacs or 11.74%, from ₹6.22 Lacs in FY 2013 to ₹5.49 Lacs for FY 2014 primarily due to decrease in borrowings and bank interest of vehicles loans. As per our accounting policy, finance cost related to projects is included as a part of the cost of construction.

Depreciation and amortization expense

Depreciation and amortization expense decreased by ₹32.16 Lacs or 35.85% from ₹89.71 Lacs in FY 2013 to ₹57.55 Lacs in FY 2014. This decrease was primarily due to the sale of shuttering material and other fixed assets.

Other expenses

Other expenses increased by ₹17.71 Lacs or 4.67% from ₹378.81 Lacs in FY 2013 to ₹396.52 Lacs in FY 2014. This increase was primarily due to an increase in rent expenses, post possession maintenance expenses, donation, loss on sales of fixed assets and provision for doubtful debts, loans & advances.

Exceptional items

Income from exceptional items decreased by ₹533.77 Lacs, or 98.92% from ₹539.60 Lacs in FY 2013 to ₹5.83 Lacs for FY 2014. This decrease was due to exceptional income of ₹602.50 Lacs received by us in FY 2013 towards compensation for non-fulfilment of a specific contract by another body corporate.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹142.78 Lacs or 12.72%, from ₹1,122.09 Lacs in FY 2013 to ₹1,264.87 Lacs in FY 2014.

Tax expense

Our tax expense increased by ₹107.85 Lacs or 29.12%, from ₹370.41 Lacs in FY 2013 to ₹478.26 Lacs in FY 2014. Our current tax increased by ₹98.47 Lacs or 25.71%, from ₹382.96 Lacs in FY 2013 to ₹481.43 Lacs in FY 2014. This increase was due to increase in taxable income, increase in surcharge on income tax from 5% to 10% and ₹58.73 Lacs credit under section 115JAA adjusted against tax for FY 2013.

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 ₹34.93 Lacs or 4.65% from ₹751.68 Lacs in FY 2013 to ₹786.61 Lacs in FY 2014.

Share in (profit)/loss attributable to minority shareholders

Share of loss from subsidiary decreased by ₹12.84 Lacs from loss of ₹14.85 Lacs for FY 2013 to loss of ₹2.01 Lacs for FY 2014.

Profit after tax and minority interest

As a result of the foregoing, profit for the year increased by ₹22.09 Lacs or 2.88%, from ₹766.53 Lacs in FY 2013 to ₹788.62 Lacs for FY 2014.

FY 2013 Compared to FY 2012

Revenue

Our total revenue increased by ₹1,196.32 Lacs or 63.66% from ₹1,879.22 Lacs in FY 2012 to ₹3,075.54 Lacs in FY 2013.

Revenue from operations

Our revenue from operations increased by ₹1,050.65 Lacs or 63.89% from ₹1,644.43 Lacs for FY 2012 to ₹2,695.08 Lacs for FY 2013. This is due to revenue recognition from various ongoing project, such as Samruddhi Complex, Bhivpuri and Poddar Evergreens, Badlapur and increase in other operating revenue consisting of profit on transfer of development rights, interest received on overdue payments, surrender & forfeitures of units & brokerage.

Other income

Other income increased by ₹145.67 Lacs or 62.04%, from ₹234.79 Lacs in FY 2012 to ₹380.46 Lacs in FY 2013, primarily due to the increase in interest income because of loan having been given to Viva Poddar Housing Private Limited, a joint-venture of our Company.

Expenses

Total expenses increased by ₹842.96 Lacs, or 51.09%, from ₹1,650.09 Lacs in FY 2012 to ₹2,493.05 Lacs for FY 2013.

Cost of Construction

Our cost of construction increased by ₹1,442.01 Lacs or 29.54%, from ₹4,882.39 Lacs in FY 2012 to ₹6,324.41 Lacs in FY 2013, due to various ongoing projects such as Samruddhi Complex, Bhivpuri and Poddar Evergreens, Badlapur, Phase I & II.

Employee benefits expense

Our employee benefits expense increased by ₹174.47 Lacs or 436.28%, from ₹39.99 Lacs in FY 2012 to ₹214.46 Lacs in FY 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 decreased by ₹2.45 Lacs or 28.26%, from ₹8.67 Lacs in FY 2013 to ₹6.22 Lacs in FY 2012 primarily due to decrease in borrowings and bank interest of vehicles loans. As per our accounting policy, finance cost related to projects is included as a part of the cost of construction.

Depreciation and amortization expense

Depreciation and amortization expense increased by ₹14.28 Lacs or 18.93%, from ₹75.43 Lacs in FY 2012 to ₹89.71 Lacs in FY 2013. This increase was primarily due to addition in fixed assets amounting to ₹75.43 Lacs and depreciation on aluminium shuttering which is provided on the basis of estimated life of those assets. The depreciation so provided is higher than the depreciation as would have been provided under the straight line method. Further, the depreciation on aluminium shuttering was provided for a part of the FY 2012 while in FY 2013 the depreciation was charged for the entire FY.

Other expenses

Other expenses increased by ₹228.38 Lacs or 151.83% from ₹150.42 Lacs in FY 2012 to ₹378.81 Lacs in FY 2013. This increase was primarily due to increase in impairment of receivables by ₹139.61 Lacs, write-off of irrecoverable expenses of ₹25.77 Lacs, provision for doubtful debts, loans & advances of ₹25.19 Lacs (all three were nil for FY

2012) and an increase in managerial remuneration, rates and taxes.

Exceptional items

Exceptional items increased by ₹779.80 Lacs from (₹240.20 Lacs) for FY 2012 to ₹539.60 Lacs for FY 2013. This increase was due to exceptional income of ₹602.50 Lacs received by us in FY 2013 towards compensation for non-fulfillment of a specific contract by another body corporate. This was partly reduced by diminution in value of investments.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹1,133.16 Lacs from a negative (₹11.07) Lacs for FY 2012 to ₹1,122.09 Lacs for FY 2013.

Tax expense

Our tax expense increased by ₹298.50 Lacs or 415.09% from ₹71.91 Lacs for FY 2012 to ₹370.41 Lacs for FY 2013 primarily as a result of an increase in our current tax by ₹306.96 Lacs or 403.89% from ₹76.00 Lacs for FY 2012 to ₹382.96 Lacs for FY 2013 due to an increase in taxable profit during FY 2013.

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 ₹834.65 Lacs from loss of (₹82.97 Lacs) for FY 2012 to ₹751.69 Lacs for FY 2013.

Share in (profit)/loss attributable to minority shareholders

Share of loss from subsidiary increased by ₹14.22 Lacs from loss of ₹0.63 Lacs for FY 2012 loss of ₹14.85 Lacs for FY 2013.

Profit after tax and minority interest

As a result of the foregoing, profit for the year increased by ₹848.87 Lacs from loss of (₹82.34) Lacs for FY 2012 to ₹766.53 Lacs for FY 2013.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2014, we had cash and bank balances of ₹1,367.65 Lacs. 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. 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 FY 2014, 2013 and 2012:

In ₹Lacs

Particulars	FY 2014	FY 2013	FY 2012
Net cash generated from operations	306.72	(2,333.28)	(47.59)
Net cash generated used in investing activities	(256.35)	1,032.30	170.78
Net cash generated from financing activities	(1,454.78)	1,808.36	1,192.47
Net increase/(decrease) in cash and cash equivalents	(1,404.41)	507.38	1,315.66
Cash and cash equivalents at the beginning of the year	2,772.06	2,264.68	949.02

Particulars	FY 2014	FY 2013	FY 2012
Cash and cash equivalents as at the end of the year	1,367.65	2,772.06	2,264.68

FY 2014 compared to FY 2013

As of March 31, 2014, we had cash and cash equivalents of ₹1,367.65 Lacs, a decrease of ₹1,404.41 Lacs, from ₹2,772.06 Lacs as of March 31, 2013.

Our net cash flows generated from operations increased by ₹2,639.99 Lacs, from (₹2,333.28 Lacs) used for FY 2013 to ₹306.72 Lacs generated for FY 2014. This increase was primarily due to significant decrease in long-term and short-term loans and advances in FY 2014 as compared to FY 2013, significant increase in other current liabilities in FY 2014 as compared to FY 2013. This was partially offset by increase in inventories in FY 2014 as compared to FY 2013. The decrease in loans and advances was as a result of re-organisation of “Viva Poddar Housing Pvt. Ltd.” a subsidiary of the company which was converted into a Joint Venture during the year. Increase in other current liabilities is from increase in advances against sale of flats to customers in our Projects “Poddar Navjeevan”, “Poddar Samruddhi”, and Poddar Evergreens- Phase I, II & III.

Our net cash used in investing activities increased by ₹1,288.65 Lacs, from ₹1,032.30 Lacs for FY 2013 to (₹256.35) Lacs for FY 2014. This increase was primarily attributable to an increase in current investments in units of mutual funds in FY 2014.

Our net cash from financing activities decreased by ₹3,263.14 Lacs, from ₹1,808.36 Lacs for FY 2013 to (₹1,454.78 Lacs) for FY 2014. This decrease was primarily as a result of company repaying its outstanding secured short term borrowing from Yes bank of ₹2,250.00 Lacs with respect to Poddar Evergreens, Phase II. Our Company took additional secured working capital finance from HDFC Bank for ongoing projects in Poddar Evergreens, Phase III and Poddar Navjeevan and from Yes Bank in our Subsidiary Poddar Habitat. It also undertook unsecured loan of ₹175.00 Lacs from a related party during the year, which is repayable after meeting all liabilities of Working capital finance from bank and interest thereon.

FY 2013 compared to FY 2012

As of March 31, 2013, we had cash and cash equivalents of ₹2,772.06 Lacs, an increase of ₹507.38 Lacs, from ₹2,264.68 Lacs as of March 31, 2012.

Our net cash flows generated from operations decreased by ₹2,285.68 Lacs, from (₹47.59 Lacs) in FY 2012 to (₹2,333.27 Lacs) in FY 2013. This decrease was primarily due to a large increase in long-term loans and advances in FY 2013 as compared to FY 2012, given to one of the subsidiary “Poddar Viva Housing Pvt. Ltd.” of ₹2,800.00 Lacs carrying an interest of 18% per annum and interest accrued from the same amounting to ₹240.18 Lacs. However, in view of partial disinvestment, the said company has been re-organized into a joint venture from May 3, 2013. Inventories for the Company increased substantially as a result of increase in work-in-progress and finished goods in Samruddhi Complex, Bhivpuri and land development rights in Badlapur. Other current liabilities have increased as a result of increase in advances from customers from sale of units in Samruddhi Complex, Bhivpuri and Poddar Evergreens Phase I & II. Increase in other liabilities is pertaining to advances received against transfer of development rights in Mohili, Kalyan.

Our net cash flow from investing activities increased by ₹861.52 Lacs, from ₹170.78 Lacs in FY 2012 to ₹1,032.30 Lacs in FY 2013. This increase was primarily attributable to sale proceeds from current investments in units of Mutual funds. This was partly offset by purchase of certain tangible assets in the Company.

Our net cash from financing activities increased by ₹615.88 Lacs from ₹1,192.47 Lacs for FY 2012 to ₹1,808.35 Lacs for FY 2013. This increase was primarily attributable to additional long-term secured borrowing from HDFC Ltd. for ₹1,000 Lacs, increase in short term secured borrowings and an unsecured loan from a related party- Poddar Amalgamated Holdings Pvt. Ltd. of ₹50.00 Lacs.

ASSETS

Our fixed assets consist of buildings, construction equipments, furniture and fixtures, vehicles, data processing machines, office equipment and intangible assets such as computer software. It also includes goodwill as per AS-21 on consolidation.

With respect to non-current assets, non-current investments include investments in equity instruments of listed and unlisted companies and investments in partnerships. Long term loans & advances includes deposits, loans & advances to related parties and to others, other advances and advances & other incidentals for various projects.

With respect to our current assets, current investments include investment in mutual funds, inventories include raw material inventory, work-in-progress and stock of units in completed projects, land development rights, land & structure thereon and share in joint venture. Loans and advances include advances to related parties, loan to staff, other advances, employee benefit plan assets as per AS-15 and deposits. Trade receivables include receivables from customers. Other current assets include share in joint venture.

CAPITAL EXPENDITURE

The following table sets forth our historical capital expenditure for six months ended September 30, 2014, FY 2014, 2013 and 2012.

In ₹Lacs

Particulars	For six months ended September 30, 2014 (Unaudited)	FY 2014	FY 2013	FY 2012
Fixed assets	28.60	47.69	74.05	261.46

FINANCIAL INDEBTEDNESS

The following table sets forth Company‘s consolidated secured and unsecured debt position as at December, 31, 2014 and March 31, 2014, 2013 and 2012.

In ₹Lacs

Particulars	9 month ended December 31, 2014 (Unaudited)	FY 2014	FY 2013	FY 2012
A. Long-term Borrowings:				
(i) Secured loans				
From banks	205.39	521.68	64.94	62.07
From financial institutions	479.81	1,267.89	1,000.00	0.00
From Others	1.69	2.79	7.63	12.42
(ii) Unsecured loans				
From banks	0.00	0.00	0.00	0.00
From financial institutions	0.00	0.00	0.00	0.00
From Others	312.00	225.00	50.00	-
Total (A)	**998.89**	**2,017.36**	**1,122.57**	**74.49**
B. Short-term Borrowings:				
(i) Secured loans				
From banks	0.00	0.00	2250.00	1378.18
From financial institutions	0.00	0.00	0.00	0.00
(ii) Unsecured loans				
From banks	0.00	0.00	0.00	0.00
From financial institutions	0.00	0.00	0.00	0.00
From Others	0.00	0.00	0.00	0.00
Total (B)	0.00	**0.00**	**2,250.00**	**1,378.18**

Particulars	9 month ended December 31, 2014 (Unaudited)	FY 2014	FY 2013	FY 2012
C. Current Maturities of Long-term Borrowings	**431.40**	**431.08**	**36.25**	**47.68**
Total (A) + (B) +(C)	**1,430.29**	**2,448.44**	**3,408.82**	**1,500.35**

CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

The table below summarizes our contractual obligations as of September 30, 2014.

In ₹Lacs

Particulars	Payments due by one year	Payments due between two and five years	Payments due after more than five years	Total
Tisgaon (TDR payment)*	100.00	0.00	0.00	100.00
Total	**100.00**	**0.00**	**0.00**	**100.00**

***** *The amount has since been paid and the obligation no longer exists*

As of September 30, 2014, we had the following contingent liabilities that have not been provided for in our consolidated financial statements:

(a) Guarantee given by a bank on behalf of the Company amounting to ₹56.48 Lacs against which 100% fixed deposit margin given by the Company.
(b) The Company has received demand notice of ₹349.05 Lacs towards royalty including penal charges from land revenue authorities (Tahsildar) Government of Maharashtra for excavation of land and stone in respect of land at Badlapur Project against which the Company has preferred an appeal before the higher authority.[3]
(c) Demand or ₹27.23 Lacs had been raised in the name of land owners in respect of Land covered under joint development agreement between our subsidiary and land owners in case of Atgaon project against which the land owners has preferred an appeal and the same is pending.

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 debts, which bear interest at floating rates linked with prime lending rates of the respective lenders, as determined from time to time was ₹1,046.48 Lacs as at December 31, 2014.

Upward fluctuations in interest rates increase the cost of both existing and new debts. An increase in interest rates of 1% on our existing floating rate debts would increase our annual interest charges by approximately ₹10.46 Lacs based upon the long-term and short-term loans outstanding as at December 31, 2014.

Commodity price risk

[3] The said authorities have set aside the demand and referred the matter back to the land revenue authorities with an instruction to reassess the liability. Accordingly, there is no demand pending against the Company as on date.

We are exposed to market risk with respect to the prices of raw material and components used in our projects. These commodities include steel, cement and timber. The costs for these raw materials and components are subject to fluctuations 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 section *"**Financial Statements**"* beginning on page 212.

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2014 THAT MAY AFFECT FUTURE RESULTS OF OPERATIONS

Subsequent to September 30, 2014, other than as disclosed in the Unaudited Consolidated Reviewed Financial results:

(a) Supplementary agreement for our Atgaon project

Our Company through one of our subsidiaries, Poddar Habitat Private Limited ("**PHPL**") has entered into a supplementary agreement with the Promoters, the land owners for our Atgaon project, the key terms of which are as under:

(i) The constructed area in the said project for Phase I shall be shared between our Promoters and PHPL in the following proportion: PHPL: 79.35% i.e. 13,866.41 Sq. mts. and our Promoters: 20.65% i.e. 3.608.59 Sq. mts.

(ii) Our Promoters shall also be entitled to net proceeds pertaining to their earmarked area after meeting out their cost of construction at the rate of ₹1,001 per Sq. ft. (in terms of built-up area) and the same shall be payable by PHPL to our Promoters after PHPL makes satisfactory payment of the construction loan to the lending bank.

(iii) Additional land of 28.46 acres in the same area belonging to our Promoters will also be developed by PHPL as per the above agreed proportion of PHPL (79.35%) and our Promoters (20.65%) and other terms as may be mutually agreed between PHPL and our Promoters.

(b) Delisting from CSE

Effective December 29, 2014 we have been delisted from Calcutta Stock Exchange Limited.

(c) Launch of Poddar Aspire

INDUSTRY OVERVIEW

The information in this section has not been independently verified by us, the Book Running Lead Manager 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 our Company, the Book Running Lead Manager 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 section pertaining to Real Estate sector in Mumbai, has been extracted from report named "Real Estate sector Report on Mumbai" published in September 2013 (**ICRA – Report**)*

All information enclosed in the ICRA – Report has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken by ICRA to ensure that the information contained in the ICRA – Report is true, such information is provided 'as-is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained in the ICRA – Report must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by the users from any use of this publication or its contents.

THE INDIAN ECONOMY

After achieving unprecedented growth of over 9 per cent for three successive years between 2005-06 and 2007-08 and recovering swiftly from the global financial crisis of 2008-09, the Indian economy has been going through challenging times that culminated in lower than 5 per cent growth of GDP at factor cost at constant prices for two consecutive years, i.e. 2012-13 and 2013-14. Sub-5 per cent GDP growth for two years in succession was last witnessed a quarter of a century ago in 1986-87 and 1987-88. (*Source: India Economic Survey 2013-14, Ministry of Finance, Government of India*)

The real GDP growth rate of India marginally improved in FY 2014 to 4.7% from 4.5% in FY 2013. (*Source: Economic Survey 2013-14, Ministry of Finance, Government of India*)

FY 2015 has seen the Indian economy rebound as it logged 5.3% growth in the second quarter of this fiscal, against 5.7% in the first quarter. (*Source: Monthly economic Bulletin, Ministry of External Affairs, Government of India, October 2014)*

In 2014-15, the Indian economy is poised to overcome the sub-5 per cent growth of gross domestic product (GDP) witnessed over the last two years. The growth slowdown in the last two years was broad based. Though inflation declined during this period, it continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilization front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond. (*Source: Indian Economic Survey 2013-14, Ministry of Finance, Government of India*)

The inflation rate in India remained at approximately 9% for both FY 2011 and FY 2012 and increased to approximately 10.9% for FY 2013 (*source: World Bank*). However, recently inflation as measured by CPI has decelerated sharply, as observed by RBI, in its fifth Bi-monthly Monetary Policy statement, given the softening of the international commodity prices, especially crude and reasonable stability in the foreign exchange market.

Headline inflation has been receding steadily in the current year and current readings are below the January 2015 target of 8 per cent as well as the January 2016 target of 6 per cent set by RBI. Over the next 12-month period, inflation is expected to retain some momentum and hover around 6 per cent, except for seasonal movements. *(Source: Fifth Bi-Monthly Monetary Policy Statement, 2014-15- RBI, December 10, 2014)*

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 350 basis points from 5.00% to 8.50% during that period. (*Source: RBI*) From April 2012 to May 2013, repo rates decreased from 8.50% to 7.25%, and have since again increased to 8.00% in January 2014, after which it remained stable at 8.00% till December 2014. With inflation pressures ebbing, RBI has again cut rates by 25 basis points to 7.75% on January 15, 2015, signalling a shift in monetary policy stance. (*Source: Reserve Bank of India*) The CRR of scheduled commercial banks was reduced by 75 basis points, from 4.75% to 4.00% during the period from March 2012 to February 2013, and has since remained constant as on January 15, 2015. (*Source: Reserve Bank of India)*

Conditions congenial for a turnaround – the softening of inflation; easing of commodity prices and input costs; comfortable liquidity conditions; and rising business confidence as well as purchasing activity – are gathering. These conditions could enable a pick-up in Q4FY15 if coordinated policy efforts fructify in dispelling the drag on the economy emanating from structural constraints. A durable revival of investment demand continues to be held back by infrastructural constraints and lack of assured supply of key inputs, in particular coal, power, land and minerals. The success of ongoing government actions in these areas will be key to reviving growth and offsetting downside risks emanating from agriculture and exports given the sluggishness in external demand.

Anticipating such success, the central estimate of projected growth for 2014-15 has been retained at 5.5 per cent, with a gradual pick-up in momentum through 2015-16. *(Source: Fifth Bi-Monthly Monetary Policy Statement, 2014-15- RBI)*

AFFORDABLE HOUSING

Task force on Promoting Affordable Housing

The recently released Report of the Technical Group on Urban Housing Shortage (TG-12) (2012-17) has estimated the Housing shortage to be 18.78 million out of which 56.18 per cent is in the economically weaker segments and 39.44 per cent is in the Lower income group categories. As per projections of a report by the McKinsey Global Institute, the housing shortage under business as usual circumstances could go up to 38 million units by 2030.

India has seen a burst in home ownership in the last ten to fifteen years. With the expansion of housing finance institutions and regulatory and fiscal support, mortgage interest rates have come down from 16% in the middle/late 1990's to 9% in the early part of the last decade, especially for the middle and higher income segments. This has lead to average growth of housing mortgage portfolio's of banks by close to 40 per cent annually, consistently higher than any other asset class. In real terms these changes have resulted in a whole new generation of younger citizens accessing home ownership. The average age of a house owner has come down by twenty years in the last decade. However, this has essentially benefited the growing middle class in India and these benefits are yet to reach the poorer segments.

For the last many decades, public sector entities such as State Housing Boards and Development Authorities were the only suppliers of Affordable Housing stock through projects for EWS and LIG categories. An encouraging factor though is that in the last five years a set of new private sector developers and financial institutions have started developing new models for building and financing Affordable Housing.

The task force set up under the Ministry of Housing & Urban Poverty Alleviation has undertaken studies and extensive consultations with a variety of stakeholders including the private sector, non-governmental sectors, state governments and urban local bodies as well as other Government of India departments as well as external experts and academics. The studies undertaken include a rapid review of affordable housing practices and some documentation of special projects in specific states; revisited some of the complexities and ambiguities in definitions and planning norms; examined procedures and analysed various models including having international case studies. The recommendations made are primarily aimed at providing a fillip to catalyse EWS & LIG housing projects through appropriate policy instruments.

Recommendations from Task Force on Promoting Affordable Housing

Sizes of EWS and LIG Dwelling Units and method of measurement (Carpet Area):
The Task Force recommends that to establish the minimum size of a habitable EWS dwelling unit, the absolute minimum size of areas as presented in the NBC code should be followed. The recommendations on the size of Affordable Housing Dwelling Units are as follows:

- For Economically Weaker Section (EWS): 21- 27sq.m Carpet Area
- For Lower Income Group (LIG-A): 28-40 sq.m Carpet Area
- For Upper Lower Income Group (LIG-B): 41-60 sq.m Carpet Area

Income criteria based on Income ceiling of households

Based on the results of calculations, the maximum Household Income for the EWS and LIG category are recommended to be Rs. 8,000/- and Rs 16,000/- per month and since many households in this category do not have regular monthly income an annual income of Rs. 100,000 for EWS and Rs. 200,000/- for LIG households could also be used.

The Task Force also felt that for cities and urban agglomerations with more than a million population state governments could consider an increase of upto a maximum of 25 percent on the recommended household income levels mentioned above, if deemed necessary, based on proper justification.

Affordability, borrowing capacity and house price to income multiples

The Task Force notes that at current unit prices, EWS and LIG segments cannot afford housing and capital and/or interest subsidies are required. If such subsidies can be made available the affordability multiple can be increased upto 5 for EWS segments, thus making EWS housing affordable for those within the proposed income ceilings. The Task Force recommends that the desirable goal of a house price to income multiple that should be pursued for Affordable Housing projects should be 5 as against 3 to 4.

Recommendations on Possible incentives for the affordable housing sector

The following sections lists and explains the rationale for a host of incentives that could be provided to catalyse creation of Affordable Housing for all. The incentives that could be provided are on the Supply side, i.e. to agencies that are involved in the provision of Affordable Housing, so that they are incentivized to ramp up the Supply and the Demand side, i.e. to the beneficiaries, to give a boost to their affordability so that the need for Affordable Housing is translated to an effective demand which could then drive the market of suppliers of Affordable Housing to produce more such units. Each of the two categories of Supply side and Demand side are further classified into (a) financial and (b) non-financial incentives. Financial Incentives are those which involve direct and quantifiable monetary outlay from governments and non-financial incentives are those which do not need direct monetary outgo from governments.

The incentives are classified into four categories i.e. (1) Supply side financial incentives; (2) Supply side non-financial incentives; (3) Demand side financial incentives; and (4) Demand side non-financial incentives. Most of the incentives are areas where State action is required though a few are in the Government of India domain.

1. *Supply side financial incentives*

- States to consider concessions in the development related charges
- Service tax exemption upto a level of 3.5 to 4.5 % of the project cost
- In relation to the direct tax rebates, inclusion of the entire capital investment in a rental housing as eligible deduction under 35AD(5) (ac) of the IT Act; 35 AD concession should be available to all projects approved under the Affordable Housing in Partnership Scheme
- Affordable housing projects may also be included in Sub-section (4) of 80-IA of the IT Act to avail the benefit of Section 80-IA; including affordable housing in the definition of 'Infrastructure facility'
- Inclusion of Affordable Housing into the Harmonized Master list of Infrastructure sub-sectors of the Government of India
- Direct capital grant support to Affordable Housing projects; use of viability gap funding (VGF) mechanism
- Developing new avenues for debt financing for Affordable Housing projects
- FDI for Affordable Housing: The criteria for minimum built up area should be brought down from 50,000 Sq. m to 20,000 Sq.m and the minimum investment for joint venture with Indian partners be brought down from 5 million dollars to 2 million dollars.

2. *Supply side non-financial incentives*
   - Reduce timelines for approval of Affordable Housing projects
   - Inventory of state/ city land holdings and increasing land supply for Affordable Housing
   - Increasing Land availability for Affordable Housing Projects
   - Increasing FSI and providing TDR facilities
   - Revision of the Building Codes
   - Policy support for the promotion of mass housing construction technologies

3. *Demand side financial incentives*
   - Interest Subsidy Scheme for Housing the Urban Poor (ISHUP) should be restructured to adopt the EWS/LIG definitions of the Task Force and the restrictive size of the loan against which the5%interest subsidy is admissible should be increased to at least Rs 5 Lacs instead of 1 Lac, and loans upto Rs 8 Lacs should be eligible
   - Appropriate reduction of stamp duty for registration of property in Affordable Housing projects
   - Cost of the dwelling unit in the housing projects sanctioned by banks exclusively for the purpose of construction of houses to EWS and LIGs, be increased from Rs 5 Lacs to Rs10 Lacs per dwelling unit, to be considered as part of the Bank's Priority Sector lending

4. *Demand side non financial incentives*
   - Development of housing finance companies who focus specifically on informal sector home buyers such as Micro Housing Finance Corporation Ltd.
   - Developing a methodology of dealing with informal sector home buyers which incorporate the following element of demand side support: (a) Methods of estimating credit worthiness that are appropriate for informal income sources and earning patterns; (b) Customer education specific to home loans, such as banking processes (eg: ECS), identity documentation and repayment norms; (c) Counselling on choice of home to buy (issues such as affordability versus aspiration)
   - Promoting non-profit organizations working with the urban poor exploring the possibility of helping low income households in moving towards ownership of legal, mortgagable homes in the formal real estate market such as *Saath* and *Griha Pravesh* which is into housing facilitation

(Source: http://mhupa.gov.in/W_new/AHTF%20REPORT%2008_07_2013.pdf)

Sardar Patel Urban Housing Mission- housing for all by 2022

'Sardar Patel Urban Housing Mission' will soon be launched to ensure housing for all by 2022, in pursuit of Prime Minister's call of 'Har Parivar ko Ghar' and 30 million houses would be built by 2022, mostly for the economically weaker sections and low income groups, through public private partnership, interest subsidy and increased flow of resources to housing sector.

An estimated investment of about ₹50 Lac crores would be required over the next few years for various initiatives like Housing for All (₹22.50 Lac crores), urban infrastructure development (₹16.50 Lac crores), urban sanitation

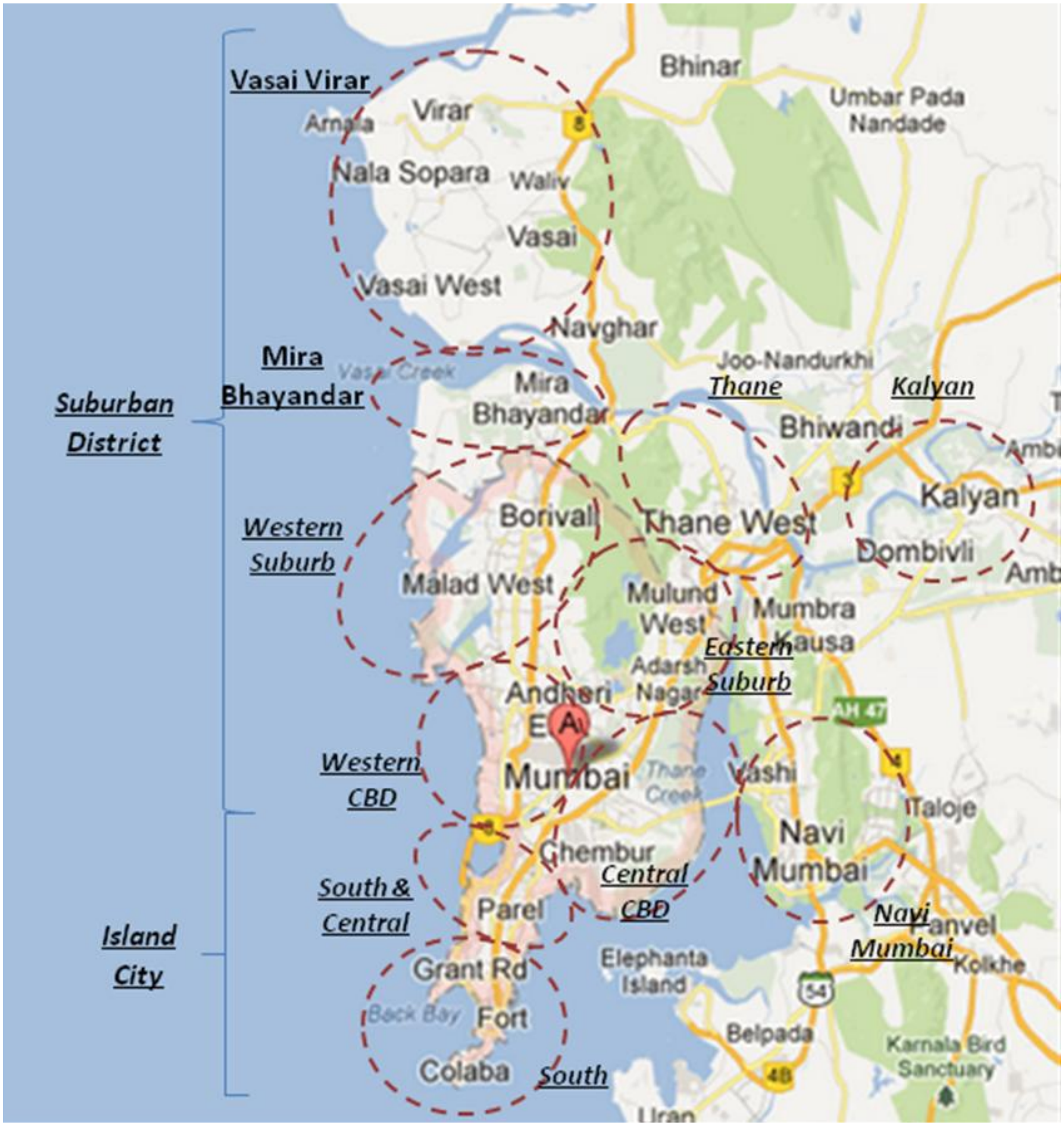
(₹62,000 crores) and building smart cities. *(Source: Press Information Bureau, Government of India, Ministry of Housing and Urban Poverty Alleviation; 09 October2014)*

REAL ESTATE SECTOR IN MUMBAI

Mumbai, referred to as the financial capital of the country, is the hub of banking & financial services industries, home to the stock exchanges and financial regulators like Reserve Bank of India (RBI) and Securities and Exchange Board of India (SEBI); headquarters for many prominent corporate houses; and an important port as well as a centre for trading activity. The commercial relevance of the city has been a key driver for the real estate industry. Mumbai Metropolitan Region (MMR), which is the conurbation of Mumbai comprising of Greater Mumbai, along with its neighbouring satellite towns and urban areas, like Thane and Navi Mumbai, forms the second largest urban centre in the country with a population of 20.7 mn. The MMR market is fairly vast and diverse in itself, comprising of various micro markets distinct in their characteristics, development profile and maturity levels. With a GDP of Rs. 1,813billion (bn) in 2011-12 (at constant prices), Mumbai attributed to around 3.5% of country’s GDP. While a part of this could be attributed to the presence of various corporate head quarters in the city, it does not belie Mumbai’s economic importance. Being a centre of economic activity, the city has attracted large number of migrants, which has fuelled its growth and has also made it the largest city in the country in terms of population, with 12.5 million (mn) people as per the 2011 census.

Over the years, Mumbai has grown linearly northwards given the geographic constraints. For administrative reasons, Mumbai city is divided in two subdivision, namely Island City and Mumbai Suburban District. The Island City, which extends from the southern-most precinct of the city to Mahim and Sion in the north, is the old establishment of the city. The Suburban District comprises of various Western and Eastern suburbs. The island city and the suburban district together are referred to as Greater Mumbai. Given the growing population, the hinterlands surrounding Mumbai were developed in order to take the pressure off the city. This led to the emergence of areas like Navi Mumbai and Thane as extended suburbs of the city. Greater Mumbai along with these surrounding urban areas like Navi Mumbai, Thane, Ambernath, Badalapur, Kalyan and Dombivali, Mira and Bhayander, and Ulhasnagar forms the urban agglomeration of Mumbai known as Mumbai Metropolitan Region (MMR).

The different regions in MMR differ vastly in terms of their maturity profile and characteristics; thus the dynamics in different micro markets tend to vary significantly. MMR can be broadly divided into eleven micro markets based on the location as well as characteristic. The adjoining map depicts the different micro-markets as well as administrative boundaries of MMR. The detailed analysis of the various micro markets is given in the following section.



As per the 2011 census, MMR is the second largest urban centre in the country, after the National Capital Region of Delhi (NCR), with a population of 20.75 Mn. In the last decade, Greater Mumbai reported the slowest population growth rate in almost a century. In fact the Island City reported a de-growth, indicating a saturation of the city. This is in line with the typical maturity profile of cities where in the population increases during the initial stage of development, and subsequently tapers down. The increase in real estate rates in the city has historically led to a northwards shift of population, first to the suburban district and now increasingly towards the extended suburbs. Mirroring this trend, the growth in other municipal corporations forming a part of MMR, apart from Greater Mumbai, has been very high. For instance, Navi Mumbai reported a decadal growth of 59% in population from 2001-2011, which was followed by Mira Bhayandar and Thane with a decadal growth of 57% and Thane 44% respectively while the island city witnessed a de-growth of 6%. While the low base also has a role to play in this meteoric growth, the key factor remains the increasing prominence of these peripheral areas in real estate landscape of MMR.

Region	Population (2001 census)	Population (2011 census)	Decadal Growth (%)
Island City	3,337,895	3,145,966	(6%)
Mumbai Suburban District	8,640,386	9,332,481	8%
Thane	1,261,517	1,818,872	44%
Kalyan-Dombivali	1,193,266	1,246,381	4%
Navi Mumbai	703,947	1,119,477	59%
Mira-Bhayandar	520,301	814,655	57%
Ulhasnagar	473,731	506,937	7%
Others	2,761,847	2,763,626	0%
Total MMR	**18,893,059**	**20,748,395**	**10%**
Other Urban Agglomerates			
Delhi	15,567,467	21,753,486	40%
Kolkata	13,205,697	14,617,882	11%
Chennai	6,560,242	8,917,749	36%
Bangalore	5,701,446	8,728,906	53%
Source: Census			

The Mumbai real estate market, which has traditionally been the most prominent real estate market in the country with its high prices as well as activity levels, has been reporting a lacklustre performance in the recent past. While the demand has been subdued owing to weak consumer sentiment, low affordability levels and economic uncertainty, the industry has been grappling with various supply side challenges as well. Though some of the factors at play are largely systemic in nature, like slowdown in economic activity; others like regulatory and policy issues have been specific to the Mumbai market. Despite the challenging market scenario, the capital rates in the city's residential market have remained largely firm in the past supported by limited supply as well as increasing cost pressures.

The land prices in Mumbai tend to be very high, attributing to as much as 50% of the project cost in certain cases, owing to the scarcity of developable free land parcels in the city. Considering the non availability of bank funding for acquiring land parcels, the upfront equity requirement for the projects remains high. Given the high land costs in the city, the peripheral regions of MMR have emerged as the hub of affordable housing projects. Further, there has been an increased interest in alternative forms of development such as redevelopment and rehabilitation projects in the island city as well as prime areas of suburbs. These projects do not involve outright purchase of land. However, the developer bears the cost of construction for the rehabilitation area for the original occupants. Further, the developer also provides other consideration (like rent during the construction period) to the land owners/occupants in lieu of the land cost. While these modes of development have been less cash consumptive and have provided the Mumbai based developers with access to attractive locations, they have a longer project implementation cycle given the need to get requisite approvals from the existing residents and need to resettle them during the construction period.

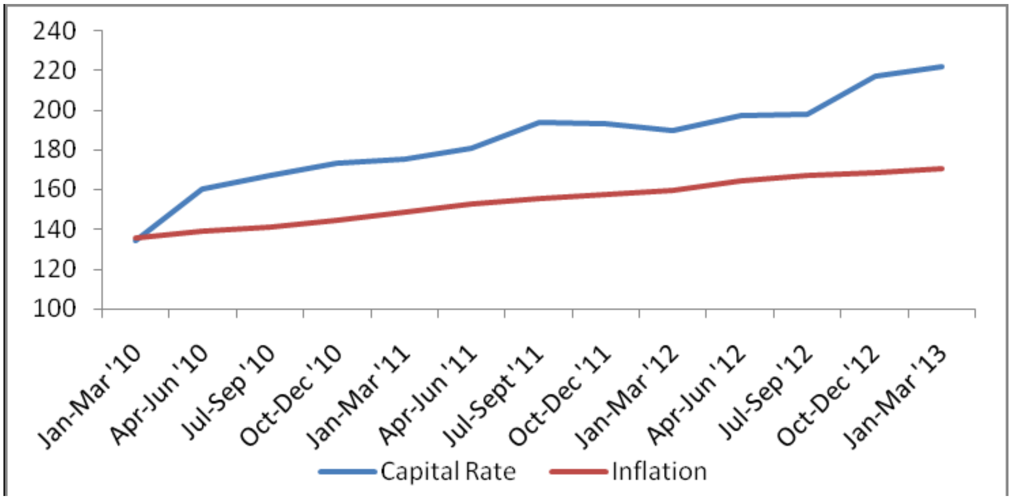
Considering the high capital rates within the domains of Greater Mumbai, peripheral areas would continue to report healthy development as well as traction in affordable housing segment. Micro-markets like Thane and Mira Road Bhayander have witnessed a healthy growth in the past, and are expected to witness healthy traction given the affordable ticket sizes. Other regions like Kurla, Wadala, Chembur (Central Mumbai); Ghatkopar (Eastern region of the city); and Kharghar and Ulwe (Navi Mumbai) are expected to have high potential in the medium to long term, by virtue of their location, affordable prices, facilities as well ongoing infrastructure development. The development of areas like Bandra Kurla Complex, Powai and Belapur as alternative commercial districts has added to attractiveness of these regions.

Micro Market	Key Regions	Market Profile
South	Cuffe Parade, Colaba, Nariman Point, Fort, Marine Lines, Ballard	• Traditional Commercial Business District (CBD) of the city housing head quarters of various government authorities, banks and other financial services companies, industrial conglomerates as well as the stock

Micro Market	Key Regions	Market Profile
	Estate, Churchgate, Malabar Hill, Walkeshwar, Peddar Road	exchange • Prime residential as well as office space
South & Central	Lower Parel, Worli, Prabhadevi, Dadar, Mahim, Matunga	• Regions like Lower Parel, Worli and Prabhadevi emerging as a prominent CBD with significant supply (recent as well as upcoming) of class A office and commercial space through mill redevelopment projects • Worli and Prabhadevi are established residential areas, significant supply in Lower Parel
Western CBD	BKC, Bandra, Khar, Santa Cruz, Andheri, Juhu	• Regions like Bandra, Khar and Santa Cruz form the prime residential areas in the Suburban District • Alternative CBD being developed in BKC by MMRDA, which has helped drive the demand for the eastern region of this market • Mixed profile of Andheri with significant residential space, industrial pockets as well as commercial office space
Central CBD	Kurla, Chembur, Powai, Chandivili, Sion, Wadala	• Well developed office space in regions like Powai primarily focused on IT/ITES • Predominantly a residential area • Central location flanked by business districts in BKC and Lower Parel on either sides
Western Suburbs	Malad, Goregaon, Kandivilli and Borivilli	• Predominantly a residential area • Pockets like Goregaon and Malad have developed as commercial office space primarily catering to IT/ITES/BPO as well as media and entertainment industry
Eastern Suburbs	Ghatkopar, Vikhroli, Mulund, Bhandup	• Primarily a residential area • Office space in pockets like Vikhroli primarily catering to IT/ITES industry • Redevelopment of industrial units in Bhandup to provide opportunity for future growth
Navi Mumbai	Vashi, Kharghar, Nerul, Belapur, Ulwe, Sanpada	• Comprises of 14 nodes of which certain nodes like Vashi, Kharghar and Sanpada are well developed residential areas while regions like Ulwe and Dronagiri are gradually coming into prominence • Business district in Nerul and Khoparkhariane, however, largely dependent on Greater Mumbai • Proposed infrastructure projects like additional rail and road linkages to improve connectivity
Thane	Godhbander Road, Thane Station	• Predominantly a residential area • Presence of IT/ITES companies
Kalyan	Kalyan, Dombivilli	• Predominantly a residential area particularly for mid-market and affordable housing
Mira Bhayander		• Predominantly a residential area • Significant development in low cost and affordable segments
Vasai Virar		• Predominantly a residential area • Significant development in low cost and affordable segments

Prices continue to remain firm

Indexed property prices in MMR



Source: Capital Rates - Residex (Indexed on 2007 prices); Inflation – Economic Advisor (Indexed on 2504-05 prices)

The industry was adversely affected by global economic slowdown, which precipitated a steep correction in prices in the second half of 2009. The Mumbai market, however, rebounded in 2010 which was accompanied by healthy sales volumes as well as upswing in prices as seen in above figure, which shows the trend in property rates in Mumbai Metropolitan Region indexed on 2007 levels. During 2011 and 2012, the capital rates in Mumbai continued to remain firm, despite the demand side constraint, primarily on account of the cost side pressures, given the increase in input prices, coupled with limited supply in the market owing to the policy logjam. Based on the interaction with developers, it was observed that while the investor demand has been subdued in the recent past, the demand from home buyers continues to remain steady. Further, in the recent past there has been an upswing in the Mumbai real estate market as evidenced by the increase in rates as well as registrations, thereby pointing towards resurgence of demand in CY 2012.

High cost of land driving up project cost

The land cost in Mumbai is very high given the scant availability of open or free developable spaces, thus inflating the project cost. As per ICRA analysis, land tends to be the largest component in the project cost, attributing to upwards of 40% to 50% in certain cases (as against 25% in other markets like Bangalore). Moreover, the recently introduced fungible FSI premium is expected to further add to the land cost. The land costs increases steeply as one moves toward the southern part of the city, which is the prime CBD. This sets the landscape for the type of development across MMR. Micro markets like South and South & Central have luxury to super luxury projects; the mid-market projects are located in the suburbs while the affordable housing has shifted to other peripheral areas.

The high land cost has lead to emergence of two trends. While affordable housing projects have been shifted to the peripheral area, developers are looking at alternative forms of development, i.e. projects other than those involving outright purchase of land, in island city as well as prime areas of the suburban district. These include projects under schemes such as Slum Rehabilitation Scheme, Redevelopment Scheme or projects under Public Private Partnership. Developers are also looking at other provisions the DCR which provide additional FSI, particularly in South Mumbai where in the land costs are astronomically high. A recent observation in the industry has been the increasing penetration of Joint Development (JD) or Joint Venture (JV) forms of development. Typically in a JDA, the developer enters into an agreement with the land owner in order to attain the development rights in lieu of a pre-determined share in area or revenues of the project. Thus the high upfront investment requirement for the project is completely eliminated. In Joint Venture mode, both the cost of development as well as proceeds from the projects are shared by the partners in a pre-defined ratio, which therefore reduces the investments and risks potential. While earlier select developers like say Tata Housing Development Company or Godrej Properties Limited favoured opting for a JD/JV over outright purchase of land, a greater acceptability of these ventures is being observed in a lot of other developers.

Slum Rehabilitation Scheme

Slum Rehabilitation Authority (SRA) was established in the year 1995 in order to rehabilitate slum dwellers through the participation of the private sector. Slum rehabilitation projects involve the resettlement of slum dwellers and the clearance of slum land in exchange of which the developers are compensated through development rights for a portion of slum land or grant of transferable development rights, which allows a developer to increase the developable area of projects in other parts of Mumbai or sell the development rights to other developer. The total FSI as permitted under the SRS is capped at 2.5 times for the rehabilitation and free sale part put together. However it can go as high as 4 in some cases (maximum permissible FSI of 3 times is given in case of high density slums while 4 times is given in case of difficult areas like Dharavi).

Scheme	Provision	Description
In Situ	DCR 33(10)	• Rehabilitation and free sale areas are located on the same site • Free sale and rehab area in the ratio of 0.75:1 for island city, 1:1 for suburbs and 1.33:1 for difficult areas.
Project Affected People (PAP) Scheme	DCR 33(11)	• Owner of a vacant piece of plot develops PAP tenements on it, and is compensated by TDR for land and for construction
Transit Camp Tenements Scheme	DCR 33(14)	• Landowner is allowed additional FSI on the land owned by him (2.5 for suburb, 2.33 for island city and 2.99 for difficult areas), such that a prescribed part of this additional potential is utilized for construction of transit

Redevelopment of Existing Buildings

Redevelopment projects involve acquiring / tying up of existing buildings for redevelopment after rehabilitation of the existing tenants. The underutilized FSI of the older buildings is developed as free sale area. Further, the developer can also get additional FSI through various provisions under the DCR. The consent of at least 70% of the occupants is required if development is by a private developer.

As per MMRDA estimate, about 88% of the population of MMR uses public transportation system. The Mumbai suburban train network, commonly known as the local train network, is the most important form of public transportation network in the city and connects various suburbs with the CBD in South Mumbai. The adjoining figure depicts the suburban train network. The city's road network follows the same pattern, with the three arterial roads, namely, Western Express Highway, Eastern Express Highway and Sion – Panvel Highway providing connectivity to the western suburbs, central regions and Navi Mumbai respectively. The train network remains the most important mode of transportation, and the bus network acts as supplement to the same. The proximity and accessibility of the suburban network as well as connectivity to the South CBD (i.e. in terms of frequency and timing of trains) form a key consideration while property evaluation particularly for the mid-market segment. The two factors thus have a bearing on the attractiveness of a location thereby by having an impact on capital rates.

Outlook and Expectations

Inherent demand expected to remain strong

Being the commercial capital of the country, there is significant migration of work force in the region, which also supports the growth rate. As per the UN's publication, State of The World's Cities 2012-13, the population of the urban agglomeration of Mumbai, i.e. MMR, is expected to increase to 25.8 Mn by 2025. Based on the above estimate, and assuming that the (1) proportion of population dwelling in slums in MMR remains at 2001 census levels and (2) there is gradual decline in average household size from current level of about 5, the number of households in the city, excluding the slum population, is expected to reach 3.5 Mn by 2025. With the increase in households the demand requirement of homes is expected to remain steady. This is further cemented by the affluence levels in the city. Being a corporate hub, the income levels in the city are highest in the country. As per the Economic Survey of Maharashtra, the per capita income in Mumbai stood at Rs. 0.14 Mn per annum in 2011, over two and a half times that of the national average, up from Rs. 0.12 Mn in the previous year. While the affluence levels are highest in the city, the population of Mumbai still ranks low in terms of house ownership. As per the India Tax Ratio 2012 reported by Taxspanner, about 13% of the tax filers in Mumbai own a house, as against 40% in

Bangalore or 17% in Hyderabad, indicating towards a large latent potential in the city. Going forward, considering the increasing population as well as growing affluence levels, the inherent demand for housing, from home buyers, is expected to continue. However, the demand is expected to remain subdued in the near term given the low affordability levels and high economic uncertainty.

Increased launches to put pressure on prices

The impasse on approvals had choked the fresh supply in the Mumbai market, particularly Greater Mumbai, in the last two years. The developers had a limited inventory to offload in the market, as the fresh launches were held up, and hence had the flexibility to hold onto the stock in order to maintain the price levels. However, going forward new launches are expected to resume. Thus, with the project execution underway, the urgency to tie up sales in order to generate cash flows would increase. While there may be some deferment of launches by the developers so as to tide over this phase, in cases of debt funded land acquisition the developers would actively seek to monetize the projects. Going forward, considering the increase in inventory levels, subdued demand scenario with no immediate improvement in sight, and uncertain macro environment, the developers would find it increasingly difficult to raise prices.

While the announced prices appear to have remained firm in the recent past, there has been a tacit price correction brought around by the innovative marketing schemes. Given the complexity involved in lowering the pricing in an existing projects, there have been instances of price corrections through modification in the product offering, for instance in terms of unit design, amenities offered etc. Developers are also increasingly offering subvention schemes, a trend that has been observed in other markets as well. Subvention schemes, which although may result in higher pricing but provide the benefit of deferred payments to the buyers thereby increasing their financial flexibility.

The cost pressure in terms of land and raw material prices continues to remain firm. Moreover, the delayed launches have already made a dent in the project returns. In June 2013, RBI lowered the risk weight on residential real estate borrowings from 100% to 75%, which could provide some breather to developers on the interest rates front. However the recent tightened liquidity position in the banking system may nullify the impact to a large extent. Moreover, most of the banks have increased their base rates in the recent past, which in-turn would lead to an increase in acquisition cost for the buyers thereby resulting in slower off-take.

High Traction in Peripheral Areas

Considering the high land cost and prevailing capital rates, affordable housing in Greater Mumbai is virtually impossible. The peripheral areas of MMR, which lie beyond the domains of Greater Mumbai as well as the relatively under developed areas of Thane and Navi Mumbai have emerged as the hub for the affordable housing segment. The low land cost helps keep the property rates on the lower side. Further, the configuration of the projects is skewed towards smaller unit sizes (1 BHK, 1.5BHK) thereby resulting in lower ticket sizes. Taking an average unit size of 700 Sq.ft. and an rate of Rs. 4,000 / Sq.ft., the ticket size comes to Rs. 2.8 Mn. The demand for these projects has been very healthy.

Project	Developer	Location	Configuration	Area (Sq.ft.)	Ticket Size (Rs. Mn)	Rate (Rs. / Sq.ft.)
Wonder City	Ostwal	Boisar	1,2 BHK	545-755	1.3 - 1.8	2,400
Balaji Complex	B R Housing	Boisar	1,2 BHK	575-1,060	1.2 - 2.4	2,300
Man Opus	Man Infra	Virar/Mira Road	1,1.5,2 BHK	630-950	4.1 - 6.1	4,500
Yashwant Nagar	Ameya	Virar	1,2,3 BHK	625-1,450	2.4 - 5.7	3,899
Parksville	Ekta	Virar/Mira Road	1,2,3 BHK	525-1,185	2.4 - 5.3	4,500
Global City	Rustomjee	Virar	1,2 BHK	412-584	2.7 - 3.8	5,000
Unique Homes	Vinay	Virar	1,2 BHK	590-890	2.4 - 3.7	4,150
Unique Imperia	Vinay	Virar	1,2,3 BHK	650-1,270	2.7 - 5.2	4,100
Gardens	Vinay Unique	Virar	1,2,3 BHK	585-1,275	2.6 - 5.6	4,425

Project	Developer	Location	Configuration	Area (Sq.ft.)	Ticket Size (Rs. Mn)	Rate (Rs. / Sq.ft.)
Gokul Sapphire	Agarwal	Virar	1,2,3 BHK	695-1,310	3.0 - 5.6	4,291
Vrindavan Township	Agarwal	Virar	1,2,3 BHK	630-1,365	2.7 - 5.9	4,291
Unique Heights	Vinay Unique	Virar	2 BHK	830	~3.0	3,800
Viva City phase 1	Viva	Virar	1,1.5,2	558-819	2.3 - 3.3	4,050
Agarwal and Doshi Complex	Agarwal	Vasai	1,2,3 BHK	930	~4.3	4,600
Seasons	Rajhans	Vasai	1,2 BHK	635-917	2.9 - 4.1	4,500
Samruddhi Housing	Poddar Housing	Badlapur	1,2,3 BHK	274-1,040	0.8 - 2.9	2,950
Palms	Mohan group	Badlapur	1,2,3 BHK	665-1,315	~2.0	3,060
Tharwani Ritu World	Sai Enterprises	Badlapur	1,2 BHK	652-875	1.9-2.5	2,850

Medium Term Growth Potential

Going forward, in the medium term, ICRA expects micro markets like Central CBD, Eastern Suburbs and Navi Mumbai to have a healthy potential.

Recent Developments

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.

Ordinance amending The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013

An ordinance has been passed by the Union Cabinet on December 31, 2014 (the "**Ordinance**") which seeks to amend The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 ("2013 Land Acquisition Act"). In the said ordinance, there has been substitution of the word "private company" by "private entity" and the same has been defined.

The Ordinance has given power to appropriate government to exempt certain projects that pertains to (a) such projects vital to national security or defence of India; (b) rural infrastructure including electrification; (c) affordable housing and housing for the poor people; (d) industrial corridors; and (e) infrastructure and social infrastructure projects including projects under public private partnership where the ownership of land continues to vest with the Government from the application of chapter II and chapter III of the 2013 Land Acquisition Act.

The Ordinance also puts some relaxation to the total time period after which a piece of unutilised acquired land must be returned to its original owner, by amending section 101. Earlier, there was a provision which required the acquired land which was not utilized after five years to be returned. The Ordinance has now amended the provision from a "period of five years" to a "period specified for setting up of any project or for five years, whichever is later".

For further details in relation to Real Estate Bill and the Land Acquisition Act, see section ***"Overview of the Indian Regulations and Policies"*** beginning on page 138.

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 modernized 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

FDI is permitted upto 100 per cent under automatic route in Construction Development: Township, Housing, Built-up Infrastructure and construction-development projects (which would include, development of townships, construction of residential/ commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, townships) subject to certain terms and conditions which envisages no minimum land area requirement in case of development of serviced plots, (ii) a minimum floor area of 20,000 Sq.mts in case of construction-development projects. For more information, see section "***Overview of the Indian Regulations and Policies***" beginning on page 138.

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)

SEBI on September 26, 2014 introduced Securities and Exchange Board of India (Real Estate Investments Trust) Regulations 2014 in order to govern the real estate investment trusts and infrastructure investment trusts in India. REITs are the investment trusts that operate much like mutual funds and invest in income generating real estate assets. It enables easy access to funds for cash-trapped developers and creates a new investment avenue for institutions and high net worth individuals, and ultimately ordinary investors. The investment by a REIT, a registered trust under this regulation shall only be in SPVs or properties or securities or TDR in India.

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 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 reemphasized 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 FY 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.

BUSINESS

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, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our financial year ends on March 31 of each year, so all references to a particular FY are to the twelve months ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Poddar Developers Limited and its subsidiaries/its partnerships/joint venture on a consolidated basis, and any reference to the "Company" refers to Poddar Developers Limited.

Unless otherwise indicated, all financial information included in this section have been derived from our audited consolidated financial statements for FY 2014, 2013 and 2012 and our Unaudited Consolidated Reviewed Financial Statements as of and for the six months ended September 30, 2014.

OVERVIEW

We have over 6 years of experience in development of real estate focusing on affordable housing and value housing segments and are one of the leading companies in these categories in and around Mumbai. As of January 10, 2015, we have completed projects with a Saleable Area of approximately 1.05 million Sq.ft., comprising of a total of 2,428 units, across 151 buildings, including 2,314 residential units and 114 retail shops. As part of the integrated residential complexes and for the convenience of our customers we have also developed retail shops in some of our projects. As of January 10, 2015, we own or have entered into joint-development agreements or joint venture agreement for 8.40 million Sq. ft. of Saleable Area in ongoing and upcoming projects in which we have beneficial interest over 7.14 million Sq.ft.

We are experienced in various aspects of the real estate development business, including land identification and acquisition, design, development, project management, marketing, sales and facilitating housing finance for our customers in relation to our real estate projects.

Since we undertook our first real estate development project in 2008, we believe that we have established a strong brand, have demonstrated a successful track record of execution and an impressive portfolio of real estate projects. In the period from 2008 to January 10, 2015 we have completed 3 residential projects with a Saleable Area of 1.05 million Sq. ft. across following projects:

- Samruddhi Complex, Bhivpuri
- Poddar Evergreens– Phase I, Badlapur
- Poddar Evergreens– Phase II, Badlapur

As of January 10, 2015, we have 4 Ongoing Projects which comprises 116 residential buildings with a total Saleable Area of 1.18 million Sq. ft. and our beneficial interest of 1.09 million Sq.ft. This includes:

- Poddar Evergreens– Phase III, Badlapur
- Poddar Evergreens– Phase IV, Badlapur
- Poddar Navjeevan – Phase I, Atgaon
- Poddar Aspire, Tisgaon (Kalyan)

As of January 10, 2015 we have 7 Upcoming Projects, which will be developed through a combination of land owned by us, land parcels where we have beneficial interest, joint development agreements and joint ventures with various third parties. For these projects, we have either already acquired the land or entered into joint development agreement or joint venture agreement, as applicable. Our upcoming projects also include projects which are under Redevelopment or under SRA scheme. We have Land Bank/ Upcoming Projects of approximately 71.15 acres, converting into a Saleable Area of 7.22 million Sq. ft. We expect that our share of Saleable Area from Land Bank should be 6.06 million Sq.ft. Our Land Bank includes land at:

- Bhivpuri
- Mohili, Kalyan
- Atgaon
- Badlapur
- Vasai
- Goregaon
- Vidyavihar

We typically develop our projects (1) through acquiring land ourselves and retaining the sole development rights in respect of any project; (2) through joint development agreements with land-owners, in terms of which we acquire the development rights to the underlying land; or (3) through joint venture with third parties. As of January 10, 2015, 4.56 million Sq.ft. or 54.3%, of our Ongoing Projects and Upcoming Projects are being developed through joint development agreements and joint venture.

We alongwith M/s Viva Holdings and Viva Vikas Realtors Private Limited have entered into a Memorandum of Understanding to create a joint venture limited liability company named 'Viva Poddar Housing Private Limited' formerly known as Poddar Viva Housing Private Limited. Our Upcoming Project in Vasai will be developed by Viva Poddar Housing Private Limited.

We strive to ensure that our residential projects offer a combination of location, affordability, amenities and reflect what we believe are modern architectural styles, aesthetic features, designs and specifications. A few of our projects include amenities such as gymnasia and health clubs, open playgrounds with amenities like tennis courts, badminton courts, jogging tracks and nana-nani parks. We also propose to have schools and hospitals in some of our projects like Poddar Evergreens and Poddar Navjeevan.

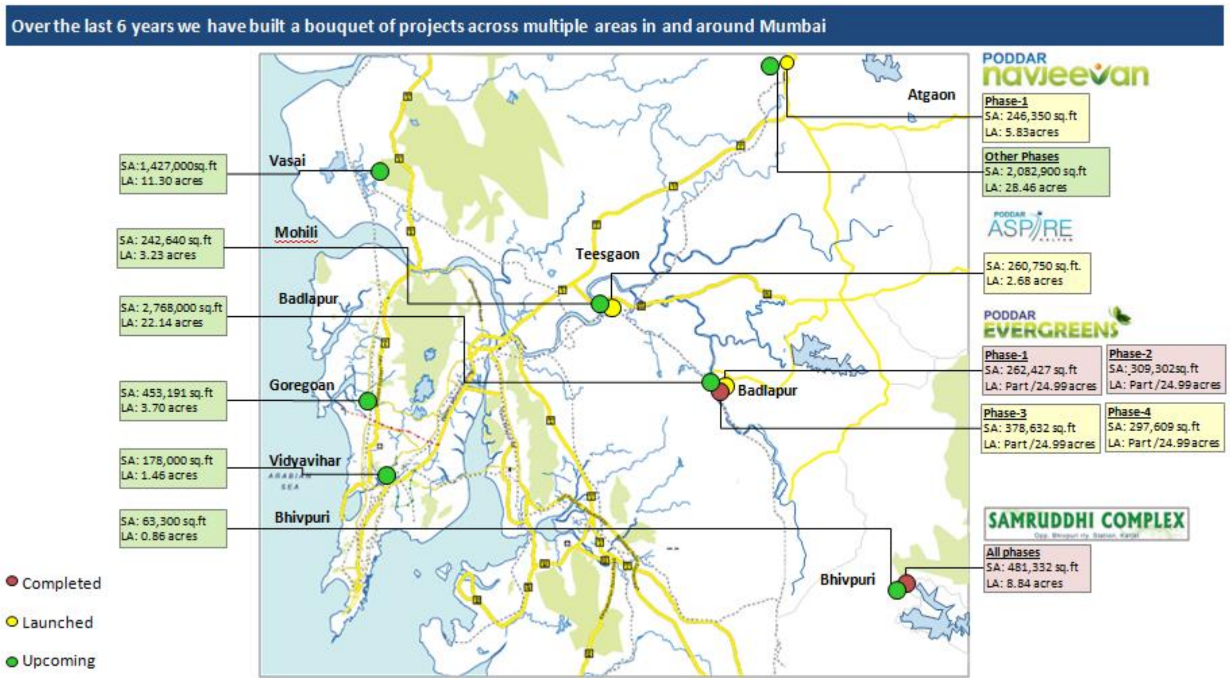
Our real estate projects have achieved recognition in the country. Our Company was awarded the Most Promising Brand in the category of real estate awarded by World Consulting and Research Corporation (WCRC), Process Advisors & Evaluators- Ernst & Young for the year 2014.

Our Promoters have been associated with the real estate business in the past and they have developed multiple projects from time to time and have ownership or beneficial interest in multiple land parcels. Their most recent development in the residential space is Samruddhi Hill View in Bhivpuri completed in April 2014.

Historically, our real estate projects have been focused in the Mumbai Metropolitan Region and in and around 100 Kms of Mumbai and we intend to continue to focus on the same in the future. See "***Our Strategy – Continued focus on developing projects in and around Mumbai***" beginning on page 122.

Our total consolidated revenue for the six months ended September 30, 2014 and FY 2014 and 2013 was ₹7,340.69 Lacs, ₹6,816.27 Lacs and ₹2,695.08 Lacs respectively.

The following map illustrates our geographic presence:



SA refers to Saleable Area; LA refers to Land Area

Definition of affordable housing

Various industry bodies define affordable housing through a combination of multiple factors.

Sizes of dwelling units

The Task Force recommends that to establish the minimum size of a habitable EWS dwelling unit, the absolute minimum size of areas as presented in the NBC code should be followed. The recommendations on the size of Affordable Housing Dwelling Units are as follows:

- For Economically Weaker Section (EWS): 21- 27sq.m Carpet Area
- For Lower Income Group (LIG-A): 28-40 sq.m Carpet Area
- For Upper Lower Income Group (LIG-B): 41-60 sq.m Carpet Area

Income criteria based on Income ceiling of households

Based on the results of calculations, the maximum Household Income for the EWS and LIG category are recommended to be Rs. 8,000/- and Rs 16,000/- per month and since many households in this category do not have regular monthly income, an annual income of Rs. 100,000 for EWS and Rs. 200,000/- for LIG households could also be used.

The Task Force also felt that for cities and urban agglomerations with more than a million population state governments could consider an increase of upto a maximum of 25 percent on the recommended household income levels mentioned above, if deemed necessary, based on proper justification

We believe affordability of housing should be defined while taking into consideration price trends in the local and nearby markets and a one-size fit all definition at a national level may not be relevant in many geographies/ micro markets.

We are currently involved in development of residential projects focusing on the EWS, LIG, MIG and Value Segment in and around Mumbai. We classify the segments we operate in as follows:

- *EWS Segment:* residential units, typically 1 RK apartments with an average size of less than 300 Sq.ft. in Carpet Area. These units typically cost up to ₹15.0 Lacs.
- *LIG Segment:* residential units, typically 1 BHK apartments with an average size between 270 – 450 Sq.ft. in Carpet Area. These units typically cost up to ₹35.0 Lacs.
- *MIG Segment:* residential units, typically 1.5, 2-3 BHK apartments with an average size between 450 – 750 Sq.ft. in Carpet Area. These units typically cost up to ₹45.0 Lacs.
- *Value Segment:* projects which provide relatively lower priced residential units within city limits. We are yet to launch any project under the Value segment.

COMPETITIVE STRENGTHS

We believe that the following are our primary competitive strengths:

Our ability to understand the requirements of end-user and design a project to fulfil them

We believe that we benefit from our focus on needs of the end-user segment at project conceptualization stage which results in higher sales velocity. We believe a large part of our customers are dependent on public transport for commute and thus we have structured all our projects close to local train network with dedicated shuttle service in projects like Poddar Evergreens, Badlapur from our project to Badlapur station. We believe that high land prices impacts the ability of many end consumers to buy houses and therefore as part of our projects we offer 1RK with Carpet Area of less than 300 Sq.ft. which enables us to offer residential units under ₹10.00 Lacs. We also believe that despite the smaller ticket size our end customers seek contemporary building design, quality of construction and internal as well as external amenities. We strive to ensure that our residential projects reflect what we believe are modern architectural styles, aesthetic designs and specifications. We believe that we are known amongst end customers for developing residential projects with flats that offer certain in-flat amenities such as concealed electrical wiring and plumbing, instant geysers, waterproof door at the bath and a wide range of amenities such as children’s play area, school, amenity hall, etc. Financing for most of our customers remains a key consideration. We try to help our customers in availing housing finance through project approvals with various banks/ financial institutions and introducing the customer to such banks/ financial institutions.

Strong presence in Mumbai and its nearby areas

We believe that we have good knowledge of the market and regulatory environment in areas around Mumbai that assists us in identifying opportunities for existing and upcoming locations around Mumbai. Most of our Completed, Ongoing and Upcoming projects are located within 100 Kms from Mumbai, which we believe is an attractive real estate market in terms of returns on investment, product positioning and depth of demand for real estate developments across segments and price points. We also believe that Mumbai’s position as the commercial capital of India, together with high costs provides a substantial and sustainable market for our projects.

Proven experience in land acquisition and growth through joint development agreements

We believe that our Land Bank forms an important asset of our real estate development business.

Our experience in land assessment, negotiations with land owners, acquisitions and approvals helps us in securing land parcels in potential high growth areas at an early stage. In this regard, we have a team of skilled researchers who focus on identification of geographical areas which have the potential to deliver significant appreciation in value. Thereafter, our team carries out the requisite land related searches which helps us to identify available land parcels and then negotiate rates. We have a dedicated team of lawyers and surveyors who look into any disputes pertaining to the identified land and procure clearances as to the title of the land.

We also acquire access to land parcels 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. We believe our experience in securing joint development agreements and joint venture with land owners helps us create a healthy project pipeline.

We believe that our ability to secure such land parcels at an early stage helps us competitively price our projects while maintaining our profitability margins. As of January 10, 2015 we had development rights over approximately 7.22 million Sq.ft. in Saleable Area, of which 43.8% represents land owned or contracted to be acquired by us and 56.2% from joint development agreements and joint venture in our upcoming projects.

Proven track record of efficient execution and project management skills

We believe that we have the requisite skills for efficient project management and execution, with skilled manpower, quick decision-making abilities, efficiently deployed resources, as well as strategic purchasing capabilities benefiting from an integrated business model. Our Company has also established strong working relationships with various contractors/sub-contractors and other third parties who provide services across our Company's segments of operations. We believe that these relationships with contractors/sub-contractors complement our project management and cost management capabilities and helps extending our Company's project execution capabilities. We have an in-house team of contour surveyors, architects, MEP engineers, infra engineers and planning engineers who provide cost effective services. Our focus on land assessment prior to acquisition, focus on design and proper ground level planning, master planning, utilization of optimum FSI available, design mix and layout plans helps us reduce costs. We believe our processes for vendor selection, cost comparison for material as well as service contracts, budgeting and monitoring across the project life cycle helps minimize wastage, improves accountability and optimize costs. We believe that our track record of timely payments to our vendors further helps us in getting preferential prices for various raw materials and services.

Strong project pipeline providing near term cash flow visibility

We believe that we have a strong project pipeline, which provides near term cash flow visibility. We currently have 4 Ongoing and 7 planned projects, which are expected to provide a total Saleable Area of approximately 8.40 million Sq.ft. These include four Ongoing projects with approximately 1.18 million Sq.ft. of estimated Saleable Area and seven planned projects with 7.22 million Sq.ft. of estimated Saleable Area. We expect to complete and deliver most of these projects over the next five to seven years.

Low leverage and conservative liquidity management

We strive to maintain a conservative debt policy. As of September 30, 2014, we had ₹1,790.48 Lacs in total debt with an implied Debt/ Equity[4] of 0.22 and Net Debt/ Equity ratio[5] of 0.14. We believe that we have the ability to leverage our balance sheet to take advantage of a favourable business cycle or market opportunity. As of September 30, 2014, our consolidated net worth was ₹8,095.65 Lacs and we had cash or cash equivalents of ₹689.79 Lacs and ₹1,937.04 Lacs in short term investments which primarily comprises of investments in schemes of various mutual funds. We believe that our financial strength and strong project pipeline makes us well positioned for changes in market conditions.

Strong brand and reputation

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[4] Debt/Equity ratio is calculated as Total Debt/Net worth;

[5] Net Debt/Equity ratio is calculated as (Total Debt – Cash & Cash equivalents)/ Net Worth

We believe that we have established a reputable brand in the affordable real estate market in areas around Mumbai due to the perceived value proposition and high quality execution of our projects. 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 projects in the affordable housing segment. We have also created a diverse product mix by developing residential units that fall within the budget and requirement of a wide variety of customers.

We believe that our attention to quality has resulted in us receiving various awards. Our Company has been awarded the 'Most Promising Brand' in the category of real estate by World Consulting and Research Corporation (WCRC), Process Advisors & Evaluators- Ernst & Young, for 2014.

Experienced and dedicated management team

We are managed by experienced, well qualified and dedicated team of professionals, many of whom have more than 25 years of experience in their respective fields. Because of our established reputation for project execution, we have been able to attract high calibre management and employees. Our professionally qualified staff includes engineers, design and structural consultants, marketing specialists, procurement officers and legal & finance professionals. We provide our staff with extensive training that encourages professional excellence. Our management has experience in identifying market trends, strategic locations for land acquisitions and potential sites for development and acquiring land and development rights, as well as in the design, engineering, construction management, supervision and marketing of affordable residential housing projects.

OUR STRATEGY

Grow our business across affordable housing and value segments

We propose to leverage our brand, experience and project execution capabilities to further grow our business with focus on affordable housing and Value Segments. As a part of our affordable segment we look to create a balance between affordability of residential units and aspirational preferences of our customers through careful selection of locations, contemporary design, quality of construction and well planned amenities. We aim to continue to put importance on affordability of our residential units and ease of access and commute for the dwellers in our residential units and thus a large part of our development in affordable housing category will be located within not more than two hours of travel time from city centre.

Our Value Segment is focused on developments within the city wherein we intend to offer residential units at overall cost which enables us to tap into a large segment which is usually neglected by most real estate developers. We intend to employ innovative design, speedy construction and access to lower cost land through joint development agreements or through schemes such as SRA and smaller unit sizes to maintain overall costs at lower levels.

We believe that our future growth will come from a combination of both segments with larger contribution to growth expected from affordable housing segment.

Continue to expand our Land Bank through a combination of ownership, joint development and joint venture models

As of January 10, 2015 we had Land Bank of 71.15 acres of which we had complete ownership of 19.79 acres, contractual ownership of 6.99 acres, and 44.37 acres under joint development arrangements and joint ventures. We strive to continue to expand and develop our Land Bank through a combination of land ownership, joint development agreements and/or joint venture 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 venture will, we believe, provide us with the continued ability to source land in strategic locations with minimal initial cash investment and help us to continue to focus on and execute projects.

We believe that our joint development/ joint venture strategy enables our joint development agreement, joint venture partners to get more value out of their land as our brand and the quality of our product are able to add value to their property and in turn enable us to access quality land to develop and sell without significant capital investment.

We believe that a significant portion of our Land Bank has been accumulated at a competitive cost in the past through our research efforts that help us to predict areas that are to be developed within the foreseeable future and then selecting locations for our projects that lead to strong demand and faster appreciation of land. The average cost of land for our completed and ongoing projects is as under:

Completed and Ongoing Projects	Land cost per saleable Sq.ft. (INR)
Samruddhi Complex- Bhivpuri	63.51
Evergreens (Phase I-IV), Badlapur	89.63

Continued focus on developing projects in and around Mumbai

In the short-medium term we intend to continue to focus on Mumbai and areas within 100 Kms of Mumbai city centre with a combination of large and smaller projects. We believe that Mumbai and areas around Mumbai are an attractive real estate market in terms of returns on investment, product positioning and depth of demand for real estate developments across segments and price points. We also believe that Mumbai's position as the commercial capital of India, together with the demographics of the Mumbai population, high real estate costs, discerning customer base and improving modes of urban commute provide a substantial market for our developments, which emphasise affordability, contemporary architecture, strong project execution and quality construction. Our development sites are located in Mumbai as well within 100 Kms radius of city centre, with different target markets, and we intend to continue to tailor our projects to the particular requirements of each market. While areas in and around Mumbai remain and is expected to remain our primary focus, we are opportunity centric and have evaluated and will continue to evaluate growth opportunities outside of our current focus area on a case by case basis.

Continue to strengthen relationships with key service providers

We intend to continue to follow our outsourcing model and further strengthen our relationships with key service providers such as architects and contractors. This will enable our management to focus more on our core business by continuing to outsource the design and construction to our service providers in consultation with our in-house teams. We also believe that our outsourcing model will enable us to develop projects with quality design and construction as we are able to access the service providers ideally suited to create the type of projects that we believe our customers want.

Focus on cash flow generation

We continue to try and ensure that we are able to achieve quick turn-around in our projects with an attempt to minimize the time duration between our investment in land to project launch and final delivery to our customers. We have built in-house capabilities as well as relationships with external agencies that help us achieve this through pre-planning of projects, clear documentation, timely approvals, pre-emptive approach to address construction related delays and challenges and constant monitoring of timelines and budgets.

We expect to complete and deliver each of our projects within two to three years. We aim to reduce this period further and improve our turn-around to generate cash faster and reduce the risks that we are exposed to as a part of the process.

OUR OPERATIONS

We are a real estate development company primarily operating in Mumbai and nearby areas, focused on projects in affordable and Value Segments. We have a diversified portfolio of Completed, Ongoing and Upcoming projects which primarily comprise of residential units.

Our key business activities are as under:

1. Pre-Construction planning

    a. Land assessment, documentation and acquisition
    b. Land survey
    c. Preliminary Budgeting
    d. Master planning

2. Construction planning & value engineering

    a. Soil investigation
    b. Appointment of various consultants
    c. Architectural planning & structural design
    d. Appointment of site staff and contractors for execution
    e. Development of plot infrastructure

3. Project execution & cost management

    a. Commencement and execution of work
    b. Implementation of scheduling & budgeting
    c. Effective material management, waste management, safety and quality control

4. Marketing & sales

    a. Improve visibility and customer awareness of the projects
    b. Sale of projects at pre-defined stages
    c. Source project approvals with banks & financial institutions for retail financing
    d. Addressing customer complaints

5. Post-construction planning
    a. Possession handover through customer care centre at respective sites
    b. Building Maintenance
    c. Society formation

Other functions such as finance, legal, secretarial and human resource play an important enabler for us to undertake our operations and provide all necessary support in timely execution of projects as well as meeting customer expectations.

Our current operations may be categorized under the following heads:

(i) Completed Projects;
(ii) Ongoing Projects; and
(iii) Upcoming Projects

The following table represents the aggregate Saleable Area and Carpet Area of Completed Projects, Ongoing Projects and Upcoming Projects as of January 10, 2015:

Particulars	**Saleable Area**	
	In million Sq.ft.	**% of total**
Completed Projects	1.05	11.1
Ongoing Projects	1.18	12.5

Particulars	Saleable Area	
	In million Sq.ft.	% of total
Upcoming Projects	7.22	76.3
Total	9.45	100.00

Our Company mostly undertakes the development of residential units for sale to our customers. However, from time to time, we also develop retail shops for sale within our residential complexes for ease and accessibility to our customers.

We focus on development targeted at affordable housing segment *(comprising of EWS, LIG and MIG)* and Value Segment. The following table gives a break-up of our Completed and Ongoing Projects across various customer segments:

Particulars	Saleable Area		Carpet Area	
	In Sq.ft.	% of total	In Sq.ft.	% of total
EWS	269,820	12.1%	192,509	12.4%
LIG	1,497,953	67.0%	1,043,304	67.3%
MIG	389,055	17.4%	267,761	17.3%
Value Segment	Not launched	NA	Not launched	NA
Retail Shops	79,574	3.6%	46,719	3.0%
Total	**2,236,402**	**100.0%**	**1,550,293**	**100.0%**

An overview of our Completed Projects and Ongoing Projects for which we have commenced construction, and infrastructure development, and our Upcoming Projects which form part of our Land Bank is described below:

(i) Completed Projects

As of January 10, 2015, we have completed 3 projects. Location of these projects, year of completion, Saleable Area and the entity through which such projects were developed are as set forth below:

Project	Location/ Village	Year of completion	Saleable Area (in square ft.)	Carpet Area (in square ft.)	Developing Entity	Our economic interest
Poddar Evergreens, Badlapur						
Poddar Evergreens - Phase I	Badlapur	August 2013	262,427	182,650	Poddar Developers	100%
Poddar Evergreens - Phase II	Badlapur	December 2014	309,302	214,904	Poddar Developers	100%
Samruddhi Complex, Bhivpuri						
Samruddhi Complex	Bhivpuri	April 2014	481,332	351,655	Poddar Developers	100%

Note: Year of completion represents the month in which the occupation certificate was received.

The detailed description of our Completed Projects is as follows:-

Samruddhi Complex, Bhivpuri

Location: Survey No. 63 – 64, Village Garpoli, near Diksal Village, Opp. Bhivpuri Railway Station, Taluka – Karjat, Dist. - Raigad

Samruddhi Complex is a project covering 8.84 acres located in Bhivpuri and was the first real estate project undertaken by our Company. The project is located in close proximity to the Bhivpuri railway station and is targeted at EWS and LIG segments. The project comprises of 79 residential buildings with an elevation of G+3, consisting of a total of 1,264 residential units with a mix of 1RK and 1 BHK apartments. The project is in close proximity of schools, colleges and hospital. As on November 30, 2010 all the residential units in this complex are sold out.

Retail shops in Samruddhi Complex are located at the entrance of the Samruddhi Complex which is likely to attract majority of its customers from the residential part of Samruddhi Complex. The Karjat-Kalyan highway and the Bhivpuri station are also easily accessible from the shopping arcade. The shopping arcade comprises of 1 building with an elevation of G+2, consisting of 45 shops. As November 30, 2014, 29 shops are remaining in the inventory.

Particulars	No. of units	Average Saleable Area/unit (in Sq.ft.)	Average Carpet Area /unit (in Sq.ft.)
1RK	400	300	219
1BHK	864	400	295
Commercial	45	350	204

Poddar Evergreens, Badlapur

Location: Near Jovali bridge, opposite Prime Water Company, Kalyan- Karjat road, Taluka Ambernath, Badlapur (east)

Poddar Evergreens has been conceptualized to consist of four phases, each of which has been identified as a separate project, covering 24.99 acres. Of the four phases, Phase I and Phase II are completed and Phase III and Phase IV are ongoing. Poddar Evergreens has been targeted at the MIG, LIG and the EWS segment and is located in close proximity to the Badlapur railway station with a dedicated bus service to the railway station. The apartments consist of 1RK, 1BHK, 2 BHK & 3BHK apartments with balconies and washing areas and in some cases private garden for ground floor flats. Our residential units in Poddar Evergreens offer certain in-flat amenities including 2’X2’ vitrified tiles, branded in-flat chrome plated and sanitary fittings, marble kitchen platform, concealed electric wiring, plumbing and instant geysers. It offers a wide range of planned amenities including children’s play area, amenity hall, retail shops, bus services to the railway station, skating rink, club houses with gymnasiums, and indoor games like table-tennis, chess, carom, swimming pool, outdoor games like cricket pitch, basket ball court, badminton court, football play area and jogging track as well as senior citizen area. The project will also include a pre-primary, primary and secondary school. For this purpose, our Company has given on lease a portion of the project land to Poddar Shikshan Sanstha, a promoter group company, incorporated under section 25 of the Companies Act, 1956, for a period of 30 years. Poddar Shikshan Sanstha has further entered into an arrangement with Brio Educational Foundation LLP for setting up and managing the school, which shall become functional shortly. In addition to the school, the project also envisages a hospital, which is expected to be functional over the next 24-30 months. To the best of our understanding, all approvals for Phase I and Phase II have been received while all approvals except time-dependent approvals for Phase III and Phase IV have been received.

1) Phase-I

There are 32 buildings in Phase-I, with an elevation of G+3, consisting of a total of 468 residential units comprising of a mix of 1RK, 1BHK, 2 BHK and 3 BHK apartments and 24 retail shops. Phase-I had a Saleable Area of approximately 262,427 Sq.ft. and Carpet Area of approximately 182,650 Sq.ft. Phase-I was completed in August 2013 and as of November 30, 2014 all our residential units are sold while 5 retail shops remain unsold.

Particulars	No. of units	Average Saleable Area/unit (in Sq.ft.)	Average Carpet Area/unit (in Sq.ft.)
1RK	80	337	236
1BHK	272	491	343
2BHK	92	751	526
3BHK	24	1,007	703
Retail shops	24	364	214

2) Phase II

There are 39 buildings in Phase-II, with an elevation of G+3, comprising of a total of 582 residential units with a mix of 1RK, 1BHK and 3BHK apartments and 45 retail shops. Phase-II had a Saleable Area of approximately 309,302sq.ft. and Carpet Area of approximately 214,904 Sq.ft. Phase-II was completed in December 2014. As on November 30, 2014 only 21 residential and 27 retail shops remain unsold.

Particulars	No. of units	Average Saleable Area/unit (in Sq.ft.)	Average Carpet Area/unit (in Sq.ft.)
1RK	80	355	249
1BHK	484	515	360
3BHK	18	1,013	708
Retail shops	45	294	173

Ongoing Projects

As of January 10, 2015, we have 4 projects in different stages of development for which we have received or are in the process of receiving various local government approvals, in the form of layout approvals, Intimation of Disapprovals (IOD) and construction commencement certificates, and are in various stages of infrastructure development and construction. All together, we have over 1.18 million Sq.ft. of Saleable Area in construction, infrastructure and development phase.

The following table provides information about our Ongoing Projects as of January 10, 2015 which is in the construction phase, including identification of the entity through which such projects is being developed:

Project	Location/ Village	Expected year of completion	Expected Saleable Area (in square ft.)	Land area (in acres)	Developing Entity	Our economic interest
Poddar Evergreens, Badlapur						
Poddar Evergreens - Phase III	Badlapur	September, 2015	378,632	Part of 24.99 acres	Poddar Developers	100%
Poddar Evergreens - Phase IV	Badlapur	March 2017	297,609	Part of 24.99 acres	Poddar Developers	100%
Poddar Navjeevan, Atgaon						
Phase I	Atgaon (west)	December, 2015	246,350	5.83acres	Poddar Habitat Private Limited	79.35%
Poddar Aspire, Kalyan						
Poddar Aspire, Kalyan	Kalyan (east)	March ,2017	260,750	2.68 acres	Poddar Developers	83.33%

Set forth below is a description of the Ongoing Projects:

Poddar Evergreens, Badlapur

Location: Near Jovali bridge, opposite Prime Water Company, Kalyan- Karjat road, Taluka Ambernath, Badlapur (east)

Poddar Evergreens has been conceptualized to consist of four phases, each of which has been identified as a separate project, covering 24.99 acres. Of the four phases, Phase I and Phase II are completed and Phase III and Phase IV are ongoing. Poddar Evergreens has been targeted at the MIG, LIG and the EWS segment and is located in close proximity to the Badlapur railway station with a dedicated bus service to the railway station. The apartments consist of 1RK, 1BHK, 2 BHK & 3BHK apartments with balconies and washing areas and in some cases private garden for ground floor flats. Our residential units in Poddar Evergreens offer certain in-flat amenities including 2'X2' vitrified tiles, branded in-flat chrome plated and sanitary fittings, marble kitchen platform, concealed electric wiring, plumbing and instant geysers. It offers a wide range of planned amenities including children's play area, amenity hall, retail shops, bus services to the railway station, skating rink, club houses with gymnasiums, and indoor games like table-tennis, chess, carom, swimming pool, outdoor games like cricket pitch, basket ball court, badminton court, football play area and jogging track as well as senior citizen area. The project will also include a pre-primary, primary and secondary school. For this purpose, our Company has given on lease a portion of the project land to Poddar Shikshan Sanstha, a promoter group company, incorporated under section 25 of the Companies Act, 1956, for a period of 30 years. Poddar Shikshan Sanstha has further entered into an arrangement with Brio Educational Foundation LLP for setting up and managing the school, which shall become functional shortly. In addition to the school, the project also envisages a hospital, which is expected to be functional over the next 24-30 months. To the best of our understanding, all approvals for Phase I and Phase II have been received while all approvals except time-dependent approvals for Phase III and Phase IV have been received.

1) Phase-III

There are 46 buildings in Phase-III, with an elevation of G+3, comprising of a total of 692 residential units with a mix of 1 RK, 1BHK, 2BHK and 3 BHK apartments and 52 retail shops. Phase-III had a Saleable Area of approximately 378,632 Sq.ft. and Carpet Area of approximately 262,891 Sq.ft. Phase-III is expected to be completed in September 2015. As on November 30, 2014, 232 residential and 40 retail shops remain unsold.

Particulars	**No. of units**	**Average Saleable Area /unit (in Sq.ft.)**	**Average Carpet Area/unit (in Sq.ft.)**
1RK	64	353	248
1BHK	584	517	361
2BHK	32	766	535
3BHK	12	1,017	710
Retail Shops	52	339	199

2) Phase-IV

There are 30 buildings in Phase-IV, with an elevation of G+3, comprising of a total of 400 residential units with a mix of 1BHK, 2BHK and 3 BHK apartments and 56 retail shops. Phase-IV launched in September 2014 has a Saleable Area of approximately 297,609 Sq.ft. and Carpet Area of approximately 205,290 Sq.ft. Phase-IV is expected to be completed in March 2017. As on November 30, 2014, 382 residential and all the retail shops remain unsold.

Particulars	No. of units	Average Saleable Area/Unit (in Sq.ft.)	Average Carpet Area/Unit (in Sq.ft.)
1BHK	172	522	365
2BHK	192	767	535
3BHK	36	1,012	707
Retail Shops	56	433	254

3) Poddar Navjeevan, Atgaon

Location: Poddar Navjeevan, Phase-I, Gut172/5, Near Tansa Road, Atgaon (West), Taluka Shahapur, District - Thane

Poddar Navjeevan is located at Atgaon (west), Taluka Shahapur, Thane in close proximity to Atgaon railway station and National Highway-3. This whole project expected to be developed in 6 phases, will span an approximate 34.29 acres comprising a mix of 1RK and 1BHK residential units. These flats are expected to offer in-flat amenities including 2'X2' vitrified tiles, branded in-flat chrome plated and sanitary fittings, marble kitchen platform, concealed electric wiring, plumbing and instant geysers. The project is expected to have external amenities including basketball court, badminton court, football play area, skating rink and children play area, cricket patch, a club house with gymnasium, indoor games and a multipurpose hall. We also propose to develop a school as a part of the project.

The project is being undertaken under a joint development with our promoters and an agreement for Phase I for the same has been entered into, along with a separate agreement for future development of the balance land under similar conditions as Phase I.

Phase I

Phase-I for the project, comprising of 5.83 acres of land has been launched and is targeted at the EWS and LIG segment of the residential market in Mumbai.

The project is being undertaken under a joint development agreement with our Promoters who are the beneficial owners of the land on which the project is being constructed. As a part of the joint development agreement, our Promoters are entitled to 20.65% of Saleable Area for Phase – I for which they will pay a fixed sum of ₹1,001 per Sq.ft. towards cost of construction for their portion.

Poddar Navjeevan Phase-I covers 5.83 acres and has 36 buildings with an elevation of G+3, comprising of a total of 576 residential units with a mix of 1 RK and 1BHK. Poddar Navjeevan Phase-I has a Saleable Area of approximately 246,350 Sq.ft. and Carpet Area of approximately 172,106 Sq.ft. Poddar Navjeevan Phase-I is expected to be completed in December, 2015. As on November 30, 2014, 243 residential units remain unsold, in phase-I of the project

Particulars	No. of units	Average Saleable Area/unit (in Sq.ft.)	Average Carpet Area/unit (in Sq.ft.)
1RK	208	346	241
1BHK	368	474	331

4) Poddar Aspire, Kalyan

Location: Hajimalang road, near Aashish Hotel, 100 ft road, Tisgaon (Inside KDMC), Kalyan (east) in close proximity to Kalyan railway station

The project, covering 2.68 acres of land and expected to comprise of 4 towers, is being undertaken as a joint development with existing land owners and using the DRC owned and purchased by our Company. Our economic interest in the project is estimated to be 83.33%.The project is planned to have a total of 364 residential units with towers of varying elevations. Tower D for the project has currently been launched with an elevation of Stilt+21 floors, comprising of 122 residential units across 1BHK and 1.5 BHK configurations. These residential units are expected to offer in-flat amenities including video door phone with intercom facility, split AC in the master bedroom, instant geyser and granite kitchen platform amongst others. The project is expected to have amenities including club house, carom and chess room, cafeteria, gymnasium, yoga centre, children's play area, senior citizen zone and closed-circuit camera surveillance within the complex. Across the 4 towers, the project is expected to have a Saleable Area of approximately 260,750 Sq.ft. and Carpet Area of approximately 160,798 Sq.ft. The project will be targeted at MIG and LIG segment of the residential market in and around Mumbai. Soft Launch for bookings in tower D was launched in November 2014 and the commencement certificate is expected shortly

Particulars	No. of units	Average Saleable Area/Unit (in Sq.ft.)	Average Carpet Area/Unit (in Sq.ft.)
1BHK	292	697	428
1.5BHK	72	794	499

The project includes purchase of TDR from third parties for which an agreement has been entered into with the respective parties along with part payment of consideration made.

Upcoming Projects

An important element of our ability to develop residential projects is our ability to find suitable land in and around Mumbai. We actively attempt to identify and acquire land that may be available for sale in areas in which potential customers are interested in residential projects.

We continually search for new development rights or land to acquire. At any given time, we hold development rights, title or other interests in a number of land parcels which are in different stages of approvals, as to which we have not yet sought construction commencement certificates. Summary of our Land Bank, its location, our present interest in the land and the total areas of such land as of January 10, 2015 are as set forth below.

Particulars	Area (acres)	Estimated Saleable Area (Sq.ft.)	Ownership[1]/ Joint Development/ Joint Venture	Our beneficial interest
Badlapur	22.14	2,768,000	Own Land	100.00%
Mohili	3.23	242,640	Own Land	100.00%
Atgaon	28.46	2,082,900	Joint Development	79.35%
Bhivpuri	0.86	63,300	Joint Development	98.00%
Goregaon	3.70	453,191	Own Land & JDA for SRA portion	100.00%
Vidyavihar	1.46	178,000	Joint Development	91.57%
Vasai	11.3	1,427,000	Joint Venture	50.00%

Note: 1- Ownership includes land for which we have already acquired Title/Conveyance deed/Beneficial interest through Agreement to sell and registered power of attorney

- ***Badlapur land bank***

Our Badlapur land bank, aggregating to 22.14 acres is situated at Mouje Jovali, Taluka Ambernath, Thane in close vicinity of Poddar Evergreens. We have already registered conveyance deeds for 83% of the total area, while for the balance we have entered into various registered agreements for sale and have ensured that the succession rights are assigned to us. Once the non- agricultural order is obtained from the concerned authority, for the balance land, the title will be conveyed to our Company. As per our estimates, the Saleable Area from Badlapur land bank should be 2,768,000 Sq.ft. through a combination of ownership and various registered agreements for sale, we have 100% beneficial ownership in the project. A part of the aforesaid land bank is in green zone and we have applied for change in zoning.

We plan to develop projects catering to MIG, LIG and EWS segment on this land parcel.

- ***Mohili land bank***

Our Mohili land bank, aggregating to 3.23 acres is situated at village Mohili, Kalyan, Thane. Our Company presently has 100% beneficial interest in the said land through agreements for sale and irrevocable registered power of attorneys. Once the non-agricultural order is obtained, the sale agreement will be entered and the title will get transferred to the Company.

We plan to continue with our strategy to build affordable housing for MIG and LIG segment in this land bank.

- ***Atgaon land bank***

Our Atgaon land bank, aggregating to 28.46 acres is situated at Taluka Shahapur, Thane and is in close proximity to Poddar Navjeevan, Phase I. Through a supplementary agreement, we have entered into an arrangement with our Promoters, land owners for the aforesaid land bank, which ensures that any future development by our Promoters of the aforementioned land bank will be only through joint development with us, with a 79.35% beneficial interest accruing to us. Our Company will enter into a joint development agreement with our Promoters at an appropriate stage and at terms as mentioned in the said supplementary agreement. As per our estimates the Saleable Area from Atgaon land bank should be 2,082,900 Sq.ft.

We plan to continue with our strategy to build affordable housing for MIG, LIG and EWS segment in this land bank.

- ***Bhivpuri land bank***

The Bhivpuri land bank, aggregating to 0.86 acres is situated at Karjat, Raigad and is in close proximity to Samruddhi Complex. Our Company has entered into a joint development agreement with the present owners of the Bhivpuri land bank to secure the development rights for this land bank. As per our estimates, the Saleable Area from Bhivpuri land bank should be 63,300 Sq.ft. As per terms of this joint development agreement we are entitled to 98% of the Saleable Area while the land owners are entitled to the balance area.

- ***Goregaon land bank***

Our Goregaon land bank, aggregating to 3.70 acres is situated at Sonawala Cross road No. 2, Goregaon (east) and is a combination of SRA and redevelopment. The total area for development is 14,983.1 Sq.mts., which includes the notified slum area of 8,684.40 Sq.mts. and ‘area yet to be notified’ as Slum of 593.90 Sq.mts. The redevelopment portion of the land consisting of 4,470.77 Sq.mts., is currently industrial land which will be converted to residential area, and vacant land of 1,234.03 Sq. mts.

Our Company has entered into an agreement with M/s. Shiv Shakti Developers, a partnership between our Company and our wholly owned subsidiary, for the redevelopment of the SRA portion of the said land bank to be developed by M/s. Shiv Shakti Developers. As per the development agreement, our Company is contributing the land parcel, along with all costs of developing the land, while, all approvals for the said development is brought by M/s. Shiv Shakti Developers. We have 100% economic interest on a consolidated basis on the said development.

As per our estimates, the Saleable Area from Goregaon land bank should be 453,191 Sq.ft. which includes 303,360 Sq.ft of saleable area for slum portion and 149,827 Sq.ft of saleable area for industrial portion. This is derived after all deductions for occupied and Slum rehabilitated portions and an additional deduction of 16,000 Sq.ft for old partners.

- ***Vidyavihar land bank***

We have entered into various agreements with third parties to develop a land parcel as per Slum Redevelopment Scheme under Regulation No. 33(10) of the Development Control Regulations for Greater Mumbai, 1991 in Vidyavihar. The plot is a census slum and is commonly known as "Milind Nagar".

For the purpose of the above development we have entered into a separate Joint Development Agreement to develop a portion of the above land from which we expect to derive a saleable area of 178,000 Sq.ft with a beneficial interest of 91.57%.

The Vidyavihar land bank is subject of a pending litigation that essentially involves three independent societies (i) Panchsheel SRA Co-operative Housing Society Limited which is proposed to be developed through Aashirwad Realty & Developers ("**Aashirwad**"); (ii) Jai Maa Durga SRA Co-operative Housing Society Limited ("**Jai Maa Durga**") proposed to be developed through M/s Dharamshi Developers; and (iii) Kurla Shree Sadguru SRA Co-operative Housing Society ("**Kurla Shree**") proposed to be developed through M/s Omshi Services. The dispute pertains to the processing of independent proposals of Jai Ma Durga and Kurla Shree societies that are adjacent to one another. The rehabilitation proposal submitted by Kurla Shree has been challenged by Jai Ma Durga and Aashirwad and is pending and different levels of adjudication.

- ***Vasai land bank***

We have formed an equal partnership joint venture company, Viva Poddar Housing Private Limited, through which we are planning to develop a project in Vasai. The project will entail us to receive a portion of a larger development in the area, and as per our estimates, the Saleable Area from Vasai land bank should be 1,427,000 Sq.ft. inclusive of TDR over 11.3 acres of residential land development. The project is being developed by our joint venture in which we have a 50% share.

OUR JOINT DEVELOPMENT AGREEMENTS

We typically develop our projects (1) through land acquisitions; or (2) through joint development agreements primarily with land-owners, in terms of which we acquire the development rights to the underlying land and (3) in fewer occasions, through joint venture with third parties, for the purposes of developing projects through such joint venture. As of January 10, 2015, 22.7% of Completed and Ongoing Projects and 56.2% of our Upcoming Projects are being developed through joint development and joint venture arrangements. We have entered into joint development agreement for:

- Poddar Aspire, Kalyan
- Poddar Navjeevan- Phase I, Atgaon
- Our Land Bank situated at Bhivpuri
- A portion of our Land Bank at Goregaon
- Our Land Bank at Atgaon
- Our Land Bank at Vidyavihar

Our Promoters have entered into a joint development agreement with our subsidiary, Poddar Habitat Private Limited for development of Poddar Navjeevan and a supplementary agreement for future development of our land bank at Atgaon.

In terms of each of these joint development agreement we conclude with land-owners, the land-owner contributes the underlying land and/ or part of cost of development, and we, as the project developers, either directly through our Company, Subsidiaries or our Partnerships 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.

Additionally, with respect to our Land Bank at Goregaon, we have entered into a joint development agreement with M/s Shiv Shakti Developers, one of our Partnership firm, for redevelopment of notified 'Slum Area' and 'Area to be Notified' as Slum in terms of the said agreement. For this particular JDA, Our Company is contributing the land parcel, along with costs of developing the land, however, all approvals for the said development to be brought in by M/s Shiv Shakti Developers. Our Company has 100% economic interest on a consolidated basis on the said development.

OUR JOINT VENTURE AGREEMENTS

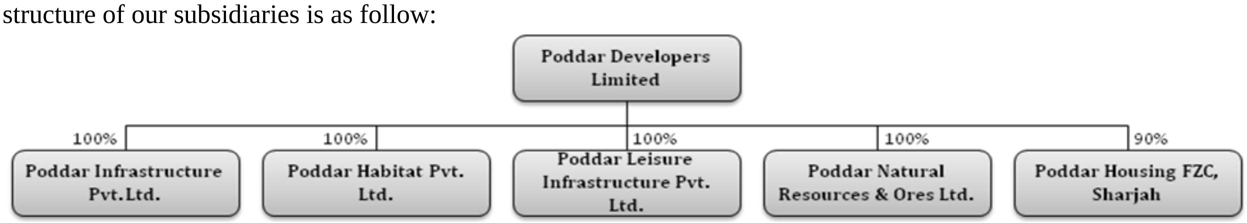
We also enter into joint venture agreements with third parties for the development of one or more projects. Each party's economic interest, or share in the joint development, is based on a number of parameters which vary depending on the project being developed, but which typically include factors such as the size of the land being developed, its location and the total achievable floor space index for the project.

Viva Poddar Housing Private Limited

We have formed a joint venture company, Viva Poddar Housing Private Limited, through which we are planning to develop a project in Vasai for development of a residential area covering 11.3 acres. As per our estimates the Saleable Area from Vasai land bank should be 1,427,000 Sq.ft. including TDR. The project is being developed by our joint venture in which we have a 50% share.

OUR SUBSIDIARIES

Our Company carries out its principal business through itself as well as through its subsidiaries. The business structure of our subsidiaries is as follow:



A brief description of these subsidiaries is as follows:

Poddar Housing FZC ("PH FZC")

PH FZC was incorporated as "Wearology FZC" on September 1, 2008 as a limited liability company pursuant to a certificate of incorporation bearing registration number 01-01-06596 with the Government of Sharjah. The name of "Wearology FZC" was then changed to "Poddar Housing FZC" *vide* certificate of incorporation dated July 1, 2014.

The main objects of PH FZC is to (a) to practice such activities where PH FZC has interest or participate in any way with other companies practicing similar business or may assist in achieving its objectives in or out of SAIF-ZONE and may possess or subsidize such entities; (b) enter into commercial transactions, execute contracts, borrow money and deal with such investments and to promote, participate in, take over and manage other enterprise and operations. However, PH FZC shall not carry on the business of insurance or banking nor invest monies for the account of any third party prior to a trade license specifically issued for such purpose.

PH FZC is licensed to carry on the activity of general trading. However, PH FZC has not, in the past two years entered into any commercial activity, although was engaged in the business of import and export of ladies, gents and children's garments in the year 2011-12. PH FZC carries on its operations from its office situated at Executive Desk, Q1-05-052/A, SAIF-ZONE, Sharjah (U.A.E.) and registered office situated at Post Box 122093, SAIF Zone, Sharjah (U.A.E.).

Poddar Natural Resources and Ores Limited ("PNROL")

PNROL was incorporated as "Makara Real Estate Limited" on August 31, 2006 as a public limited company pursuant to a certificate of incorporation with the Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956. PNROL received its Certificate of Commencement of Business on September 20, 2006. The name of "Makara Real Estate Limited" was changed to PNROL *vide* fresh certificate of incorporation consequent on change of name dated November 13, 2010.

The main objects of PNROL is *inter alia* to carry on business of building, setting up, erection, construction, development, commissioning, maintaining, operating, hiring, letting on hire, lease of all types and natures of infrastructure projects including roads, highways, bridges, hydro power projects, thermal power projects, wind power projects, facilities for alternative energy sources, renewable energy systems, pollution control devices on Build-Operate- Transfer (BOT) basis.

PNROL is yet to commence any business activity and has its registered office situated at unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, 126 N. M. Joshi Marg, Lower Parel - (W) Mumbai - 400 013.

Poddar Habitat Private Limited ("PHPL")

PHPL was incorporated October 6, 2008 as a private limited company pursuant to a certificate of incorporation with the Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956.

The main objects of PHPL is *inter alia* to undertake infrastructure development including constructing/ developing townships, infrastructure and construction development projects comprising of houses, apartments, shops, commercial premises, malls.

PHPL is currently engaged in affordable housing segment and carries on its business from its registered office situated at unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, 126 N. M. Joshi Marg, Lower Parel - (W) Mumbai - 400 013.

Poddar Leisure Infrastructure Private Limited ("PLIPL")

PLIPL was incorporated as on October 10, 2008 as a private limited company pursuant to a certificate of incorporation with the Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956.

The main objects of PLIPL is *inter alia* to undertake infrastructure development including constructing/ developing townships, infrastructure and construction development projects comprising of houses, apartments, shops, commercial premises, malls.

PLIPL is yet to commence any business activity and has its registered office situated at unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, 126 N. M. Joshi Marg, Lower Parel - (W) Mumbai - 400 013.

Poddar Infrastructure Private Limited ("PIPL")

PIPL was incorporated as "Poddar Old Lane Infrastructure Private Limited" on October 3, 2007 as a private limited company pursuant to a certificate of incorporation with the Registrar of Companies, Maharashtra, Mumbai under the Companies Act, 1956. The name of "Poddar Old Lane Infrastructure Private Limited" was changed to PIPL *vide* fresh certificate of incorporation consequent on change of name dated January 5, 2009.

The main objects of PIPL is *inter alia* to undertake real estate development including constructing/ developing townships, infrastructure and construction development projects comprising of houses, apartments, shops, commercial premises, malls and will not undertake any agricultural activity.

PIPL is yet to commence any business activity and has its registered office situated at unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, 126 N. M. Joshi Marg, Lower Parel - (W) Mumbai - 400 013.

THE REAL ESTATE DEVELOPMENT PROCESS

The process of real estate development can be divided into distinct stages of activity. These are as follows:

1) Identification of potential areas of development

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

The process of land identification begins with the selection of an appropriate geographical area that has growth potential. This is done by our projects research team, which gathers market data on possible prospects for development. Following these steps, a survey is conducted at the proposed site and a preliminary feasibility report is prepared.

2) Evaluation of applicable laws and obtaining of requisite approvals

When assessing the feasibility of a new project, it is imperative to become familiar with the legal regime governing the land on which the new project will be developed, since legal regimes vary in each location depending on whether it falls under municipal limits or gram panchayat. We evaluate the factors that affect the obtaining of approvals required for the implementation of the project. The approvals generally required for a real estate development project include approval of the building plans, approval of layouts, approvals related to certain infrastructure facilities such as power and water and land-use approvals such as, in some instances, for the conversion of agricultural land to non-agricultural land. Building completion certificates are obtained from the appropriate authorities after the projects have been completed in accordance with applicable law.

Our Company has obtained all the required licenses for the operation of business. Further, our Company has applied for ISO 9001:2008 which is currently pending.

3) Acquisition of land or purchase of development rights

We follow both approaches to developing projects in our business depending on feasibility of the proposed project in both the scenarios. Occasionally we also enter into joint venture agreements as in the case of land development in Vasai.

In case of joint developments, we acquire the right to develop properties through collaboration with other entities that hold title to the land. Typically, we negotiate an agreement with the other party pursuant to which we conceive, develop and market the project. The titleholder is typically given the option, as consideration for granting the development rights, to share in a portion of the sale proceeds.

When we purchase land directly from titleholders, we execute conveyance deeds in respect of such properties in order to acquire clear title to the property. We also enter into arrangements with third parties who procure land and make arrangements with titleholders to purchase their land in targeted locations.

4) Project development

The design and planning of our projects is conducted by reputable external architects and structural consultants engaged by us in collaboration with our in-house planning department. The majority of external architects and structural consultants are engaged for a specific project and are people whom we deem to be best suited for projects of similar nature. The external architect & consultants provides the master planning, various drawings, layouts, structural designs etc. of the project; however, estimates of the requirements for manpower, materials and machinery are always provided by our in-house planning department.

Once the design and estimates for the project have been finalized, we set up a project team under the supervision of HOD construction, who serves as the central coordinator for the project and who reports to the Managing Director of our Company. We have a centralised system for purchase of materials. Our purchase team purchases the material directly from manufacturers and with good procurement terms after a detailed comparison of prices from different vendors.

Once the drawings are finalised, a detailed BOQ and budgeting is done and various vendors/contractors are finalised after evaluation of their strength, resources and work experience. Basic infrastructure development is speed-tracked before start of construction of residential building. Construction is monitored very closely in terms of quality, timely delivery, wastage control and budgeted cost versus actual cost.

Our management conducts regular site visits. We have developed a monthly internal reporting system to help ensure effective monitoring of the status of all our projects at any given time. This has helped us to improve efficiency and reduce time and cost overruns.

5) Marketing and sales

Our sales and distribution efforts are conducted through two main channels: direct sales through our sales executives and indirect sales through a broker network. For our projects, we typically build, furnish and landscape model units and maintain on-site sales offices. We generally open an on-site sales office before construction of the model unit is completed. We also operate a call centre which helps in lead conversion and follow-ups with customers.

In line with industry practice in India, we access a large network of real estate agents who transact business for us and other developers and builders. The pricing of a project is arrived at after considering the prevailing market, the competitive landscape and the nature of the project.

6) Completion and handover of the project

Once construction has been completed, we convey the relevant interests in the property to residential buyers. We ensure that the entire consideration is paid to us prior to or at the time of the transfer of interest.

Our Competitors

We face significant competition from other entities engaged in the real estate development business, many of which undertake projects similar to ours in the same regional markets in which our projects are located.

We face competition from two set of players:

- Real estate developers in the locations where our projects are being developed.
- Real estate developers who have presence in the affordable housing segment. Among the few organized entities in affordable housing, we believe our chief competitors are developers such as Tata Value Homes, Ashiana Housing Limited and Value and Budget Housing.

Moreover, as we seek to diversify in respect of our products and geographic locations, we face the risk that some of our competitors may be better known in other markets, enjoy better relationships with local land owners gain earlier access to information regarding attractive parcels of land and are better placed to acquire such land.

Awards and Certifications

Our Company has received various awards in recognition of our business and operations including the Health Building certificate awarded by Synergy Environics Limited and Most Promising brand in the category of real estate awarded by World Consulting and Research Corporation (WCRC), Process Advisors & Evaluators- Ernst & Young, for the year 2014.

Employees

We consider our human resources as a critical factor to our success and engage in a human resource strategy that addresses key aspects of human resource development and focuses heavily on recruiting, training and retaining our employees, as well as offering them competitive compensation. As of September 30, 2014 we have 136 employees. In addition to a base salary and performance-linked incentives, we provide a number of benefits to our employees, such as medical expenses, healthcare, and group gratuity schemes.

Our employees are also covered under specific insurance schemes. Our employee policies aim to recruit a talented and qualified work force, facilitate their integration and encourage development of their skills in order to facilitate the growth of our operations. We are also committed to providing an empowering environment that motivates and facilitates growth and rewards contribution.

We also engage contract labour depending on our requirements and the number of contract labour varies from time to time based on various factors.

Occupational Health and Safety

We are committed to the occupational health and safety of our workers. The management regularly sets health and safety targets to continually reduce risk of harm to employees or to operational facilities. We maintain an occupational health and safety management system that defines the guiding principles and standards for occupational health, safety and environment system during the execution stage of project at construction sites for all our project sites. We have set up health and safety procedures at all operational facilities with participation from all levels of employees. The purpose of the safety management system is to ensure that all persons concerned with the project carry out the effective management of health and safety in all activities in order that people, plant and the environment are not exposed to any undue risk/ impact. Appropriate safety equipment is provided to all employees to operational facilities. The visitors to the operational facilities are made aware of the safety norms followed on the site. A periodic inspection is conducted to ensure compliance for areas in which they operate, as well as for compliance with safety management system. Also any health and safety incidents/ accidents are investigated and corrective actions developed. In addition, there are regular reports to management on our health and safety performance.

Intellectual Property

The logos of our Company as well as Poddar group are registered in the name of our Promoter Director, Rohitashwa Poddar. We have entered into an assignment deed dated December 24, 2014 with Mr. Rohitashwa Poddar, as per which all of the rights and goodwill accruing to the logos, are assigned to us for use towards the main objects of our existing Articles of Association for a consideration of ₹1.

Our Property

Our registered office is situated at Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, 126 N. M. Joshi Marg, Lower Parel - (W) Mumbai - 400 013. While part of the office is owned by us, majority of it has been taken on leave & license basis from our group companies, namely Janpriya Traders and Poddar Amalgamated Holdings Private Limited for a period of 36 months commencing from July 1, 2014.

We have another office which is located at Unit No. 6, Neeru Silk Mills, Mathuradas, Mill Compound, 126, N.M. Joshi Marg, Lower Parel (West), Mumbai- 400013, adjoining our registered office This has also been taken on a leave & license basis from our group company, namely Brite Merchants Limited for a period of 36 months commencing from June 16, 2014 to June 15, 2017

Our branch office which is situated at Unit 4-6, Vastu Shilp Co-operative Housing Society, Near-The Kalyan Janta Sahakari Bank, Ram Baug Lane no. 4, Kalyan (West)- 421301, has also been taken on leave & license basis for a period of 33 months with effect from January 1, 2013.

In addition to the above, we have site offices which are located at the respective project sites. These offices are temporary in nature and cease to be in existence once the project has been completed and handover of the project is completed.

Insurance

We maintain insurance cover for our assets to cover all normal risks associated with operations of our business including fire, accidents and other natural disasters. We typically maintain standard fire and allied perils insurance policies for buildings at our project sites to cover risks such as fire and other ancillary perils.

We also have insurance policy for our offices, fidelity guarantee policy for its employees, contractors' all risk insurance policy and workmen's compensation policy. We also maintain burglary policies apart from general insurance policies.

Our Company also maintains various group policies which include: group gratuity cash accumulation plan, group personal accident policy and group health insurance policy for its employees. Although we believe that the amount of insurance currently maintained by us represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage.

Litigation

For further information on material litigation involving our Company, its Promoters and Subsidiaries, see -"*Legal Proceedings*".

OVERVIEW OF THE INDIAN REGULATIONS AND POLICIES

The following description is a summary of relevant regulations and policies applicable to the Company. This description is based on the current provisions of Indian law, which are subject to change or modification or interpretation by subsequent legislative, regulatory, administrative or judicial decisions. The laws set out herein below and their description are not exhaustive, and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.

We are engaged in the business of development of affordable housing. We are governed by a number of Central and State legislations regulating substantive and procedural aspects of the acquisition of, and transfer of land as well as town and city planning. For the purposes of executing our projects, we may be required to obtain licenses and approvals depending upon the prevailing laws and regulations applicable in the relevant state and/or local governing bodies such as the Municipal Corporation of Greater Mumbai, the Fire Department(s), the Environmental Department, the City Survey Department(s), the Collector(s), etc.

Additionally, our projects require, at various stages, the sanction of the concerned authorities under the relevant Central and State legislations and local byelaws. The following is an overview of some of the important laws and regulations, which are relevant to our business as a developer of affordable housing.

Transfer of Property Act, 1882 (the "TP Act")

The TP Act establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

Indian Stamp Act, 1899 (the "Stamp Act")

Under the Stamp Act, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all. However, the instruments which have not been properly stamped can, in certain cases, be validated by paying a penalty of up to 10 times of the proper duty or deficient portion thereof payable on such instruments.

Maharashtra Stamp Act, 1958 (the "Maharashtra Stamp Act")

Stamp duty on instruments in the state of Maharashtra is governed by the Maharashtra Stamp Act. This act levies stamp duty on documents/instruments by which any right or liability is or purports to be created, transferred, limited, extended, extinguished or recorded. All instruments chargeable with duty and executed by any person are required to be stamped before or at the time of execution or immediately thereafter on the next working day following the day of execution. It authorises the State government on receiving information from any source, to call for examination of any instrument to satisfy itself that the market value of the property referred therein has been truly set forth and the duty paid on it is adequate. Instruments not duly stamped are incapable of being admitted in court as evidence of the transaction in question. The State government has the authority to impound insufficiently stamped documents.

Registration Act, 1908 (the "Registration Act")

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 ("2013 Land Acquisition Act")

The 2013 Land Acquisition Act has repealed the Land Acquisition Act, 1894 and aims at establishing a participative, informed and transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization. While aiming to cause least disturbance to land owners and other affected families, it contains provisions aimed at ensuring just and fair compensation to the affected families whose land has been acquired or is proposed to be acquired. It provides for rehabilitation and resettlement of such affected persons. Under the 2013 Land Acquisition Act, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Maharashtra) Rules, 2014 have been notified which frame rules in relation to inter alia the consent process, the compensation mechanism and rehabilitation and resettlement.

An ordinance has been passed by the Union Cabinet on December 31, 2014 (the "**Ordinance**") which seeks to amend the 2013 Land Acquisition Act. In the said ordinance, there has been substitution of the word "private company" by "private entity" and the same has been defined.

The Ordinance has given power to appropriate government to exempt certain projects that pertains to (a) such projects vital to national security or defence of India; (b) rural infrastructure including electrification; (c) affordable housing and housing for the poor people; (d) industrial corridors; and (e) infrastructure and social infrastructure projects including projects under public private partnership where the ownership of land continues to vest with the Government from the application of chapter II and chapter III of the 2013 Land Acquisition Act.

The Ordinance also puts some relaxation to the total time period after which a piece of unutilised acquired land must be returned to its original owner, by amending section 101. Earlier, there was a provision which required the acquired land which was not utilized after five years to be returned. The Ordinance has now amended the provision from a "period of five years" to a "period specified for setting up of any project or for five years, whichever is later".

Indian Easements Act, 1882 (the "Easement Act")

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

Maharashtra Land Revenue Code, 1966 (the "MLR Code")

The MLR Code is a consolidated code governing the sphere of land revenue and powers of revenue officers in the state of Maharashtra. Under the MLR Code, the Commissioner is the chief controlling authority in all matters connected with the land revenue for a particular division within the state, subject to the superintendence, direction and control of the State Government. Land revenue has been defined to mean all sums and payments claimable by the State Government on account of any land or interest in or right exercisable over any land held, and any cess or rate authorised by the State Government, any rent, lease money, quit rent or any other payment provided under any law or contract. All land, whether applied for agricultural or other purposes, and wherever situated, is liable for the payment of land revenue to the State Government as provided under the MLR Code, unless otherwise exempted.

Further, any arrears of land revenue due on a land shall be a paramount charge on the land and shall have precedence over every other debt, demand or claim. The MLR Code also provides for the constitution of Maharashtra Revenue Tribunal.

The Bombay Tenancy and Agricultural Lands Act, 1948 (the "BTAL Act")

The BTAL Act regulates the concept of tenancy over those areas of the state of Maharashtra within which our project is situated. A tenancy has been defined in the BTAL Act as the relationship between the landlord and the tenant, and recognizes a deemed tenancy in favour of a person lawfully cultivating land belonging to another. The BTAL Act lays down provisions with respect to the term for which tenancy could be granted, and the renewal and termination of a tenancy. The transfer of land to non-agriculturists is barred except in the manner provided under the BTAL Act. Agricultural land tribunals have been constituted under the BTAL Act with an officer not below the rank of a mamlatdar as the presiding officer.

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("EPF Act")

The EPF Act provides for the institution of compulsory provident fund, pension fund and deposit linked insurance funds for the benefit of employees in factories and other establishments. A liability is placed both on the employer and the employee to make certain contributions to the funds mentioned above. Further, the employer is required to maintain records and submit periodic returns with regard to the implementation of the Act and Schemes. An establishment which is governed by EPF Act will continue to be governed by it even if the number of persons employed therein at any time falls below twenty.

Maharashtra Regional and Town Planning Act, 1966 (the "MRTPA")

The MRTPA has been enacted with the object of establishing local development authorities in Maharashtra to ensure efficient town planning and development of lands within their jurisdiction. It provides for the creation of new towns and compulsory acquisition of land required for public purposes. The Collector and the Town Planning Department as appointed and established under MRTPA, grant approvals for real estate projects situated in areas falling within their jurisdiction. It deals with Control of Development and use of Land included in Development Plans. Section 43, MRTPA provides that no person shall without the permission in writing of the Planning Authority change the use of or develop any land which is part of a notified area or site for a new town. The Planning Authority, by virtue of Section 51, reserves the right to revoke or modify the permission granted if it appears inconsistent to the development plan. Chapter VI-A provides for levy, assessment and recovery of development charge. Section 124A empowers the Planning Authority to levy development charge on use, change of use or development of land for which permission is required at specified rates. Land appurtenant to a building used for any purpose independent of the building shall be levied separately.

Maharashtra Ownership Flats Act, 1963

The Maharashtra Ownership Flats Act, 1963, was enacted to regulate the promotion of the sale, management and the transfer of flats on an ownership basis in the State of Maharashtra.

Maharashtra Housing and Area Development Act, 1976 (the "MHADA")

The MHADA has been enacted with the object of regulating the housing, repairing and reconstruction of dangerous buildings and carrying out improvement works in slum areas. The Government has established a single corporate authority, The Maharashtra Housing and Area Development Authority (the Authority) for the areas where this Act applies pursuant to Article 39 of the Constitution. Various boards have been set up with exclusive jurisdiction. The Authority directs the boards to prepare and execute, inter alia, plans and projects for housing accommodation in the State. To further such cause, the boards may enter into agreements and contracts and sell property entrusted to it by the government.

Maharashtra Housing (Regulation and Development) Act, 2012

The Maharashtra Housing (Regulation and Development) Bill, 2012 received the assent of the Honourable President on February 24, 2014 and hence is now, The Maharashtra Housing (Regulation and Development) Act, 2012 (the "**Housing Act**"). The state of Maharashtra has become the first Indian state where a regulatory bill has been introduced in the real estate sector. The Housing Act has been enacted for two main purposes, (i) regulate and promote the construction, sale, management and transfer of flats on the ownership bases in the state of Maharashtra and (ii) to establish the Housing Regulatory Authority ("**HRA**") and Housing Appellate Tribunal ("**HAT**"). The Housing Act aims to provide relief to flat purchasers against malpractices and difficulties, promote planned and healthy development, to facilitate smooth and speedy construction and maintenance and also to ensure the full disclosure and compliance by the promoters or developers.

The Housing Act makes it mandatory for every promoter to make an application to HRA for registering the project and displaying it on the website of HRA along with an application fee not exceeding ₹50,000. If the project is proposed to be marketed and sold in phases, each phase will be considered as an independent project. The HRA shall register the project within 7 days of receiving the application and provide a password to the developer for accessing the website. The promoter shall upon receiving such password, enter the required details of the project in the website. The Housing Act prohibits any transaction including sale or marketing of flats in new project without registration on the HRA website. The Housing Act also prohibits promoters from issuing or publishing any advertisement or prospectus for inviting advance or deposit without displaying the project or phase on website of the HRA.

The mandatory requirement of the registration is exempted, if:

- the area does not exceed 250 square meters;
- the total number of flat is less than 5 in project/phase
- the promoter received occupation certificate;
- the project is renovation, repair, reconstruction and does not involve new allotment of flat.

The HRA is entitled to cancel the registration, if a court declares that the document pursuant to which the promoter derives right to the land or development right is invalid.

The Housing Act also requires the promoter to enter into agreement with buyers of flats before accepting advance payment or deposit which exceeds 20% of the sale price. The Housing Act requires sale agreement to provide various aspect of the project upfront. The Housing Act also gives power to HRA in case if the promoter is not able to complete the project, such as creation of a legal entity of 60% flat purchasers, appointing the legal entity as escrow agent for taking over the possession of the building and area appurtenant thereto and allowing the legal to take various measure to compete the construction. If the promoter is unable to give possession of the flats within the prescribed time period, then he shall refund the amounts together with interest at the prescribed rate. Such amounts and the interest shall be a charge on the flats subject to any prior encumbrances.

Maharashtra Co-operative Societies Act, 1960 (the "MCSA")

Co-operatives societies set up in Maharashtra are registered under and regulated by the Maharashtra Co-operative Societies Act, 1960 and the Maharashtra Co-operative Societies Rules, 1961. Each co-operative society is required to have its own bye-laws providing for its over-all management and regulating its functions and operations. These bye-laws have to be consistent with the MCSA. The MCSA provides, inter alia, for rights of the members, privileges of the societies, property and funds of the Society.

Maharashtra Rent Control Act, 1999

This is a beneficial legislation, which provides for fixation of standard rent and gives statutory protection to a tenant against eviction by the landlord. It does not apply to companies with a paid up capital of ₹100 Lacs and above and certain other classes of tenants. A landlord can evict a tenant only in certain circumstances as prescribed therein. It also prescribes the summary procedure for removal of a residential licensee.

The Real Estate (Regulation and Development) Bill, 2013

The Real Estate (Regulation and Development) Bill, 2013 has been introduced in the Rajya Sabha which aims to regulate the planned development in the real estate sector in India. Pursuant to the bill, there is a requirement of prior registration of the real estate project by the constructor with the Real Estate Regulatory Authority.

The Bill requires for the establishment of a Real Estate Regulatory Authority for regulation and promotion of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, in an efficient and transparent manner. The Bill further provides for the establishment of an Appellate Tribunal to hear appeals from the decisions, directions or orders of the Authority and for matters connected therewith or incidental thereto. The Bill also gives provisions for the protection of the interest of consumers in the real estate sector. The Bill has not yet been passed by the Parliament.

Employees State Insurance Act, 1948 (the "ESI Act")

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto.

It applies to, inter alia, seasonal power using factories employing ten or more persons and non-power using factories employing 20 or more persons. Every factory or establishment to which the ESI Act applies is required to be registered in the manner prescribed in the ESI Act. The ESI Act is applicable to all factories and other businesses as the Central Government may determine, unless a specific exemption has been granted. Section 2 (9) of the ESI Act lays down a list of the employees who can be covered by this Act.

Pursuant to the ESI Act only those employees drawing a salary below ₹15,000 per month are covered under the ESI Act. However, prior to 2010 those employees drawing a salary below ₹7,500/- per month were covered under the ESI Act.

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA")

The CLRA requires establishments that employ or employed on any day in the previous twelve months, twenty or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour.

The CLRA requires the principal employer of an establishment to which the CLRA applies to make an application to the registering officer in the prescribed manner for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid facilities, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period.

Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

The Minimum Wages Act, 1948, as amended (the "Minimum Wages Act")

State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages may consist of a basic rate of wages and a special allowance; or a basic rate of wages with or without the cost of living allowance and the cash value of the concessions in respect of supplies of essential commodities; or an all inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any. Every employer is required to maintain such registers and records as prescribed by the Minimum Wages Act. Workmen are to be paid for overtime at overtime rates stipulated by the appropriate State Government.

Contravention of the provisions of this legislation may in certain cases result in imprisonment up to six months or a fine up to ₹500 or both. The appropriate State Government may prescribe rules including the mode of calculating the cash value of wages, time and conditions of payment and permissible deductions from wages.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 provides for payment of bonus on the basis of profit or productivity to people employed in factories and establishments employing twenty or more persons on any day during an accounting year. The said act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Further, every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹100, whichever is higher.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years: (a) on his/her superannuation; (b) on his/her retirement or resignation; (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply). The said act establishes a scheme for the payment of gratuity to employees engaged in establishments in which 10 or more persons are employed or were employed on any day of the preceding twelve months; and in such other establishments in which 10 or more persons are employed or were employed on any day of the preceding twelve months, as GoI may, by notification, specify. The Company provides for payment of gratuity and superannuation to all our permanent employees.

The Payment of Wages Act, 1936 ("Wages Act")

The Payment of Wages Act, 1936 aims at ensuring payment of wages in a particular form at regular intervals without unauthorised deductions. It regulates the payment of wages to certain classes of employed persons and provides for the imposition of fines and deductions and lays down wage periods and time and mode of payment of wages. Persons whose wages are ₹6,500 or more per month are outside the ambit of the said act.

Shops and Commercial Establishments Acts

Shops and Establishments Acts are state enactments being different for every state of India. The Act is intended for the regulation of conditions of work, number of days of leave and employment in shops, commercial establishments and other establishments. Every establishment not regulated/being under the purview of Factories Act, 1948 has to be registered under the respective state Shops and Establishments Act. Pursuant to Section 5 of the Shops and Establishment Act every new establishment is required to obtain a certificate of registration from the designated authority within 90 (ninety days) from commencement of work of the establishment.

Environment Regulations

Some of our projects require approvals under the following environmental legislations. This is because the implementation of our projects might have an impact on the environment where they are situated in.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act provides for the constitution of a Central Pollution Control Board ("Central Board") and State Pollution Control Boards ("State Board"). The Water Act debars any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluent into a stream, well or sewer without taking prior consent of the State and Central Boards.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act mandates that no person can, without the prior consent of the State Board, establish or operate any industrial plant in an air pollution control area. The Central and State Boards constituted under the Water Act are also to perform functions as per the Air Act for the prevention and control of air pollution.

The Environment (Protection) Act, 1986 ("EPA")

The EPA has been enacted for the protection and improvement of the environment. The EPA empowers GoI to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. GoI may make rules for regulating environmental pollution.

Regulation of Foreign Investment in India

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended ("**FEMA**") read with the applicable FEMA Regulations along with the RBI Master Circular Number 15/2014-15 on Foreign investments dated July 1, 2014. The Foreign Direct Investment ("**FDI**") Policy of 2014, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**") with effect from April 17, 2014 ("**FDI Policy 2014**"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy 2014 will be valid until the DIPP issues an updated circular.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, where approval from the Government of India or the Reserve Bank of India ("**RBI**") is required, depending upon the sector in which foreign investment is sought to be made.

Under the automatic route, the foreign investor or the Indian company does not require any approval from the RBI or Government of India for investments. Under the approval route, prior approval of the Government of India through Foreign Investment Promotions Board ("**FIPB**") is required. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment.

Further, in terms of the press note 10 dated December 3, 2014, FDI is permitted upto 100 per cent under automatic route in Construction Development: Township, Housing, Built-up Infrastructure and construction-development projects (which would include, development of townships, construction of residential/ commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, townships) subject to certain terms and conditions which inter alia include:

1) Minimum area to be developed under each project would be as under:

(i) In case of development of serviced plots, no minimum land area requirement
(ii) In case of construction-development projects, a minimum floor area of 20,000 Sq.mts

'Floor area' is defined as per the local laws and regulations or respective State Governments/Union territories.

2) Investee Company would be required to bring minimum FDI of US $5 million within six months of commencement of the project. The commencement of the project will be the date of the approval of the building plan/lay out plan by the relevant statutory authority. Subsequent tranches of FDI can be brought till the period of 10 years from the commencement of the project or before completion of the project, whichever expires earlier.

3) The investor shall be permitted to exit on completion of the project or after development of the trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage.

4) The Government may permit repatriation of FDI, or transfer of the stake by one non-resident investor to another non-resident investor before the completion of the project in view of facts and circumstances of a case.

5) The project shall conform to the norms and standards, including land use requirements and provision of community amenities and common facilities as laid down on the applicable building control regulations, bye-laws, rules and other regulations of the State Government/ municipal/local body concerned.

6) The Indian investee company will be permitted to sell only developed plots. For the purpose of this policy "developed plots" will mean plots where trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage.

7) The Indian investee company shall be responsible for obtaining all necessary approvals, including those of buildings/ layouts plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/ bye-laws, rules and other regulations of the state government/ municipal/ local body concerned.

8) State government/ municipal/ local body concerned, which approves the building/ development plans, will monitor compliance of the above conditions by the developer.

An Indian Company, which is recipient of FDI shall procure a certificate from an architect empanelled by any authority authorised to sanction building plan to the effect that the minimum floor area requirement has been fulfilled.

A project using atleast 40% of the FAR (Floor Area Ratio)/ FSI (Floor Space Index) for dwelling unit of floor area of not more than 140 square meter will be considered as Affordable Housing Project for the purposes of FDI Policy in construction development sector. Out of the total FAR/FSI reserved for Affordable Housing, at least one fourth should be for houses of floor area of not more than 60 square meter.

100 per cent % FDI under automatic route is also permitted in completed projects for operation and management of townships, malls/ shopping complexes and business centres.

Further, FDI is not permitted in an entity which is engaged or proposes to engage in real estate business, construction of farm houses and trading in transferable development rights. "**Real Estate Business**" in terms of FEMA Notification 1/2000 – RB dated May 3, 2000 read with RBI Master Circular dated July 1, 2014 means dealing in land and immovable property with a view to earning profit or earning income therefrom and does not include development of townships, construction of residential / commercial premises, roads or bridges, educational institutions, recreational facilities, city and regional level infrastructure, townships.

BOARD OF DIRECTORS AND MANAGEMENT

Overview

Our Board currently consists of six Directors. Our key management team is under the overall supervision and control of our Board, and is responsible for our day-to-day operations. Our Articles of Association provide that the number of directors shall not be less than three and not more than fifteen.

Further, our Articles of Association provides that one-third of the strength of the Board of Directors shall be liable to retire by rotation at every AGM. A retiring Director shall be eligible for re-appointment.

The quorum for a meeting of the board of directors of a company shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two directors, whichever is higher. Where the number of interested Directors exceeds or is equal to two-third of the total number of Directors, the number of remaining Directors i.e., the number of directors who are not interested and are present at the meeting, not being less than two, shall be the quorum during such time.

The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchange on which our Company's shares are listed.

Directors

The following table sets forth details regarding the Board as on the date of this Placement Document:

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation
1.	**Dipak Kumar Jagdishprasad Poddar** **Address**: Brij Kutir, 17th Floor, Rungta Lane, Off Nepean Sea Road, Mumbai-400 006, Maharashtra, India **Occupation:** Business **DIN:** 00001250 **Term:** 3 years with effect from March 31, 2014, liable to retire by rotation **Nationality**: Indian	71	Executive Chairman (Whole-time Director)
2.	**Rohitashwa Dipak Kumar Poddar** **Address**: Brij Kutir, 17th Floor, Rungta Lane, Off Nepean Sea Road, Mumbai-400 006, Maharashtra, India **Occupation:** Business **DIN:** 00001262 **Term:** 3 years with effect from March 31, 2012, liable to retire by rotation **Nationality**: Indian	44	Managing Director
3.	**Shrikant Bhaskar Tembey**	57	Independent Non-executive Director

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation
	Address: A-81 Kamalpushpa, Bandra Reclamation, Bandra West, Mumbai-400 050, Maharashtra, India **Occupation:** Professional **DIN:** 00001251 **Term:** 5 years with effect from April 1, 2014 **Nationality**: Indian		
4.	**Dilip Jayantilal Thakkar** **Address**: Little Gibbs road, 12/B Acropolis, Malabar Hill, Mumbai-400 006, Maharashtra, India **Occupation:** Professional **DIN:** 00007339 **Term:** Liable to retire by rotation[1] **Nationality**: Indian	78	Additional Non-executive Director
5.	**Ramakant Madhav Nayak** **Address**: A-11, Anand Dham, road no.9, Prabhat Colony, Near Hotel Yatri, Santacruz (east), Mumbai-400 055, Maharashtra, India **Occupation:** Professional **DIN:** 00129854 **Term:** 5 years with effect from April 1, 2014 **Nationality**: Indian	69	Independent Non-executive Director
6.	**Sangeeta Purushottam** **Address**: 3202, Tower -2 Aqua, Planet Godrej, Keshav Rao Khadve Marg, Near Saat Rasta, Mumbai- 400 011, Maharashtra, India **Occupation:** Professional	51	Additional Independent Non-executive Women Director

Sr. No.	Name, Address, Occupation, DIN, Term and Nationality	Age	Designation
	DIN: 01953392 **Term:** 5 years with effect from November 14, 2014[1] **Nationality**: Indian		

[1] Appointment and Term is subject to ratification by shareholders in the next general body meeting

Relationship with other Directors

Except Dipak Kumar Poddar and Rohitashwa Poddar who are father and son, none of the directors are related to each other.

Brief profiles

Dipak Kumar Poddar

Dipak Kumar Poddar is an Executive Chairman (Whole-time director) of our Company. He has been associated with our Company since 1986. He is a science graduate from University of Calcutta and holds a master's and bachelor's degree in Mechanical Engineering from Massachusetts Institute of Technology, USA. He has experience of about four decades in finance, automobiles, garment exports, precision engineering, real estate and other areas. In the past he has served as Managing Director of Bajaj Auto Finance Limited. He is on the board of companies such as VIP Industries Limited, Bajaj Allianz General Insurance Company Limited and Bajaj Finserv Limited amongst others.

Rohitashwa Poddar

Rohitashwa Poddar is the Managing Director of our Company. He has been associated with our Company since 1995. He holds BSc (Hons.) degree in Engineering and Business Management from King's College, London, U.K. He has over 20 years of work experience in manufacturing, financial services and real estate. He holds directorship in other companies such as Poddar Natural Resources and Ores Limited, Poddar Bhumi Holdings Limited and Poddar Heaven Homes Limited amongst others.

Shrikant Tembey

Shrikant Tembey is an Independent Non-executive director of our Company. He has been associated with our Company since 2005. He is a qualified Chartered Accountant and is a member of The Indian Chartered Accountants of India. He is also a partner of Tembey & Mhatre Chartered Accountants. He has over 30 years of work experience in finance and taxation.

Dilip Thakkar

Dilip Thakkar is an Additional Non-executive director of our Company. He has been associated with our Company since 1993. He is a qualified practicing Chartered Accountant since 1961 and is a member of The Indian Chartered Accountants of India. He is the senior partner at M/s Jayantilal Thakkar & Associates. He has more than 50 years of work experience and specialises in Foreign Exchange Management Act, 1999 and international taxation. He was a past President of Bombay Chartered Accountants Society. He has written several articles and addresses several conferences in India and abroad on variety of professional subjects. He is on the board of the companies such as Panasonic Energy India Company Limited, Essar Oil Limited and The Ruby Mills Limited amongst others.

Ramakant Nayak

Ramakant Nayak is an Independent Non-executive Director on the Board of our Company. He has been associated with our Company since 2011. He holds a Bachelor's degree in Science from Karnatak University, a Bachelor's degree in Law from University of Mumbai and a Diploma in Marketing and Advertising from Rajendra Prasad College of Mass Communications & Media. He is an associate member of The Indian Institute of Bankers. He has more than 30 years of experience as commercial banker in the financial services industry particularly commercial banking, manufacturing industry and realty industry. He also holds directorship in Sun Capital Advisory Services Private Limited, Nitin Fire Protection Industries Limited and Sunteck Realty Limited etc.

Sangeeta Purushottam

Ms. Sangeeta Purushottam is an Additional Independent Non-executive Women Director of our Company. She has been associated with our Company since 2014. She has completed Bachelor of Arts from University of Delhi and has a Post- graduate Diploma in Management from The Indian Institute of Management, Ahmedabad Society. She has a work experience of 28 years in the field of financial services such as institutional equities, index business, investment banking and fund raising in Indian companies and multinational companies both in India and abroad. She has successfully handled general management responsibilities in start-ups and turnaround situations and is also exposed to sectors such as fast moving consumer goods, media, auto and pharmaceuticals. She also holds directorship in Kamani Oil Industries Private Limited and Cogito Advisors LLP.

Borrowing powers of the Board

On January 10, 2015, shareholders of our Company have passed a resolution to authorised our board to borrow money upon such terms and conditions as the Board may think fit and may exceed the aggregate of the paid up share capital and free reserves, provided that the aggregate amount of its borrowings shall not exceed ₹200 Crores.

Interest of Directors

All of the Directors, other than the Executive Directors, may be deemed to be interested to the extent of fees payable to them for attending Board or Board committee meetings as well as to the extent of reimbursement of expenses payable to them. The Executive Directors may be deemed to be interested to the extent of remuneration paid to him for services rendered as the officer of our Company.

One of our Directors, Dipak Kumar Poddar is interested in the operations of the Company to the extent of the personal guarantees issued by him as security for borrowings of one of the subsidiaries of the Company and to the extent of the beneficial interest that he has in the Company's Atgaon project through a joint development agreement.

One of our Directors, Rohitashwa Poddar is interested in the operations of the Company to the extent of the personal guarantees issued by him as security for borrowings of one of the Subsidiaries of the Company, to the extent of the beneficial interest that he has in the Company's Atgaon project through a joint development agreement and to the extent of giving exclusive rights to our Company to use certain trademarks within and outside the Territory of India for services as permitted under the subject assignment deed.

All of the Directors may also be regarded as interested in any Equity Shares held by them (as detailed below), or subscribed by and allotted to, the companies, firms and trust, in which they are interested as directors, members, partners, trustees and also to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them:

Name of the Director	Number of Equity Shares held as on December 31, 2014	% of Total Number of Equity Shares
Dipak Kumar Poddar	112,000	2.15
Rohitashwa Poddar	965,653	18.56
Shrikant Tembey	1,500	0
Dilip Thakkar	0	0
Ramakant Nayak	0	0
Sangeeta Purushottam	0	0

There are no existing or potential conflicts of interest between any duties owed to our Company by our Directors and the private interests or external duties of the Directors except as disclosed in this Placement Document. As part of their investment portfolio, certain of the Directors 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 such other companies and our Company is not likely to have a material effect on the prices of such securities.

Except as disclosed in this Placement Document, and except to the extent of shareholding in our Company, our Directors do not have any economic interest in our Company. 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.

Except as otherwise stated in this Placement Document, 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. Further, no Director has taken any loans from our Company.

Terms of appointment of Executive Director

Dipak Kumar Poddar

Dipak Kumar Poddar has been appointed as the Executive Chairman (Whole-time Director) of our Company for a term of three years with effect from March 31, 2014, liable to retire by rotation, pursuant to a Board resolution dated May 12, 2014 and shareholders' resolution dated August 5, 2014.

In accordance with terms and conditions of his appointment, Dipak Kumar Poddar is entitled to:

Particulars	Remuneration
Basic salary	₹165,000 per month with such annual increments/ increases as may be decided by the Board of Director from time to time.
Perquisites	• Company's contribution to provident fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. • Gratuity at the rate of one month's salary for each year of completed service • HRA: 20% of salary. • Expenses on gas, electricity, water and furnishing subject to a ceiling of 10% of the salary. • Reimbursement of medical expenses incurred by himself and his family subject to a ceiling of one month's salary in a year or three month's salary over a period of 3 years. • Reimbursement of actual travelling expenses for proceeding on leave to any place in India and return therefrom once in a year in respect of himself and his family. • Reimbursement of fees of clubs subject to a maximum of two clubs. These will not include admission and life membership fees. • Free use of Company's car for official as well as private purposes. • Reimbursement of telephone expenses. However, personal long distance calls shall be billed by the Company to the executive chairman. • One month's earned leave with full pay and allowances in a year which may be accumulated for 3 years. Encashment of un-availed leave will be permitted. • Cost of insurance cover against the risk of financial liability or laws because of any error of judgment, as may be approved by the Board of directors from time to time. • Re-imbursement of entertainment expenses incurred in the course of business of the Company. • Subject to any statutory ceiling/s, the executive chairman may be given any

Particulars	Remuneration
	other allowances, perquisites, benefits and facilities as board of directors from time to time may decide.

Rohitashwa Poddar

Rohitashwa Poddar was appointed as Managing Director for a period of 3 years with effect from March 31, 2012, liable to retire by rotation, pursuant to a resolution passed by the Board of Directors at the meeting held on May 14, 2012.

In accordance with terms and conditions of his appointment, Rohitashwa Poddar is entitled to:

Particulars	Remuneration
Basic salary	₹150,000 per month.
Perquisites	He shall also be eligible to perquisites and allowances like rent free furnish/ semi-furnished accommodation/ house-rent allowance, medical re-imbursement, leave travel concession for him and family, personal accident insurance, retirement benefit like provident fund, gratuity etc as per the laws applicable from time to time; club fees, a chauffeur driven car with maintenance cost of the car and reimbursement of fuel expenses at actuals; communication facility including phone at the residence (personal long distance calls will be borne by him), as per rules of Company.

Remuneration of Executive Director

The following table sets forth the compensation paid by our Company to the Executive Directors for the period between April 1, 2014 to September 30, 2014:

Name	Details of Remuneration
Dipak Kumar Poddar	1,345,470
Rohitashwa Poddar	1,082,970

The remuneration paid by our Company to its Executive Directors in the FY ended March 31, 2014, 2013 and 2012 is stated below:

Particulars	FY 2014		FY 2013		FY 2012	
	Rohitashwa Poddar (Managing Director)	Dipak Kumar Poddar (Chairman)	Rohitashwa Poddar (Managing Director)	Dipak Kumar Poddar (Chairman)	Rohitashwa Poddar (Managing Director)	Dipak Kumar Poddar (Chairman)
Basic Salary	1,800,000	1,980,000	1,800,000	1,980,000	420,000	1,980,000
House Rent Allowance	270,000	396,000	360,000	396,000	84,000	396,000
Perquisites	389,865	412,295	308,628	371,115	70,008	428,481
Contribution to Provident Fund	216,000	0.00	236,204	0.00	10,620	0.00
Bonus	0.00	0.00	0.00	0.00	42,000	0.00
Total	**2,675,865**	**2,788,295**	**2,704,832**	**2,747,115**	**626,628**	**2,804,481**

Non-Executive Directors' Compensation

The following table sets forth all compensation paid by our Company to the Non-Executive Directors for the period between April 1, 2014 to September 30, 2014:

Name of Director	Sitting Fee (₹)
Shrikant Tembey	60,000
Dilip Thakkar	15,000
Ramakant Nayak	60,000
Sangeeta Purushottam	0

The following table sets forth all compensation paid by our Company to the Non-Executive Directors for FY 2014, FY 2013 and FY 2012:

Name of Director	FY 2014 Sitting Fee (₹)	FY 2013 Sitting Fee (₹)	FY 2012 Sitting Fee (₹)
Shrikant Tembey	120,000	130,000	55,000
Dilip Thakkar	45,000	45,000	20,000
Ramakant Nayak	120,000	130,000	30,000
Sangeeta Purushottam	NA	NA	NA

Corporate Governance

Our Company is required to comply with applicable corporate governance requirements, including the Listing Agreement with the Stock Exchange and various other regulations including Companies Act, 2013 in respect of the constitution of the Board and committees thereof. The corporate governance framework of our Company 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 the 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. The executive management of our Company provides the Board of Directors with detailed reports on the performance of our Company periodically. Although our Company has been complying with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchange, we are currently in the process of complying with other corporate governance requirements under the Companies Act, 2013. Our Company is currently compliant with the requirements of the Clause 49 of the Listing Agreement.

Committee of the Board of Directors

The Board of Directors has three committees, which have been constituted and functions in accordance with the relevant provisions of the Companies Act and the Listing Agreement: (i) Audit Committee, (ii) Nomination & Remuneration Committee, (iii) Shareholders / Investors Grievance Committee; (iv) Corporate Social Responsibility Committee; and (v) Risk Management Policy and Committee.

The following table sets forth the details of the members of the aforesaid committees:

A. Audit Committee:

The members of the Audit Committee are:

1. Shrikant Tembey- Chairman
2. Dipak Kumar Poddar – Member
3. Ramakant Nayak – Member

The terms of reference of the Audit Committee apart from those specified in the Listing Agreement with the Stock Exchange broadly pertain to review of business practices, review of investment policies, reviews of compliances and review of systems and controls.

B. Nomination & Remuneration Committee:

The members of the Nomination & Remuneration Committee are:

1. Shrikant Tembey- Chairman
2. Ramakant Nayak- Member
3. Sangeeta Purushottam – Member

The terms of reference of the Nomination & Remuneration Committee broadly pertain to ensure that there is no violation by any employee of any applicable laws in India or overseas; remuneration packages for directors and any compensation payment and other regulatory requirements to be attended by such committee.

C. Stakeholders Relationship Committee:

The members of the Stakeholders Relationship Committee are:

1. Shrikant Tembey – Chairman
2. Dipak Kumar Poddar- Member
3. Rohitashwa Poddar- Member

The terms of reference of the Stakeholders Relationship Committee, *inter alia*, approves issue of duplicate certificates an overseas and review all matters connected with transfer of securities of the Company. It also looks into redressal of shareholders/investor complaints, overall performance of the registrar and transfer agents and recommends improvement in the quality of investor services. It also monitors implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

D. Corporate Social Responsibility Committee:

The members of the Corporate Social Responsibility Committee are:

1. Rohitashwa Poddar - Chairman
2. Ramakant Nayak - Member
3. Shrikant Tembey - Member

Our Company has adopted a Corporate Social Responsibility ("CSR") Policy which focuses on utilisation of CSR funds for promotion of education; combating human immune-deficiency virus, acquired immune-deficiency syndrome, malaria and other diseases; and any other CSR activity as defined under Section 135 and Schedule VII of Companies Act, 2013. The CSR process comprises of four stages i.e. planning, implementation, monitoring & evaluation and documentation & communication.

E. Risk Management Policy and Committee:

The members of the Risk Management Policy and Committee are:

1. Dipak Kumar Poddar– Chairman
2. Rohitashwa Poddar - Member
3. Omprakash Bhutada - Member

The Risk Management Policy and Committee is responsible for overseeing the establishment and implementation of our Company's risk management system and to assess for itself atleast annually that the system is operating effectively. It advises the Board of Directors on the appropriateness of a risk management policy and oversight structures and reports on matters of concern raised by management and internal and external auditors. The main responsibility of the committee is to recognise the core principles/policy for managing derivatives risk. Based on those core policy, the committee takes the decisions and measures to be adopted and be implemented and followed.

Key Managerial Personnel

Under the provisions of the Companies Act, the management of the whole of the affairs of a company is entrusted to Executive directors who exercise their powers subject to the superintendence, control and direction of the board of directors.

The table below sets out the names of our Key Managerial Personnel and their current responsibilities.

Name	**Designation**	**Year of joining**
Omprakash Bhutada	President & Chief Financial Officer	2013
Jinendra Nahar	Senior General Manager Land Procurement	2007
Chandrakant Ghanekar	Senior General Manager Finance	1986
Vimal Dhoot	Senior General Manager Commercial	1986
Pradeep Sharma	Senior General Manager Purchase	1997
Vishwajeet Patki	Senior General Manager Marketing	2010
Amla Singh	Head of Department Construction	2012
Chandrakant Sharma	Company Secretary	2013

All the Key Management Personnel are permanent employees of our Company.

Brief Profile of KMPs

Omprakash Bhutada, aged 60, is the President & Chief Financial Officer of the Company. He joined our Company on September 1, 2013. He is a Chartered Accountant and a member of The Institute of Chartered Accountants of India. He is also a Company Secretary and a member of The Institute of the Company Secretaries of India. He is a Cost and Management Accountant and a member of The Institute of Cost Accountants of India. His area of responsibility is finance, taxation, general management and overall operations of the Company. Prior to joining our Company, he was working as group president and company secretary with Madura Industrial Textiles Limited. He has 36 years of work experience in accounts, finance, taxation, secretarial, legal and general management.

Jinendra Nahar, aged 53, is the Senior General Manager- Land Procurement of our Company. He joined our Company in February 1, 2007 and has been associated with our group for over two decades. He is a commerce graduate from University of Rajasthan. He plays a key role in the Company for handling the procurement of land, scrutinising and securing land and related approvals. He is responsible for identification and acquisition of land, checking the land documents and co-ordinating with architect, advocate for getting title clearance etc. He has 30 years of work experience in the real estate field.

Chandrakant Ghanekar, aged 50, is the Senior General Manager Finance of our Company. He joined our Company on September 1, 1986. He is a Commerce graduate from University of Bombay. He controls and co-ordinates the accounts department of our Company, our subsidiaries and group companies. He is also responsible to attend the queries in relation to income tax department, sales department, and service tax department; filing of tax returns; banking transactions; prepare CMA data for financial institutions of bankers etc. He has 28 years of work experience in the field of finance and tax matters.

Vimal Dhoot, aged 51, is the Senior General Manager- Commercial of our Company. He joined our Company on September 15, 1986. He is a Commerce graduate from University of Bombay. He is responsible for preparing, monitoring and reviewing budgets of each projects, project schedules; looking after technical evaluation of bills;

heading stores department, finalisation of civil contracts, maintaining building wise budget, and actual cost incurred etc. He has 33 years of work experience in commercial field.

Pradeep Sharma, aged 50, is the Senior General Manager- Purchase of our Company. He joined our Company on August 11, 1997. He is a Commerce graduate from University of Bombay with specialisation in Financial Accounting and Auditing. He is responsible for managing and developing purchase functions such as purchasing policies and planning for the Company, negotiating with existing and potential suppliers for finalizing purchase orders, and managing stock. He is also engaged in coordinating with the marketing and sales team for marketing activitiesHe has 29 years of work experience in purchase and store management.

Vishwajeet Patki, aged 48, is the Senior General Manager- Marketing of our Company. He joined our Company on January 15, 2010. He is a Commerce graduate from University of Poona and also done his Masters Diploma in Business Administration from Institute of Management Development and Research, Poona. He is responsible for overall accountability for marketing the company services and recruiting, training, motivating and conducting induction programmes for the marketing and sales team. He has 25 years of work experience in travel and tourism, consumer durables, consumer finance and real estate filed.

Amla Singh, aged 46, is the Head of Department- Construction of our Company. He joined our Company on February 13, 2012. He holds a degree in Civil Engineering from Amravati University and has also done his Bachelors in Science from University of Gorakhpur. He is responsible for planning and monitoring the project site, preparation of budget and cash flow, co-ordination with consultants, contracts administration, and other related work at the construction site. He has 23 years of work experience in the area of construction.

Chandrakant Sharma, aged 32, is the Company Secretary and Compliance Officer of the Company. He joined our Company on April 1, 2013. He is an Associate member of the Institute of Company Secretaries of India and holds a degree of Master in Commerce from Rajasthan University. He has an experience of over 1.5 years as Company Secretary in our Company. Prior to joining our Company he was working with Indian Commodity Exchange Limited as senior manager legal and company secretary. He has 8 years of work experience in the secretarial, legal and regulatory compliances matters.

Shareholding of Key Managerial Personnel

The following table sets forth the shareholding of our Key Managerial Personnel as on December 31, 2014:

Name	No. of equity shares
Omprakash Bhutada	Nil
Chandrakant Sharma	Nil
Jinendra Nahar	200
Chandrakant Ghanekar	8
Vimal Dhoot	Nil
Pradeep Sharma	1
Vishwajeet Patki	Nil
Amla Singh	Nil

Interests of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment or as disclosed in this Placement Document. Further, certain of our Key Managerial Personnel are Directors in some of our Subsidiaries and group companies.

Employees' Stock Option Plan

Our Company has no employees' stock option plan in force as on date of this Placement Document.

Loans to Key Managerial Personnel

As on September 30, 2014, there is an amount of ₹427,600 which is due in aggregate to our Company, from key managerial personnel in the nature of loans pursuant to their terms of employment. Further, as on September 30, 2014, our Company has provided advances to certain of our Key Managerial Personnel of ₹48.90 Lacs for the purpose of purchase of land for the development of our projects. Our Company has not given any guarantees in favour of any Director or any member of our key managerial personnel.

Related Party Transactions

Related party transactions entered by our Company during the last three FYs are determined in accordance with Accounting Standard 18 issued by the ICAI. For further details, see the section "*Financial Statements – Related Party Transactions*".

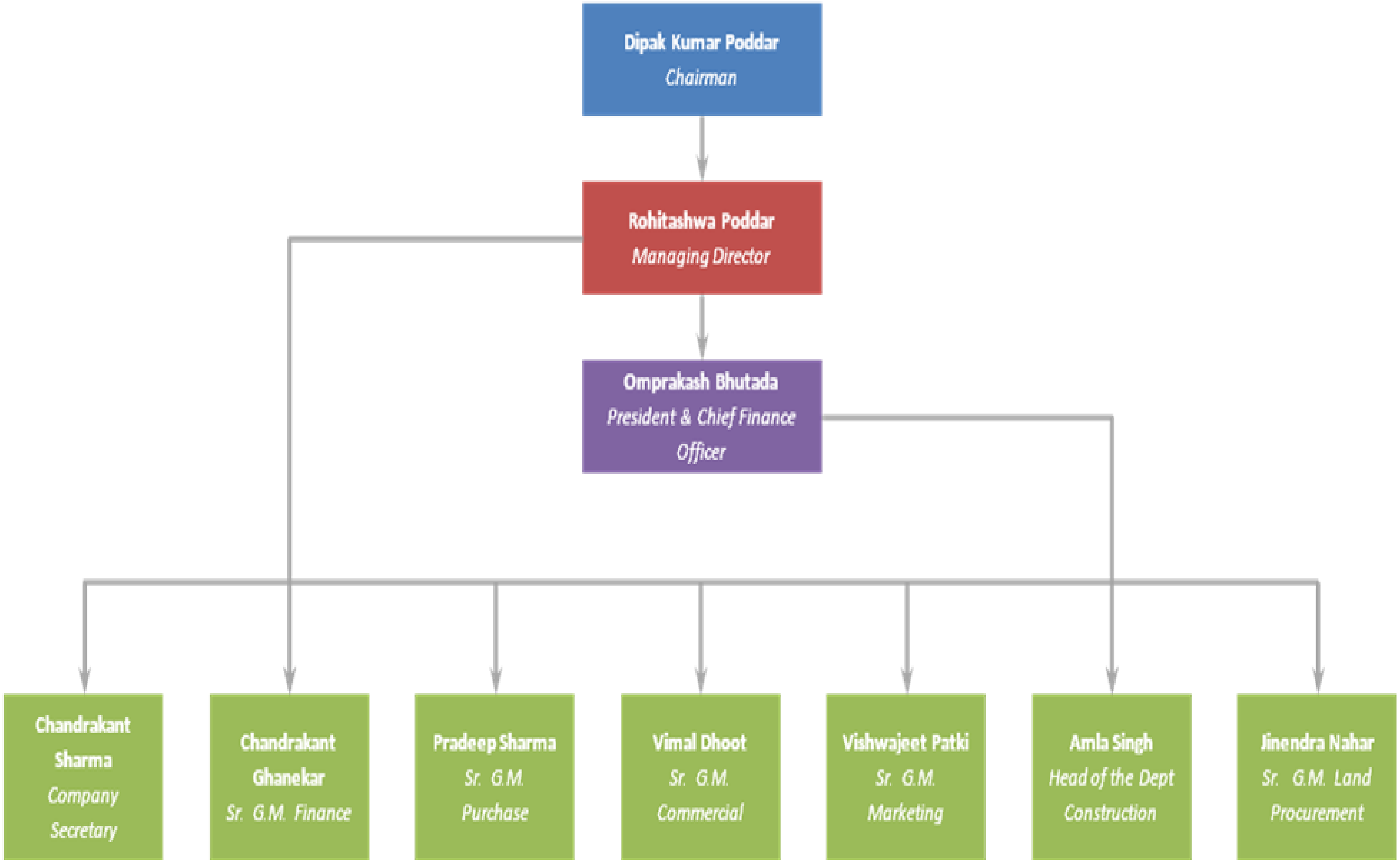
Policy on disclosures and internal procedure for prevention of insider trading

Regulation 12(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 ("**Insider Trading Regulations**"), applies to our Company and requires our Company to implement a code of internal procedures and conduct for the prevention of insider training. Our Company has implemented a code of conduct for prevention of insider trading in accordance with the Insider Trading Regulations.

Other Confirmations

Except as stated in this Placement Document, none of our Directors, Promoters or any Key Managerial Personnel has any financial or other material interest in this Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

ORGANIZATION STRUCTURE



PRINCIPAL SHAREHOLDERS

The table below represents the shareholding pattern of our Company in accordance with clause 35 of the Listing Agreement, as on December 31, 2014:

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
Indian							
a. Individual/Hindu Undivided Family	2	1,077,653	1,077,653	20.71	20.71	0	0.00
b. Central Government/ State Governments	0	0	0	0.00	0.00	0	0.00
c. Bodies Corporate	4	2,775,115	2,775,115	53.32	53.32	0	0.00
d. Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00
e. Any other (Specify)	0	0	0	0.00	0.00	0	0.00
Sub Total A(1)	**6**	**3,852,768**	**3,852,768**	**74.03**	**74.03**	**0**	**0.00**
Foreign							
a. Individual (Non resident Individuals / Foreign individuals)	0	0	0	0.00	0.00	0	0.00
b. Bodies Corporate**	0	0	0	0.00	0.00	0	0.00
c. Institutions	0	0	0	0.00	0.00	0	0.00
d. Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
e. Any other (Specify)	0	0	0	0.00	0.00	0	0.00
Sub Total A(2)	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
Total shareholding of Promoter and Promoter Group (A)= (A)(1) +(A)(2)	**6**	**3,852,768**	**3,852,768**	**74.03**	**74.03**	**0**	**0.00**
(B) Public Shareholding							
(I) Institutions							
a. Mutual Funds/ UTI	0	0	0	0.00	0.00	0	0.00
b. Financial Institutions / Banks	1	50	50	0.00	0.00	0	0.00
c. Central Government/ State Governments	0	0	0	0.00	0.00	0	0.00
d. Venture capital Funds	0	0	0	0.00	0.00	0	0.00
e. Insurance Companies	0	0	0	0.00	0.00	0	0.00
f. Foreign Institutional Investors	2	144,216	144,216	2.77	2.77	0	0.00
g. Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
h. Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
i. Any other (Specify) - Foreign Banks	0	0	0	0.00	0.00	0	0.00
Sub Total B(1)	**3**	**144,266**	**144,266**	**2.77**	**2.77**	**0**	**0.00**
B (2) Non-Institutions							
a. Bodies Corporate	70	151,636	151,636	2.91	2.91	0	0.00
b. **Individuals**							
(i) Individual Shareholders holding Nominal Share Capital upto ₹1 Lac	1,890	503,724	323,514	9.68	9.68	0	0.00
(ii) Individual Shareholders holding Nominal Share Capital in excess of ₹1 Lac	9	457,452	430,202	8.79	8.79	0	0.00
c. Qualified Foreign Investor	0	0	0	0.00	0.00	0	0.00
d. Any other -Clearing Members	0	0	0	0.00	0.00	0	0.00
- Trusts	0	0	0	0.00	0.00	0	0.00
- Corporate Body - Foreign Bodies	0	0	0	0.00	0.00	0	0.00
- NRI	14	94,654	94,654	1.82	1.82	0	0.00
- OCB	0	0	0	0.00	0.00	0	0.00
- Foreign Nationals	0	0	0	0.00	0.00	0	0.00
- Limited Liability partner ship	0	0	0	0.00	0.00	0	0.00
- Unclaimed Securities Sus A/c	0	0	0	0.00	0.00	0	0.00
Sub Total B(2)	**1,983**	**1,207,466**	**1,000,006**	**23.20**	**23.20**	**0**	**0.00**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**1,986**	**1,351,732**	**1,144,272**	**25.97**	**25.97**	**0**	**0.00**
TOTAL (A) + (B)	**1,992**	**5,204,500**	**4,997,040**	**100.00**	**100.00**	**0**	**0.00**
C. Shares held by Custodians and against which Depository Receipts have been issued							
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(2) Public	0	0	0	0.00	0.00	0	0.00
Sub Total C	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
Grand Total (A) + (B) + (C)**	**1,992**	**5,204,500**	**4,997,040**	**100.00**	**100.00**	**0**	**0.00**

*** There are no GDR's in the Company.*

The total holding of our Promoters (Dipak Kumar Poddar and Rohitashwa Poddar) is 1,077,653 equity shares.

The following table contains information as on December 31, 2014 concerning persons belonging to the Promoter and Promoter Group category:

Sl. No. (I)	Name of the Shareholder (II)	Details of Shares held	
		No. of Shares held (III)	As a % of (A+B+C) (IV)
1.	Brite Merchants Limited	187,547	3.60
2.	Dipak Kumar Poddar	112,000	2.15
3.	Janpriya Traders Limited	53,328	1.02
4.	Rohitashwa Dipakkumar Poddar	965,653	18.55
5.	Poddar Amalgamated Holdings Private Limited	1,857,700	35.69
6.	Suvijay Exports Limited	676,540	13.00
	Total	**3,852,768**	**74.03**

The following table contains information as on December 31, 2014 concerning each person in the "Public" category, who holds more than 1% or more of the Total number of Shares:

Sl. No.	Name of the Shareholder	No. of Shares held	Shares as % of Total No. of Shares
1.	Anugrah Stock & Broking Private Limited	52,500	1.01
2.	Baman K Mehta	62,000	1.19
3.	Darashaw K Mehta	218,000	4.19
4.	Hypnos Fund Limited	788,94	1.52
5.	Valuequest India Moat Fund Limited	65,322	1.26
6.	Tihunaz Keki Mehta	86,200	1.66
	Total	**562,916**	**10.82**

The following table contains information as on December 31, 2014 concerning persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of Equity Shares:

Sl. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	No. of Shares held	Shares as % of Total No. of Shares	Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
1	Nil	0	0.00	0.00
	Total	**0**	**0.00**	**0.00**

Details of Depository Receipts (DRs) as on December 31, 2014:

Sl. No.	Type of Outstanding DR (ADRs, GDRs, SDRs, etc.)	No. of outstanding DRs	No. of Shares Underlying Outstanding DRs	Shares Underlying Outstanding DRs as % of Total No. of Shares
1	Nil	0	0.00	0.00
	Total	**0**	**0.00**	**0.00**

Details of holding of Depository Receipts (DRs), where underlying shares held by 'promoter / promoter group' are in excess of 1% of the total number of shares as on December 31, 2014:

Sl. No.	Name of the DR Holder	Type of Outstanding DR (ADRs, GDRs, SDRs, etc.)	No. of Shares Underlying Outstanding DRs	Shares Underlying Outstanding DRs as % of Total No. of Shares
1	Nil	0	0.00	0.00
	Total	**0**	**0.00**	**0.00**

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 the same from our Company or the Book Running Lead Manager. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. See the sections ***"Distribution and Solicitation Restrictions"*** *and* ***"Transfer Restrictions"*** *beginning on pages 176 and 182 respectively.*

Our Company and the Book Running Lead Manager 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 Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Application Forms would not result in triggering a tender offer under the Takeover Regulations.

Qualified Institutions Placement

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.

The Issue is being made to Eligible QIBs in reliance upon Chapter VIII of the ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013, through the mechanism of a Qualified Institutions Placement ("**QIP**"). Under Chapter VIII of the ICDR Regulations read with Section 42 of the Companies Act, 2013, our Company, being a listed company in India 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 our Company have passed a special resolution approving such QIP. Such special resolution must specify that the allotment of securities is proposed to be made pursuant to the QIP;

- 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;

- equity shares of the same class of such company 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 Issue 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 Issue is made and is sent within 30 days of recording the names of such Eligible QIBs;

- the aggregate of the proposed Issue and all previous QIPs made by our Company in the same FY does not exceed five times the net worth (as defined in the ICDR Regulations) of our Company as per the audited balance sheet of the previous FY;

- our Company complies with the minimum public shareholding requirements set out in the SCRR;

- the issuer shall have completed allotments with respect to any prior offer or invitation made by the issuer or shall have withdrawn or abandoned any prior invitation or offer made by the issuer;

- an offer to Eligible QIBs will be subject to a limit of 50 persons in a single issue and 200 persons in a FY. Prior to circulating the private placement offer letter , our Company must prepare and record a list of QIBs to whom the offer will be made. The offer must be made only to such persons whose names are recorded by our Company prior to the invitation to subscribe;

- the issuer shall offer to each Allottee at least 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 payment to be made for subscription to the securities shall be made from the bank account of the person subscribing to such securities and in case of securities to be held by joint holders, the payment for subscription to the securities shall be paid from the bank account of the person whose name appears first in the application;

- the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited.

At least 10% of the equity shares issued to 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.

Prospective purchasers will be deemed to have represented to us and the Book Running Lead Manager in order to participate in the Issue that they are outside the United States and purchasing the Equity Shares in an offshore transaction in accordance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. For further details, see sections "***Distribution and Solicitation Restrictions***" and "***Transfer Restrictions***" beginning on pages 176 and 182 respectively.

Bidders are not allowed to withdraw their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchange during the two weeks immediately preceding the Relevant Date. However, a discount of up to 5% of the Floor Price is permitted in accordance with the provisions of the ICDR Regulations.

The "Relevant Date" referred to above, for Floor Price, will be the date of the meeting in which the Board of Directors or any committee duly authorised by the Board of Directors 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 equity 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 Exchange under Clause 24 (a) of its Listing Agreement for the listing of the Equity Shares on the Stock Exchange. Our Company has also delivered a copy of the Preliminary Placement Document and this Placement Document to the Stock Exchange.

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 authorised by (i) the Board pursuant to a resolution passed on December 5, 2014, and (ii) the shareholders, pursuant to a resolution passed under section 42 and 62 of the Companies Act, 2013, through postal ballot conducted under Section 110 of the Companies Act, 2013 on January 10, 2015.

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 section ***"Pricing and Allocation – Designated Date and Allotment of Equity Shares"*** beginning on page 171**.**

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 required under applicable law including the information specified in Schedule XVIII of the ICDR 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 exchange and of our Company with a disclaimer to the effect that it is in connection with an issue to 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 ₹250 crore; and
five, where the issue size is greater than ₹250 crore.

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 section ***"Bid Process—Application Form"*** beginning on page 167**.**

Securities allotted to an Eligible QIB pursuant to the QIP shall not be sold for a period of one year from the date of Allotment except on the floor of any recognised stock exchange in India on which the shares of the Company are listed. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements.

The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or registered, listed or otherwise qualified in any other jurisdiction outside India and unless so registered may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. For a description of certain restrictions on transfer of the Equity Shares, see section "***Transfer Restrictions***" beginning on page 182.

Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. Our Company and Book Running Lead Manager 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 stipulated time period as required under the Companies Act, 2013.

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 Book Running Lead Manager.

4. Bidders shall submit Bids for, and our Company shall issue and Allot to each Allottee at least such number of Equity Shares in the Issue which would aggregate to at least ₹20,000 calculated at the face value of the Equity Shares.

5. 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 Book Running Lead Manager at or above the Floor Price or the Floor Price net of such discount as approved in accordance with ICDR Regulations;
- details of the depository account to which the Equity Shares should be credited; and
- a representation that it is outside the United States at the time it places its buy order for the Equity Shares, it is acquiring the Equity Shares in an offshore transaction in reliance on accordance with Regulation S and it has agreed to certain other representations set forth in the section "***Notice to Investors – Representations by Investors***" and "***Transfer Restrictions***" beginning on pages 4 and 182, respectively, of this Placement Document and 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 QIB and separate Application Forms would be required from each such sub-account for submitting Bids.

6. 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 Issue Closing Date. The Issue Closing Date shall be notified to the Stock Exchange and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. 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.

8. Upon receipt of the Application Form, after the 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 Book Running Lead Manager. Upon determination of the final terms of the Equity Shares, the Book Running Lead Manager will send the serially numbered CAN along with this 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 Book Running Lead Manager.***

9. 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 after listing of the Equity Shares being offered under this Issue for the purposes permitted under the Companies Act, 2013.

10. 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.

11. After passing the 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 Exchange for listing approvals. Our Company will intimate to the Stock Exchange the details of the Allotment and apply for approvals for listing of the Equity Shares on the Stock Exchange prior to crediting the Equity Shares into the beneficiary account maintained with the Depository Participant by the Eligible QIBs.

12. After receipt of the listing approvals of the Stock Exchange, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the Depository Participant accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchange.

14. 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 Exchange only upon the receipt of final trading and listing approvals from the Stock Exchange.

15. Upon receipt of intimation of final trading and listing approval from the Stock Exchange, our Company shall inform the Allottees of the receipt of such approval. Our Company and the Book Running Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchange or any loss arising from such delay or non-receipt. Final listing and trading approvals granted by the Stock Exchange 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 Exchange or our Company.

Eligible Qualified Institutional Buyers

Only QIBs as defined in Regulation 2(1)(zd) of the ICDR Regulations and not otherwise excluded pursuant to Regulation 86(1)(b) of the ICDR Regulations are eligible to invest with some exceptions related to this issue. Only the following categories of QIBs are eligible to invest in this Issue:

- alternative 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.

Eligible non-resident QIBs can participate in the Issue under Schedule 1 of FEMA 20 and shall make the payment of application money through the foreign currency non-resident (FCNR) account and not through the special non-resident rupee (SNRR) account.

FIIs (other than a sub-account which is a foreign corporate or a foreign individual) and Eligible FPIs are permitted to participate through the 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) shall be below 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.

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 ICDR 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 our Promoters or persons related to our 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 Book Running Lead Manager 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 Book Running Lead Manager who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Book Running Lead Manager 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***", ***"Distribution and Solicitation Restrictions"*** and ***"Transfer Restrictions"*** beginning on pages 4, 176 and 182 respectively**:**

1. The Eligible QIB confirms that it is an Eligible QIB in terms of Regulation 2(1)(zd) of the ICDR Regulations and is not excluded under Regulation 86 of the ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

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 (not holding any equity shares) 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 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 any recognised stock exchange in India on which the shares of the Company are listed;

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 Regulations;

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 Size. For the purposes of this representation:

   - 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, 1956; and

   - 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the Takeover Regulations;

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 Exchange.

10. The Eligible QIB confirms that it is purchasing the Equity Shares in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S and it shall not offer, sell, pledge or otherwise transfer such Equity Shares except in an offshore transaction complying with Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India. It also confirms all other applicable representations and warranties included under sections "***Notice to Investors - Representations by Investors***", and "***Transfer Restrictions***", beginning on pages 4 and 182 respectively.

ELIGIBLE QIBS MUST PROVIDE THEIR DEPOSITORY ACCOUNT DETAILS, PAN, THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. 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.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, THE ELIGIBLE QIB SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGER TO EVIDENCE THEIR STATUS AS A "ELIGIBLE QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGER, COLLECTION BANK(S) OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIB SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE KNOW YOUR CUSTOMER (KYC) NORMS.

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.

Bids by Mutual Funds

The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. Each scheme/fund of a Mutual Fund registered with SEBI, will have to submit separate Application Form.

Each Mutual Fund will have to submit separate Application Forms for each of its participating schemes. Such applications will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. However, for the purpose of calculating the number of applicants, various schemes of the same mutual fund will be considered as a single allottee/applicant.

Demographic details like address, bank account among other will be obtained from the Depositories as per the demat account details given above.

As per the current regulations, the following restrictions are applicable for investments by Mutual Funds:

No Mutual Fund scheme shall invest more than 10% of its net asset value in Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Placement Document. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under the applicable laws and regulations.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. The Application Form shall be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at the following address:

Name	Address	Contact Person	Email	Phone (Telephone and Fax)
Equirus Capital Private Limited	Fortune 2000, 4th Floor, 'A' Wing, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051	Mr. Munish Aggarwal/ Ms. Swati Chirania	project.topaz@equirus.com	+91 22 2653 0600 (landline) +91 22 2653 0601 (fax)

The Book Running Lead Manager shall not be required to provide any written acknowledgement of receipt of the Application Form.

Bid/Issue Programme

Bidding Period:
ISSUE OPENS ON January 19, 2015
BID/ISSUE CLOSES ON January 21, 2015

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 Eligible QIBs shall submit their Bids (including the revision of bids) within the Bidding Period to the Book Running Lead Manager. Such Bids cannot be withdrawn after the Issue Closing Date. The book shall be maintained by the Book Running Lead Manager.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Manager, 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 ICDR Regulations.

After finalization of the Issue Price, our Company shall update the Preliminary Placement Document with the Issue details and file the same with the Stock Exchange as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VIII of the ICDR 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 BOOK RUNNING 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 IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND 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 BOOK RUNNING 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 Book Running Lead Manager, 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 Cash 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 successful Eligible QIB's account.

The successful 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 our Company and the Book Running Lead Manager 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 "Poddar Developers – QIP Escrow Account" with Yes Bank Limited in terms of the arrangement among our Company, the Book Running Lead Manager and Yes Bank Limited as escrow bank. The 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 or demand draft or cash are liable to be rejected.

If the payment is not made favouring "Poddar Developers – 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.

Pending Allotment, our Company undertakes to utilise the amount deposited in "Poddar Developers – 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 Book Running Lead Manager has 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 "Poddar Developers – QIP Escrow Account" as stated above.

The Equity Shares in the Issue will be issued and Allotment shall be made only in dematerialized 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, reserves 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 Exchange.

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 Exchange and the Stock Exchange will make the same available on their website. Our Company shall make the requisite filings with the RoC and the SEBI within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014. If you are Allotted any Equity Shares, our Company is required to disclose details such as your name, address and the number of Equity Shares Allotted to the RoC and the SEBI.

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 accordance with the Companies Act, 2013, in the event that our Company is unable to issue and Allot the Equity Shares offered in the Issue or there is a cancellation of the Issue within 60 days from the date of receipt of application money from a successful Bidder, our Company shall repay the application money within 15 days from expiry of 60 day period, failing which our Company shall repay that money to such successful Bidders with interest at the rate of 12 % per annum from expiry of the 60^{th} 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 respective applicants.

Other Instructions

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company and the Book Running Lead Manager in relation to the rejection of Bids shall be final and binding.

Equity Shares in Dematerialized form with NSDL or CDSL

The Allotment of the Equity Shares in the Issue shall be only in dematerialized 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 Exchange has 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 Stock Exchange.

Our Company and the Book Running Lead Manager 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.

Release of Funds to our Company

The Escrow Agent shall not release the monies lying to the credit of the "Poddar Developers – QIP Escrow Account" till such time, that it receives an instruction in pursuance to the Escrow Agreement, along with the listing approval of the Stock Exchange for the Equity Shares offered in the Issue.

PLACEMENT

Placement Agreement

The Book Running Lead Manager has entered into a placement agreement with us (the "**Placement Agreement**"), pursuant to which the Book Running Lead Manager has agreed to procure, on a reasonable efforts basis, Eligible QIBs to subscribe for Equity Shares to be issued pursuant to the Issue, pursuant to Chapter VIII of the ICDR Regulations.

The Placement Agreement contains customary representations and warranties as well as indemnities from us and is subject to certain conditions and termination provisions contained therein.

Applications will be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchange. No assurance can be given as to the liquidity or sustainability of the trading market for the 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 to any class of investors other than Eligible QIBs.

In connection with the Issue, the Book Running Lead Manager (or their affiliates) may, for their own accounts, enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase Equity Shares and be allocated Equity Shares. See also the section "***Off-shore Derivative Instruments (P-Notes)***".

Lock-up

The Company has agreed that it will not, without the prior written consent of the Book Running Lead Manager (which such consent shall not be unreasonably withheld), for the period commencing from the date of the Placement Agreement and ending 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 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 Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; or (c) publicly 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 Equity Shares, or such other securities, in cash or otherwise.

Each of the Promoters and members of the promoter group as per the Clause 35 filing with the Stock Exchange as at December 31, 2014 have agreed that without the prior written consent of the Book Running Lead Manager (which such consent shall not be unreasonably withheld), they will not, during the period commencing on the date of the Placement Agreement and ending 90 days after the date of allotment of the Issue Shares, directly or indirectly: (a) sell, lend, pledge, contract to sell, purchase any option or contract to sell, 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 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 Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; or (c) publicly 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 Equity Shares, or such other securities, in cash or otherwise; provided however that the foregoing restrictions will (i) not be applicable to any pledge or mortgage of the Equity Shares already existing on the date of this Agreement or transfer of such existing pledge or mortgage; and (ii) not restrict the existing shareholders of the Company from acquiring or purchasing any Equity Shares in the Company, directly or indirectly, in accordance with and subject to applicable laws.

As used in the lock-up undertaking, the term "promoter group shares" shall mean the 3,852,768 Equity Shares owned by the Promoters and promoter group as per the Clause 35 filing with the Stock Exchange as at December 31, 2014 together with any and all Equity Shares that may be acquired by them during the Lock-up Period.

Notwithstanding anything provided above, the foregoing restrictions on transfer of promoter group shares by the Promoters and promoter group as per the Clause 35 filing with the Stock Exchange as at December 31, 2014 shall not apply to any inter group transfer made to any entities forming a part of the Promoter Group, subject to compliance with applicable laws and subject to observance by the transferee Promoter Group of the foregoing restrictions on transfer of promoter group shares until the expiry of the Lock-up Period.

DISTRIBUTION AND SOLICITATION RESTRICTIONS

The distribution of this Placement Document or any offering material and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Persons who come into possession of this Placement Document or any offering materials are advised to take legal advice with regard to any restrictions that may be applicable to them and to observe such restrictions. This Placement Document may not be used for the purpose of an offer or sale in any circumstances in which such offer or sale is not authorised or permitted.

General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in India, the United States or any other jurisdiction, or the possession, circulation or distribution of this Placement Document or any other material relating to the Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction and will not impose any obligations on the Company or the Book Running Lead Manager. The Issue will be made in compliance with the applicable ICDR Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "***Notice to Investors – Representation by Investors***", "***Distribution and Solicitation Restrictions***" and "***Transfer Restrictions***" beginning on pages 4, 176 and 182, respectively of this Placement Document.

Australia

This Placement Document is not a disclosure document under Chapter 6D of the Corporations Act 2001 (Cth) (the "Australian Corporations Act"), and has not been lodged with the Australian Securities and Investments Commission and does not purport to include the information required of a disclosure document under the Australian Corporations Act. (i) The offer of the Equity Shares under this Placement Document is only made to persons to whom it is lawful to offer the Equity Shares without disclosure to investors under Chapter 6D of the Australian Corporations Act under one or more exemptions set out in Section 708 of the Australian Corporations Act; (ii) this Placement Document is made available in Australia to persons as set forth in clause (i) above; and (iii) by accepting this offer, the offeree represents that the offeree is such a person as set forth in clause (ii) above and agrees not to sell or offer for sale within Australia any Equity Share sold to the offeree within 12 months after their issue or transfer to the offeree under this Placement Document.

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. Equity Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

Dubai International Financial Centre

This Placement Document relates to an exempt offer (an "Exempt Offer") in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "DFSA"). 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 DFSA has no responsibility for reviewing or verifying any documents in connection with an Exempt Offer. The DFSA has not approved this Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. The Equity Shares to which this Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

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**"), an offer may not made to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), make an offer of Equity Shares to the public in that Relevant Member State at any time:

- to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity which has two or more of (i) an average of at least 250 employees during the last FY, (ii) a total balance sheet of more than €43,000,000 and (iii) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Book Running Lead Manager for any such offer; or
- in any other circumstances which do not require the publication of a prospectus pursuant to Article 3(2) of the Prospectus Directive.

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Directive. For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means, of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

Hong Kong

No Equity Shares have been offered or sold, and no Equity Shares may be offered or sold, in Hong Kong, by means of any document, other than to “professional investors”, as defined in the Securities and Futures Ordinance, Cap. 571 of the laws of Hong Kong (“Securities and Futures Ordinance”) and any rules made under that Ordinance; or to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent; or in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance, Cap. 32 of the laws of Hong Kong (“Companies Ordinance”) or which do not constitute an offer to the public within the meaning of the Companies Ordinance or an invitation to the public within the meaning of the Securities and Futures Ordinance. No document, invitation or advertisement relating to the Equity Shares has been issued or may be issued, 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 under the securities laws of Hong Kong) other than with respect to Equity Shares which 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 (Cap 571) of Hong Kong and any rules made under that Ordinance. This Placement Document and the Equity Shares have not been and will not be registered with the Securities and Futures Commission of Hong Kong and/or the Stock Exchange of Hong Kong. There are no public markets or platforms in Hong Kong for the purchase or disposal of the Equity Shares. If you are in doubt as to the contents of this Placement Document, you must immediately seek legal and investment advice from your solicitor, accountant and/or professional advisors.

Japan

The offering of the Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the "**Financial Instruments and Exchange Law**"). The Equity Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or re-sale, 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 Financial Instruments and Exchange Laws and any other applicable laws, regulations and ministerial guidelines or ordinances of Japan. As used in this paragraph, a "resident of Japan" means any natural person residing in Japan and business offices located in Japan, including any corporation or other entity organized under the laws of Japan.

Korea

The Equity Shares have not been registered under the Korean Securities and Exchange Law, and the Equity Shares acquired in connection with the distribution contemplated hereby may not be offered or sold, directly or indirectly, in Korea or to or for the account of any resident thereof, except as otherwise permitted by applicable Korean laws and regulations, including, without limitation, the Korean Securities and Exchange Law and the Foreign Exchange Transaction Laws. Neither the Company nor any of the Book Running Lead Manager may make any representation with respect to the eligibility of any recipients of this Placement Document to acquire the Equity Shares offered hereby under the laws of Korea.

Kuwait

The Issue has not been approved by the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry, nor has the Company received authorisation or licensing from the Kuwait Central Bank or the Kuwait Ministry of Commerce and Industry to market or sell the Equity Shares within Kuwait. Therefore, no services relating to the offering, including the receipt of applications and/or the allotment of Equity Shares, may be rendered within Kuwait by the Company or persons representing the Company unless a licence is obtained from the Kuwait Ministry of Commerce and Industry in accordance with Law 31 of 1990.

Malaysia

No approval, authorization or recognition from, or registration with, the Securities Commission of Malaysia ("SCM") 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 SCM 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.

Mauritius

Our shares may not be offered, distributed or sold, directly or indirectly, in Mauritius or to any resident of Mauritius, except as permitted by applicable Mauritius securities law. No offer or distribution of securities will be made to the public in Mauritius.

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 has the Book Running Lead Manager or any placement agent acting on its 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 Book Running Lead Manager nor any placement agent acting on its 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 Book Running Lead Manager nor any placement agent acting on its 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 Placement Document 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.

People's Republic of China

The Book Running Lead Manager and the Company represents, warrants and agrees that:

This Placement Document is not intended to constitute an offer, sale or delivery of shares or other securities under the laws of the People's Republic of China (the "PRC"). The Equity Shares have not been and will not be filed with, or approved by, the China Securities Regulatory Commission or any other regulatory authority in the PRC.

This Placement Document has not been, may not be, issued, circulated or distributed in the PRC and the Equity Shares have not been and may not be offered, sold, pledged or transferred, directly or indirectly, within the territory of PRC, to any PRC person or entity unless such person or entity has obtained the requisite approval from, or has made the appropriate filings with, the relevant PRC authorities.

Qatar

The Equity Shares have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the state of Qatar in a manner that would constitute a public offering. This Placement Document has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank resolution No. 15 (1997), as amended, or any associated regulations. Therefore, this Placement Document is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may not be reproduced or used for any other purposes, nor provided to any person other than recipient thereof.

Singapore

The Book Running Lead Manager has acknowledged that this Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Book Running Lead Manager has represented and agreed that it has not offered or sold any Equity Shares issued pursuant to the Issue or caused such Equity Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell such Equity Shares issued pursuant to the Issue or cause such Equity Shares to be made the subject of an invitation for subscription or purchase, and have not circulated or distributed, nor will they circulate or distribute, this Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Equity Shares issued pursuant to the Issue, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore ("**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 by a relevant person which is:

(a) a corporation (which is not an accredited investor) (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(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, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except:

(i) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law; or

(iv) as specified in Section 276(7) of the SFA.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Placement Document is not intended to constitute an offer, sale or delivery of shares or other securities under the laws of the United Arab Emirates (the "**UAE**"). The Equity Shares have not been and will not be registered under Federal Law No. 4 of 2000 Concerning the Emirates Securities and Commodities Authority and the Emirates Security and Commodity Exchange, or with the UAE Central Bank, the Dubai Financial Market, the Abu Dhabi Securities market or with any other UAE exchange. The Issue, the Equity Shares and interests therein do not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise. 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 UAE.

By receiving this Placement Document, the person or entity to whom this Placement Document has been issued understands, acknowledges and agrees that the Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the Dubai International Financial Centre other than in compliance with laws applicable in the Dubai International Financial Centre, governing the issue, offering or sale of securities. The Dubai Financial Services Authority has not approved this Placement Document nor taken steps to verify the information set out in it, and has no responsibility for.

United Kingdom

The Book Running Lead Manager has represented and agreed that:

i. is a person who is a qualified investor within the meaning of Section 86(7) of the Financial Services and Markets Act 2000 (the "**FSMA**"), being an investor whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business;

ii. has not offered or sold and will not offer or sell the Equity Shares other than to persons who are qualified investors within the meaning of Section 86(7) of the FSMA or who it reasonably expects will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Equity Shares would otherwise constitute a contravention of Section 19 of the FSMA by us;

iii. 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 FSMA) received by it in connection with the issue or sale of the Equity Shares in circumstances in which Section 21(1) of the FSMA does not apply to it; and

iv. has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Equity Shares in, from or otherwise involving the United Kingdom.

United States

The Equity Shares in this Issue have not been and will not be registered under the U.S. Securities Act and, unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

Accordingly, the Equity Shares are being offered outside the United States in offshore transactions in reliance on Regulation S. Each purchaser of the Equity Shares will be deemed to have made the representations, agreements and acknowledgements as described under section "***Transfer Restrictions***" beginning on page 182.

TRANSFER RESTRICTIONS

The Equity Shares Allotted in the Issue are not permitted to be sold for a period of one year from the date of Allotment, except on the Stock Exchange. Due to the following restrictions, investors are advised to consult legal counsel prior to making any resale, pledge or transfer of the Equity Shares, except if the resale of the Equity Shares is by way of a regular sale on the Stock Exchange. Subject to the foregoing, by accepting this Placement Document and purchasing any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreed with the Company and the Book Running Lead Manager as follows:

- you have received a copy of this Placement Document and such other information as you deem necessary to make an informed decision and that you are not relying on any other information or the representation concerning the Company or the Equity Shares and neither the Company nor any other person responsible for this document or any part of it or the Book Running Lead Manager will have any liability for any such other information or representation;

- you are purchasing the Equity Shares in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S and you agree that you will not offer, sell, pledge or otherwise transfer such Equity Shares except in an offshore transactions complying with Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India;

- you are authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

- you acknowledge (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges) that such Equity Shares have not been and will not be registered under the U.S. Securities Act;

- you certify that either (A) you are, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares and are located outside the United States (within the meaning of Regulation S) or (B) you are a broker-dealer acting on behalf of your customer and your customer has confirmed to you that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S); and

- the Company, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of your representations, warranties, acknowledgements and undertakings set out in this document, each of which is given to (a) the Book Running Lead Manager on their own behalf and on behalf of the Company, and (b) to the Company, and each of which is irrevocable and, if any of such representations, warranties, acknowledgements or undertakings deemed to have been made by virtue of your purchase of the Equity Shares are no longer accurate, you will promptly notify the Company.

Any resale or other transfer or attempted resale or other transfer, made other than in compliance with the above stated restrictions will not be recognized by the Company.

INDIAN SECURITIES MARKET

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchange and has not been prepared or independently verified by our Company or the Book Running Lead Manager 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, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Most of the stock exchanges have their own governing board for self regulation. BSE holds a dominant position among the stock exchanges in terms of the number of listed companies, market capitalization and trading activity.

Listing of Securities

The listing of securities on an 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 agreement of the stock exchanges. The SCRA empowers the governing body of stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non compliance with any conditions or breach of company's obligations under such listing agreement 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 listing agreement and bye-laws of the stock exchange 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.

Any listed company which had public shareholding of less than 25% at the time of commencement of the amendment dated June 4, 2010 to the SCRR was required was required to increase its public shareholding to at least 25% within a period of three years from the date of such commencement. In this regard, SEBI has amended the listing agreement and has provided several mechanisms to comply with this requirement.

Further, where the public shareholding in a listed company falls below 25% at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchange 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 SENSEX of the BSE.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 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 exchange in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchange that are required to be paid by the stockbrokers.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. BSE provides a market for trading in equity, debt instruments, derivatives, mutual funds. It also has a platform for trading in equities of small-and-medium enterprises which was launched in 2012. BSE also entered into a strategic partnership with S&P Dow Jones Indices in 2013. *(Source: www.bseindia.com)*

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI.

Trading Hours

Trading on 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. that has been introduced recently). The BSE is closed on public holidays. The stock exchange has 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, 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 nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Takeovers Regulations, 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 Regulations will apply to any direct/indirect acquisition of the company's shares/voting rights/control. The Takeover Regulations 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 Regulations 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 Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

Prohibition of Insider Trading Regulations

The 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 Insider Trading Regulations also provide disclosure obligations for shareholders holding more than a predefined percentage, 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 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 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 organization under the supervision of the SEBI. SEBI, by a circular dated August 6, 2008, as modified by its circular dated March 24, 2009, has issued guidelines on exchange traded currency derivatives. The circular lays down the framework for the launch of exchange traded currency futures in terms of eligibility norms for existing and new exchanges and their clearing corporations or clearing houses, eligibility criteria for members of such exchanges or clearing corporations or clearing houses, product design, risk management measures, surveillance mechanism and other related issues.

DESCRIPTION OF THE EQUITY SHARES

Set forth below is certain information relating to our share capital, including a brief summary of some of the provisions of our Company's Memorandum and Articles of Association, the Companies Act, 2013 and certain related laws of India, all as currently in effect. 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 law, and not this summary, govern the rights attached to the Equity Shares.

General

Our Company's authorised Share Capital is ₹700.00 Lacs divided into 7,000,000 Equity Shares of ₹10 each. As on the date the issued, subscribed and paid up capital is ₹520.45 Lacs divided into 5,204,500 Equity Shares of ₹10 each.

Dividend

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders. 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 except out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013, or out of the profits of the company for any previous fiscal arrived at as laid down by the Companies Act, 2013. The Companies Act, 2013, read with the Companies (Declaration and Payment of Dividend) Rules, 2014, provides that if the profit for a year is inadequate or nil, the dividend for that year may be declared out of the accumulated profits earned in previous years and transferred to reserves, subject to the following conditions: (i) the rate of dividend to be declared shall not exceed the average of the rates at which dividend was declared by the company in the three years immediately preceding that year; (ii) the total amount to be drawn from such accumulated profits from previous years shall not exceed one-tenth of the sum of the paid-up share capital and free reserves as appearing in the latest audited financial statement; (iii) the amount so drawn shall first be utilized to set off the losses incurred in the FY in which dividend is declared before any dividend in respect of equity shares is declared; (iv) the balance of reserves after withdrawal must not be below 15% of paid-up share capital as appearing in the latest audited financial statement; and (v) unless carried over previous losses and depreciation not provided in previous year or years are set-off against profit of the company of the current year for which the dividend is declared or paid. SEBI, by its circular dated April 24, 2009, amended the Listing Agreement and provided that the dividend declared has to be on a per share basis only.

Our Articles of Association provide that our Company in its general meeting may declare dividends to be paid to the members according to their respective rights and interest in the profits. The dividend shall not exceed the amount recommended by our Board. No dividend may be paid otherwise than out of the profits of our Company, arrived at in the manner provided under the Companies Act.

According to our Articles of Association, our Board may deduct from any dividend payable to any member all sums of money, if any presently payable by him to our Company on account of calls or otherwise in relation to the shares of our Company. Any general meeting declaring a dividend may adjust a call made on the members of such amount as the meeting fixes. No dividend shall be payable except in cash. A transfer of Equity Shares shall not pass the rights to any dividend declared therein before the registration of the transfer by our Company. No dividend shall be paid in respect of any share except to their registered holder of such share. Any dividend remaining unclaimed or unpaid shall be dealt with in the manner as provided in the Companies Act.

Capitalization of Reserves

In addition to permitting dividends to be paid out of current or retained earnings, the Companies Act, 2013, 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 shares, which are similar to a stock dividend. Bonus shares are distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. The relevant provisions of the ICDR Regulations prescribe that no company shall, pending conversion of outstanding convertible securities, fully or partly convertible debt instruments, issue any shares by way of bonus unless similar benefit is extended to the holders of such convertible securities, through reservation of shares in proportion to such conversion.

Further, as per the Companies Act, 2013, for the issuance of bonus shares a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend.

Our Company, in a general meeting, may upon the recommendation of the Board of Directors, resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of our Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, among such shareholders as would be entitled to receive dividends, provided that any sum standing to the credit of a share premium account or capital redemption reserve fund may only be applied in paying up of unissued equity shares to be issued to our Company’s shareholders as fully paid bonus shares.

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(1)(a) of the Companies Act such new shares shall be offered to existing shareholders in proportion to the paid up share capital on those shares at that date. 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 or on receipt of earlier intimation from the 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 in a manner which shall not be disadvantageous to the shareholders of 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. Private Placement and Public Issues shall be undertaken pursuant to Chapter III the Companies Act.

Under the provisions of Section 62(1)(c) of the Companies Act and the Companies (Share Capital and Debentures) Rules, 2014, new shares may be offered to any persons whether or not those persons include existing shareholders or employees to whom shares are allotted under a scheme of employees stock options, either for cash or for consideration other than cash, if a special resolution to that effect is passed by our Company’s shareholders in a general meeting. Our Company may, by a resolution passed in a general meeting, from time to time, increase the share capital by the creation of new Equity Shares of such amount as may be deemed expedient and specified in the resolution. Such increase in the share capital shall be subject to compliance with the provision of the Companies Act and of any other laws that may be in force. New Equity Shares shall be issued upon such terms and conditions and with such rights and privileges attached thereto as are consistent with provisions of the Companies Act and which the general meeting, resolving upon the creation thereof shall direct and if no direction be given, as our Board shall determine, and in particular such Equity Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of our Company and with a special or without any right of voting, subject to the conditions prescribed under the Companies Act.

Our Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by our Company pursuant to the consent of the members of our Company to convert such debentures or loans into Equity Shares or to subscribe for Equity Shares in our Company.

Our Company may by Ordinary Resolution:

- Consolidate and divide its Equity Shares or any of them into Equity Shares of larger amount than its existing Equity Shares;

- Subdivide its existing Equity Shares or any of them into Equity Shares of smaller amount than is fixed originally by the Memorandum of Association, such that in the subdivision, the proportion between the amount paid and the amount unpaid on each reduced Share be the same as it was in the case of the Share from which the reduced Share is derived and other conditions, if any, laid down by our Articles of Association;

- Cancel any Equity Shares which at the date of the passing of the ordinary resolution, have not been taken or agreed to be taken by any person and also may diminish the amount of its Share capital by the amount of the Equity Shares so cancelled.

Preference Shares

Subject to Section 55 of the Companies Act, 2013, any new shares may be issued as preference shares which are liable to be redeemed within a period not exceeding 20 years from the date of their issue, and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption subject to the conditions provided in the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014.

General Meetings of Shareholders

There are two types of general meetings of the shareholders:

(i) Annual General Meeting; and

(ii) Extraordinary General Meeting

In accordance with Section 96 of the Companies Act, 2013, a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months.

The Board of Directors may, whenever it thinks fit, call an Extraordinary General Meeting and an Extraordinary General Meeting shall also be requisitioned or in default may be called by such requisitionists as provided by Section 100 of the Companies Act, 2013.

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 document may be served by the company on any member thereof and the notice of every meeting of the company shall be given to every member in any manner authorised by and as provided in Sections 20 and 101 of the Companies Act, 2013.

According to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, a company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of its memorandum of association, 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, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

Voting Rights

Every member present in person shall have one vote on a show of hands, and on poll, the member present in person or by proxy shall have one vote for each Share of our Company held by him, subject to any rights or restrictions for the time being attached to any class or classes of Equity Shares. Our Articles of Association provide that votes may be given by proxies in a manner as authorised under the Articles of Association. The instrument appointing a proxy is required to be lodged at the registered office at least 48 hours before the time of the meeting. No proxy shall be entitled to vote on a show of hands. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the Share in respect of which the vote is given provided no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office of our Company before the general meeting. Provided never the less that the chairman of any general meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

No member is entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at any general meeting or upon a poll or to be reckoned in a quorum while any call or other sum payable to our Company in respect of any of the Equity Shares of such member shall remain unpaid, and no member is entitled to be present or to vote at any general meeting in respect of any Equity Share that he has acquired by transfer unless his name is entered as the registered holder of the Equity Share in respect of which he claims to vote, but this shall not affect Equity Shares acquired under a testamentary disposition or by succession to an intestate or under an insolvency or liquidation.

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.

Directors

The Articles of Association of our Company provide that the number of directors of our Company shall not be less than three and not be more than fifteen. The directors shall be appointed by our Company in a general meeting subject to the provisions of the Companies Act, 2013, and our Articles of Association. Pursuant to the Companies Act, 2013, not less than two-thirds of the total numbers of directors shall be persons whose period of office is subject to retirement by rotation and one third of such directors, or if their number is not three or a multiple of three, the number nearest to one-third, shall retire from office at every annual general meeting. The directors to retire are those who have been the longest in the office since their last appointment.

The directors have the power to appoint any other persons as an addition to the Board of Directors but any director so appointed shall hold office only up to the date of the next following annual general meeting of our Company but shall be eligible for re-election at such meeting. A casual vacancy in the Board of Directors (for instance, due to the death or resignation of a Director) who is appointed by the shareholders can be filled by the Board of Directors at a meeting of the Board of Directors, and the person so appointed shall hold office only until the date which the Director in whose place he is appointed would have held office. Subject to the provisions of Section 161 of the Companies Act, 2013, the Board of Directors shall also have the power to appoint any person to act as an alternate Director for a Director during the latter's absence for a period of not less than three months from India.

Our Board is required to meet at least once in every three calendar months for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit. The quorum for a meeting of our Board shall be determined from time to time in accordance with the provisions of the Companies Act. If a quorum is not present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the chairman of the Board shall appoint.

Transfer and transmission of shares

Equity 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 depository 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 securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold), which are, however, exempt from stamp duty.

Under Section 58 of the Companies Act, 2013, if a public company without sufficient cause refuses to register a transfer of shares within 30 days from the date on which the instrument or intimation of transfer is delivered to the company, the transferee may, within a period of 60 days of such refusal or where no intimation has been received from the company, within 90 days of the delivery of the instrument of transfer, appeal to the National Company Law Tribunal seeking to register the transfer of shares.

Pursuant to the Listing Agreement, in the event our Company has not affected 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, our Company is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Companies Act, 2013, provides that the shares or debentures of a publicly listed company shall be freely transferable. However, the Board of Directors may, under our Articles of Association, subject to Section 58 of the Companies Act, 2013 and the SCRA, at any time in its absolute discretion decline to register transfer of shares. Notice of such refusal must be sent to the transferee within two months of the date on which the transfer was lodged with our Company.

According to our Articles of Association, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor has been delivered to the company together with the certificate or, if no such certificate is in existence, the letter of allotment of the shares. The transferor shall be deemed to remain the member in respect of such shares until the name of the transferee is entered in the register in respect thereof.

Acquisition by our Company of its own Equity Shares

Sections 68, 69 and 70 of the Companies Act, 2013, read with Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014, relate to the power of a company to purchase its own shares or other specified securities out of its free reserves, or the securities premium account or the proceeds of the issue of any shares or other specified securities (other than from the proceeds of an earlier issue of the same kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back has been authorised by the articles of association of the company;
- a special resolution has been passed in a general meeting of the company authorizing the buy-back. Under the Companies (Management and Administration) Rules, 2014, such resolution authorizing buyback has to be passed through a postal ballot;
- the buy-back is for less than 25% of the total paid-up capital and free reserves of the company, provided that the buy-back of equity shares in any FY shall not exceed 25% of its total paid-up equity capital in that FY;
- the ratio of the aggregate of secured and unsecured debts owed by the company after buy-back is not more than twice the paid-up capital and its free reserves;
- all the shares or other specified securities for buy-back are fully paid-up; and
- the buy-back is in accordance with the regulations made by SEBI in this behalf.

The requirement of special resolution mentioned above would not be applicable if the buy-back is for less than 10% of the total paid-up equity capital and free reserves of the company and provided that such buy-back has been authorised by the board of directors of the company. A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buy-back. Further, a company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back or to issue the same kind of securities for six months subject to certain exceptions. Every buy-back must be completed within a period of one year from the date of passing of the special resolution or resolution of the board of directors, as the case may be. Under Section 70 of the Companies Act, 2013, a company is also prohibited from purchasing its own shares or other specified securities through any subsidiary company, including its own subsidiary companies, or through any investment company or group of investment companies or if the company is defaulting on the repayment of deposit or interest, redemption of debentures or preference shares or payment of dividend to a shareholder or repayment of any term loan or interest payable thereon to any financial institution or bank, or in the event of non-compliance with certain other provisions of the Companies Act, 2013.

Winding up

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of our Company, and may, with the like, sanction, vest any part of the assets of our Company in trustees upon such trusts for the benefit of the contributories, or any of them as the liquidator with the like sanction shall think fit.

As per the Companies Act, 2013, subject to the rights of creditors, of employees, and of the holders of any other shares entitled by their terms of issue to preferential repayments over the shares, in the event of winding-up of our Company, the holders of 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 ordinary shares in proportion to the amount paid up or credited as paid up on such shares, respectively, at the commencement of winding up. Without prejudice to the rights or the holder of shares issued upon special terms and conditions, preference shareholders shall have prior rights to repayment of capital and dividends due.

TAXATION

Statement of possible tax benefits available to the Company and its shareholders under the applicable laws in India

Date: 19th January 2015

The Board of Directors
Poddar Developers Limited
Mumbai

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 Poddar Developers 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 fulfil.

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:

a. the Company or its shareholders will continue to obtain these benefits in future; or
b. 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 Poddar Developers 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.

This note has been prepared solely in connection with the proposed Offering of Equity shares by the Company through a Qualified Institutions Placement Programme under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the Offering).

We hereby agree to this Note to be included in any offering document prepared in connection with the Offering and including references to us with respect to the note and no additional consent will be required for any such reference or reproduction.

For R. S. Shah & Co.,
Registration. No.: 109762W

Place: Mumbai
Date: January 19, 2015

Proprietor: R. S. Shah
Membership No.: 30108

NOTE ON POSSIBLE TAX BENEFITS AVAILABLE TO PODDAR DEVELOPERS LIMITED (INCLUDING ITS INDIAN SUBSIDIARIES) AND TO ITS SHAREHOLDERS

UNDER THE INCOME TAX ACT, 1961 (the IT Act)

Poddar Developers Limited (herein referred to as 'PDL' or 'the Company') and its subsidiaries, other than the Poddar Housing FZC, (collectively referred to as 'PDL Group' or 'the Companies') are Indian Companies, subject to tax in India. Each company is taxed on its profits. Profits are computed after allowing all reasonable business expenditure including depreciation. Considering the activities and the business of PDL Group, the following benefits may be available.

I. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

There are no special tax benefits available to the Company except the following:-
1. 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 framed by the Central or State Government.
- Developing and building a housing project under a scheme for affordable housing framed by the Central or State Government.

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 % 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 or deemed to be let out).

3. 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.

4. The Company will be entitled for exemption under section 10(2A) of the I.T. Act for the share of profits received from the Indian 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.

5. 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).

6. 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.

7. 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.

8. 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.

9. 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.

10. 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.

11. 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[6] 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.

12. 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 from 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.

13. 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 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.

[6] Assessment year means the period of twelve months commencing on the 1st day of April every year succeeding the financial year.

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 or a unit of business trust (except those which were acquired in consideration of a transfer referred to in clause xvii of section 47) 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 % 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 FY should not exceed ₹50 Lac.

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 FY should not exceed ₹50 Lac .

   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 % (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 % (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 FY should not exceed ₹50 Lac .

   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 authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

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 FY should not exceed ₹50 Lac.

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 % (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	**Rate of tax (%)**
Income in respect of securities	20
Interest referred to in section 194LD	5
Long term capital gains	10
Short term capital gains (Other than short term capital gain referred to in Section 111A)	30

The above tax rates would be increased by the applicable surcharge and education cess. The benefits of indexation and foreign currency fluctuation protection as provided under Section 48 of the IT Act are not available.

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 of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.*

f. *The statement of possible tax benefits enumerated above is as per the Income Tax Act, 1961 as amended by the Finance Act 2014.*

This note has been prepared solely in connection with the Offering of Equity shares by the Company through a Qualified Institutions 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).

LEGAL PROCEEDINGS

Except as described below, we or our Promoters are not involved in any legal proceedings, and we are not aware of any threatened legal proceedings, which if determined adversely, could result in a material adverse effect on our business, financial condition or results of operations. We believe that the number of proceedings in which we are involved is not unusual for a Company of our size in the context of doing business in India. Our Company has no outstanding defaults in relation to repayment of statutory dues payable, dues payable to holders of any debentures and interest thereon, and in respect of deposits and interest thereon, repayment of loans from any bank or financial institution and interest thereon.

I. Litigations involving the Company

A. Against our Company

Civil

(i) In a suit filed by the National Foundry ("Plaintiffs") against Surendra Roajibhai Amin ("Defendant No. 1") & Others ("Defendants 2-15") (together "Defendants") bearing no. 9791 of 1982 *inter-alia* for specific performance of an agreement dated August 13, 1969, a request for amending the plaint has been made to implede our Company as a party *vide* an affidavit of rejoinder dated November 10, 2014 on behalf of the Plaintiffs. The brief facts of the case are that the Defendants had taken a loan of ₹20,500 from the Plaintiffs and had given on lease factory premises situated at gala no. 5 having an area of 5,120 Sq.ft. (Suit Premises") to the Plaintiffs in order to secure the repayment of the said loan *vide* an indenture of lease dated February 28, 1962. Further, *vide* the agreement dated August 13, 1969, the Defendants had agreed to sell the said Suit Premises in favour of the Plaintiffs which was mortgaged to a Zenith Insurance Company ("Zenith") and it was agreed between the Plaintiff and the Defendants that the said property would be redeemed from the mortgage by the Defendants within 10 years from the execution of the agreement dated August 13, 1969 and the sale shall be completed within three months of the redemption. Further, Zenith purchased the said land by auction sale and Defendant No. 15 was appointed as a receiver who issued a notice for rent to the Plaintiffs and terminated the tenancy of the Plaintiffs in respect of the said property. Further, the Defendant No.1 expired so the Plaintiffs sent the notice of specific performance of the agreement dated August 13, 1969 to the legal heirs of the Defendant No. 1. Eventually, the said property was purchased by our Company and hence the Plaintiffs have made an application for amendment of the plaint to implede our Company as a Defendant in the said suit for specific performance. The matter is pending at the City Civil Court, Bombay.

(ii) A summary Suit bearing number 1544/2003 has been filed by Mahendra Shah (H.U.F) ("Plaintiff") against Monotona Exports Limited (our erstwhile name) and Modern Petrofils in the High Court of Judicature at Bombay for the recovery of an amount of ₹1,484,564 from our Company towards the supply of certain goods. The said suit was however dismissed vide order dated November 22, 2013 for default as no one had appeared on behalf of the Plaintiff. There has been no further development in the matter.

(iii) An appeal no. 224 of 2006 has been filed by Indian Overseas Bank ("Appellant") against Top Line Foods Limited and Wearology Limited (our erstwhile name) ("Respondents") in the Debts Recovery Appellate Tribunal, Mumbai, in relation to certain credit facilities availed by Top Line Foods Limited which was guaranteed by our Company. The appeal has been filed against the order dated March 28, 2006 passed by the Presiding Officer, DRT II, Mumbai in Original Application No. 192 of 2001 ("Original Application") whereby the original application filed by the Appellant was partly allowed by the Presiding Officer. As per the Original Application, a suit was filed by the Appellants, against Top Line Foods Limited as the principal borrower for the recovery of certain amounts alleged to be due and payable to the Appellants wherein our Company was sued as a guarantor. Our Company had stated in its defence, that it had acted as the guarantor only on regard to the cash credit facility having an alleged outstanding of ₹51,325.82. Vide order dated March 28, 2006, the Presiding Officer rejected contentions raised by the Appellant against the Respondents and partly allowed the application in terms of the original application. As per the said order, out of ₹100,000 deposited by our Company, the Plaintiff's were directed to appropriate a sum of ₹51,325.82 being dues under the cash credit and refund the balance amount to our Company. Further, a miscellaneous application bearing No. 437 of 2006 was filed by the Appellant for the stay of the said order dated March 28, 2006 which was dismissed on the ground of an undertaking given by our Company that if the said appeal no. 224 of 2006 will be allowed against our Company, our Company shall refund the balance amount of ₹48,647.18 to the Appellant. The said appeal no. 224 of 2006 was however dismissed vide order of the Debts Recovery Appellate Tribunal dated July 11, 2014 for non prosecution. There has been no further development in the matter.

Tax

Assessment Year 2007-08

(i) Our Company received an order dated September 9, 2010 from the Deputy Commissioner of Income Tax – 7(1) issued under Section 154 of the IT Act with regard to our Company's contention that interest under section 234B has been wrongfully charged and stating that our Company's contention is correct so far as there is charging of interest under section 234B in excess. The order further states that the contention of our Company that the interest be charged only upto the date of payment of S.A. Tax is not acceptable as there is a shortfall in the payment so made. The total taxable income remains at ₹171,750,370 which includes long term capital gains of ₹171,745,515. The order directs to charge interest under section 234B and issue of demand notice. Our Company has thereafter paid ₹797,955 as the balance tax amount. There has been no further development in the matter.

Assessment Year 2008-09

(ii) Our Company has received an assessment order dated October 1, 2010 from the Additional Commissioner of Income Tax, Range 7(1), Mumbai issued under section 143(3) of the IT Act as per the said order, an addition was made towards disallowance under Section 14(A)(2) of the IT Act read with rule 8D of the IT Rules, an amount of ₹1,723,323 and prepaid expenses of ₹3,163 was added to the income under head income from business and profession and the same was set off against carried forward business losses. As per the order total assessed income was ₹340,584,307 represent income under head capital gain and tax thereon ₹71,704,034 which was adjusted against prepaid taxes and refund of the A.Y.2009-10. There has been no further development in the matter.

Assessment Year 2009-10

(iii) Our Company has received an assessment order dated September 29, 2011 from the Income Tax Officer – 7(1)(2), Mumbai under section 143(3) of IT Act alongwith the notice of demand under section 156 of the IT Act for an amount of ₹27,680. The Company has filed the request for rectification to give credit of TDS of `24,720 vide letter dated February 15, 2012, which was agreed in principle. There has been no further development in the matter.

Assessment Year 2010-11

(iv) Our Company has received an assessment order dated November 30, 2012 from the Office of the Deputy Commissioner of Income Tax Circle 7(1), Mumbai under section 143(3) of IT Act alongwith the notice of demand under section 156 of the IT Act for an amount of ₹532,880. As per the assessment order, our Company has filed the return of income declaring loss of ₹8,390,556. The assessing officer had made certain disallowances and claims amounting to ₹84,083 and assessed as loss of ₹8,306,473 and ₹419,131 as income under Section 115JB. Our Company had filed rectification application under Section 154 of IT Act. Accordingly, the assessing officer carried out the necessary rectification and passed the order raising the balance demand, after giving the credit for prepaid taxes, of ₹12,700 which has been paid. There has been no further development in the matter.

Assessment Year 2011-12

(v) Our Company has received order under section 143(1) of the IT Act dated January 1, 2012 from the Assistant Commissioner of Income Tax and stating a tax liability of an amount of ₹1,035,839 as per the total assessed income of ₹5,511,768. The said amount was adjusted against TDS and advance tax paid by our Company. There has been no further development in the matter.

Assessment Year 2012-13

(vi) Our Company has received a notice under section 143(2) of the IT Act dated August 9, 2013 from the Office of the Deputy Commissioner/Assistant Commissioner of Income Tax, Circle 7(1) – 1 Mumbai, in relation to the return of income submitted by our Company dated September 28, 2012 and our Company was directed to appear before the authority on August 26, 2013 and to produce documents in support of the returns filed. Our Company has filed necessary details and submitted related documents to the assessing officer. There has been no further development in the matter.

Assessment Year 2013-14

(vii) Our Company has received a notice under section 143(2) of the IT Act dated September 9, 2014 from the Office of the Deputy Commissioner/Assistant Commissioner of Income Tax, Circle 7(1) – 1 Mumbai, in relation to the return of income submitted by our Company dated September 26, 2013 and our Company was directed to appear before the authority on September 19, 2014 and to produce documents in support of the returns filed. The scrutiny would commence in the financial year 2015-16.

B. By our Company

Civil

(i) Our Company had filed an appeal bearing no. 39/2012 against the order bearing no. 10/2012 dated May 11, 2012 passed by the Tahsildar, Taluka Ambernath, District Thane with the Sub-Divisional Officer, Ulhasnagar, Thane levying an amount of ₹47,550,316 on our Company for alleged illegal excavation of 10218 brass of soil, 8000 brass soil used for landscaping and levelling at a construction site. The aforesaid order was passed pursuant to the show-cause notice dated April 7, 2012 issued by the Tahsildar, Taluka Ambernath, District Thane on the basis that our Company had excavated minor minerals without lawful authority. The Sub-Divisional Officer, Ulhasnagar, Thane had vide its order dated June 7, 2012 partly allowed the appeal and reduced the penalty to ₹34,904,736. Our Company being aggrieved by the order of the Sub-Divisional Officer, Ulhasnagar, Thane, filed an appeal bearing no. 9/2013 with the Additional Collector, Thane challenging the said order of Sub-Divisional Officer, Ulhasnagar, Thane. In the meantime, the Circle Officer Ambernath without any intimation to our Company visited the construction site and drew up a Panchnama and unexpectedly and the Tahsildar, Taluka Ambernath, District Thane issued another show cause notice dated March 2, 2013 to our Company on the basis our Company had excavated minor minerals without lawful authority which was replied by our Company stating that it had obtained the permission for excavation along with the proof of payment of royalty for the same. Thereafter, the Tahsildar, Taluka Ambernath, District Thane on May 23, 2013 passed an order levying penalty of ₹15,534,000 and demanded that the amount be paid within 7 days. In the meantime, the Additional Collector, Thane rejected the appeal bearing no. 9/2013 vide an order dated October 22, 2013. Consequently, our Company filed an appeal bearing no. 133/2014 dated April 5, 2014 before the Divisional Commissioner, Konkan. Additionally, being aggrieved by the order dated May 23, 2013 passed by the Tahsildar, Taluka Ambernath, District Thane, our Company preferred an appeal bearing no. 322/2013 before the Sub-Divisional Officer, Ulhasnagar, Thane as there was a delay in filing appeal and our Company filed an application for condoning the delay bearing no. 3 of 2013 and the same is pending adjudication. The Tahsildar, Taluka Ambernath, District Thane further issued a demand notice dated March 27, 2014 demanding ₹34,904,736.

Thereafter, our Company has filed a civil writ petition bearing no. 5421 of 2014 ("Petition") in the High Court of Bombay against (i) The State of Maharashtra ("Respondent No. 1") (ii) The Divisional Commissioner, Konkan ("Respondent No. 2") (iii) The Additional Collector, Thane ("Respondent No. 3") (iv) Sub-Divisional Officer, Ulhasnagar, Thane ("Respondent No. 4") and (v) Tahsildar, Taluka Ambernath, District Thane ("Respondent No. 5") against the show cause notices dated April 7, 2012 and March 2, 2013 issued by the Respondent No. 5 demanding royalty and penalty as well as various subsequent orders dated May 11, 2012, June 7, 2013 and October 22, 2013 passed by Respondents No. 5, 4, 3 respectively in the appeals filed by the Petitioner and demand notice dated March 27, 2014 as well as order dated May 23, 2013 passed by the Respondent No. 5 challenging the levy of the aforesaid royalty and penalty for an amount of ₹47,550,316, later reduced to ₹34,904,736 under section 48(7) of the Maharashtra Land Revenue Code, 1966 imposed on the basis that our Company has excavated minor minerals allegedly without obtaining permission of the State Government. The said Petition has been disposed by the High Court of Bombay vide order dated November 14, 2014 on the basis that our Company has availed remedy from an appellate forum which is still pending along with a direction to the appellate authority to decide the said matter, and also granting liberty to our Company to file a fresh writ if aggrieved from the order of the appellate authority. The revision application bearing no. 133/2014 filed by our Company with the Respondent No. 2 against the order of the Respondent No. 3 dated October 22, 2013 was partially allowed by the Respondent No.2 vide order dated December 16, 2014 and the order dated October 22, 2013 was set aside. Further, the Respondent No. 5 was directed by the Respondent No. 2 to provide our Company the opportunity of being heard, review the matter once again and pass the amended order within two months from the date of the present order.

(ii) Our Company ("Plaintiff") has filed a suit bearing no. 80/2014 and an application for injunction dated May 2, 2014 in the Court of Civil Judge (Jr. Division) at Karjat ("Court") against Rajendra Narayan ("Defendant") in relation to Flat No. 204, admeasuring 295 Sq.ft. in Building No. A/55 on the second floor of Samruddhi Complex ("Flat"), a project developed by the Plaintiff. The said Flat was sold by the Plaintiff to the Defendant and the same was registered in the office of the sub registrar, Karjat on August 18, 2010 bearing serial no. 06272/2010 ("Sale Deed"). The Defendant thereafter, out of the total amount of ₹561,946 paid only an amount of ₹124,500 and failed to pay the balance amount ₹437,446. The Company has therefore filed the said suit and has inter-alia prayed to the Court for (i) cancellation of the Sale Deed; (ii) declaration of the Sale Deed as non-binding; (iii) a permanent injunction restraining the Defendant from doing any transaction with any third parties or to create any rights in rights in respect of any third parties. The Summons have been sent to the Defendant and the report is awaited.

(iii) Our Company, through one of its employees, Chandrakant Ghanekar, has filed an FIR bearing no. 05/13 dated January 3, 2013 with the N.M. Joshi Marg Police Station against one Rahul Tathod, an office boy of our Company ("Employee"), for misappropriating cash worth ₹300,000 belonging to our Company. The Company has alleged that the cash was given to the Employee for the purpose of giving salary of workers however the same was used by him and that the Employee has been absconding since then. The Employee has thereafter been arrested and the matter is pending in the Bhoiwada Court.

(iv) D.R. Amin & Others (Plaintiffs or Amin Family) have filed a suit bearing no. 1633/5904/1982 in April 1982 at the Small Causes Court, Bandra ("Small Causes Court") for the eviction of M/s. Alram Optician ("Defendants") from the premises bearing Gala No. 5, C.T.C. No. 539/81 at Ground Floor, Amin Industrial Estate, Sonawala Cross Road, Goregaon (E), Mumbai – 400 063 ("Suit Premises") occupied by the Defendants as tenants of the Plaintiffs on the grounds of unlawful and unauthorised construction adjoining the Suit Premises thereby violating the provisions of the Bombay Rent Act, 1947. The Defendants had filed their written statement dated June 17, 1992 to the same and denied all allegations made therein. The matter is pending adjudication in the Small Causes Court. Thereafter, our Company acquired certain pieces and parcels of land bearing Survey No. CTS Nos. 538(p), 538/1-10, 539 and 539/1-160 vide deed of conveyance dated December 20, 2013 that included the Suit Premises from the Amin Family as co-owners. Our Company has filed an application dated January 13, 2015 to the Court to be joined as a plaintiff in the said suit and for the insertion of our Company's name in place of the name of the Plaintiff. The said application is pending with the Small Causes Court.

Legal notices sent by our Company

Our Company, in the ordinary course of its business has sent legal notices to the societies of some of its projects for the recovery of amounts towards maintenance charges. As on date, the amount outstanding to the account of our Company is ₹2,944,000. Further, our Company has also sent legal notices to certain individuals for recovery of amounts due for the purchase of flats in some of its projects. As on date, the amount outstanding to the account of our Company is ₹5,470,554.

C. Details of past penalties imposed on our Company

(i) The Sub-Divisional Officer, Ulhasnagar, Thane had vide the show cause notices dated April 7, 2012 and March 2, 2013 and an order dated May 11, 2012 imposed a penalty of ₹47,550,316 on our Company for alleged illegal excavation of 10218 brass of soil, 8000 brass soil used for landscaping and levelling at a construction site allegedly without obtaining permission of the State Government and making our Company liable for proceedings under section 48(7) of the Maharashtra Land Revenue Code, 1966. The said liability was later reduced to ₹34,904,736 vide the order dated June 7, 2012 passed by the Sub-Divisional Officer, Ulhasnagar, Thane. For details regarding the matter and its current status, see "Legal Proceedings – I. Litigations Involving our Company – B. By our Company – Civil (i)"

(ii) In terms of the SEBI Circular dated April 17, 2013 regarding commencement of SEBI Complaints Redressal Systems (SCORES), all listed companies were required to redress the greivances of investors within 30 days of the receipt of the complaints and all listed companies which were yet to obtain SCORES user ID and password were required to obtain the same. As per the said circular, listed companies were required to login to SCORES system electronically through a company specific user ID and password, to be provided by SEBI for the purposes of accessing the complaints of the investors against them.

An ex-parte adjudication order bearing no. JJ/AM/AO-128/2014 dated September 19, 2014 has been passed by SEBI against Monotona Exports Limited (erstwhile name of our Company) alleging that our Company has failed to redress pending investor grievance and also failed to obtain SCORES authentication inspite of being called upon by SEBI to do so thereby violating the provisions of Section 15C and 15HB of the Securities and Exchange Board of India Act, 1992 ("SEBI Act"). Monotona Exports Limited was listed until recently in the Calcutta Stock Exchange and the same has been delisted from the Calcutta Stock Exchange vide its letter dated December 29, 2014. This SEBI order is pertaining to Monotona Exports Limited, as a listed company trading on the Calcutta Stock Exchange.

Accordingly, in terms of the provisions of the SEBI Act and Rule 5(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, a penalty of ₹200,000 under Section 15HB of the SEBI Act and a penalty of ₹100,000 under Section 15C of the SEBI Act i.e. a total penalty of ₹300,000 was imposed on Monotona Exports Limited. Our Company has vide its letter dated January 8, 2015 paid the said penalty and there has been no further development in the matter.

(iii) Our Company has paid a penalty of ₹83,203 to the Stock Exchange vide its letter dated May 19, 2014 for non-compliance with clause 35 of Listing Agreement (delay of 10 days) for the quarter ended March 2014.

(iv) Our Company has paid a penalty of ₹31,461 to the Stock Exchange vide its letter dated May 27, 2014 for non-compliance with clause 49 of Listing Agreement (delay of 16 days) for the quarter ended March 2014.

D. Notices received by our Company

(i) Our Company has received a legal notice dated September 3, 2014 from Home First Finance Company India Limited ("Home First") demanding an amount of ₹1,122,593 towards non-payment of loan amount due to Ramalu Kairamkonda for the purchase of Samruddhi Evergreens, Flat No-301, Building No-44, Near Jovali Bridge Badlapur East, Thane – 421503 ("Flat"). Our Company had also been called upon vide the said legal notice to terminate the sale agreement executed by our Company in favour of Ramalu Kairamkonda. Accordingly, vide a deed of assignment dated December 1, 2014, in favour of Shreenivas Ramalu and including our Company as a party, the said Flat has been assigned by Ramalu Kairamkonda to Shreenivas Ramalu who has agreed to pay the balance amount to our Company. There has been no further development in the matter.

(ii) Our Company has received a legal notice dated September 3, 2014 from Home First Finance Company India Limited ("Home First") demanding an amount of ₹1,177,665 towards non-payment of loan amount due to Nilesh Nevgi for the purchase of Samruddhi Evergreens, Flat No-301, Building No-3, Near Jovali Bridge Badlapur Badlapur East, Thane – 421503 ("Flat"). Our Company had also been called upon vide the said legal notice to terminate the sale agreement executed by our Company in favour of Nevgi. Accordingly, vide a deed of assignment dated December 11, 2014, in favour of Sudarshan Tulaskar and including our Company as a party, the said Flat has been assigned by Nilesh Nevgi to Sudarshan Tulaskar at a fresh agreement value. There has been no further development in the matter.

II. Litigations involving our Promoters during the last three years immediately preceding year.

Civil

(i) Dipak Poddar ("our Promoter") had received show cause notices dated January 8, 2013 and May 15, 2013 issued by the Tahsildar, Taluka Shahapur, District Thane on the basis that he had excavated minor minerals from the property described as Hissa No. 172/5, 172/7 at Aatgaon, Taluka Shahapur, District, Thane, allegedly without obtaining permission of the State Government and is allegedly liable for proceedings under the provisions of section 48(7) of the Maharashtra Land Revenue Code, 1966. Later, without providing an opportunity to our Promoter to present his case, Tahsildar, Taluka Shahapur, District Thane proceeded to pass an order bearing no. 12/2013 dated June 15, 2013 levying a penalty of ₹2,722,950 (total penalty amounting to ₹3,562,950) on our Promoter for alleged illegal excavation of 1944 brass of soil. Aggrieved by the said order, our Promoter preferred an appeal against the same bearing Appeal No.14 of 2013 dated July 25, 2013 before the Sub-Divisional Officer, Bhiwandi Subdivision, Thane and the same is pending adjudication before the Sub-Divisional Officer, Bhiwandi Subdivision, Thane. Thereafter, our Promoter has filed a civil writ petition bearing no. 5375 of 2014 ("Petition") in the High Court of Bombay against (i) The State of Maharashtra (ii) The Divisional Commissioner, Konkan (iii) The Additional Collector, Thane (iv) Sub-Divisional Officer, Bhiwandi Subdivision, Thane and (v) Tahsildar, Taluka Shahapur, District Thane challenging the aforesaid show cause notices dated January 8, 2013 and May 15, 2013 and the order of the Tahsildar, Taluka Shahapur, District Thane dated June 15, 2013 levying a penalty of ₹2,722,950. The said Petition has been disposed by the High Court of Bombay vide order dated November 14, 2014 on the basis that our Promoter has availed remedy from an appellate forum which is still pending along with a direction to the appellate authority to decide the said matter, and also granting liberty to our Promoter to file a fresh writ if aggrieved from the order of the appellate authority. Accordingly, the High Court of Bombay has directed that the matter be held at the appellate authority where it is pending. The matter is now pending with the Sub-Divisional Officer, Bhiwandi Subdivision, Thane. The said liability of ₹2,722,950 is appearing in the books of accounts of our Company pursuant to a joint development agreement entered into between our Promoter and one of our Subsidiary for the development of our project situated at Atgaon.

(ii) An application in the civil suit no. 35/2004 has been filed in the Court of Civil Judge (J.D.), Shahapur ("Court") by Bhau Keru Kirpan ("Plaintiff") requesting the Court to include Dipak Kumar Poddar ("our Promoter") and three other persons as a defendants in the said civil suit no. 35/2004 that had been filed by the Plaintiff against Anandibai Bandhu ("Defendant") regarding a sale transaction dated January 11, 1988 of S. No. 85, H. No. 1, Atgaon Taluka Shahapur, District Thane ("Suit Property") alleging that the Suit Property was not a part of the property that was intended to be sold by the Plaintiff to the Defendant vide the said sale deed dated January 11, 1988. While the said civil suit was pending, the Suit Property was however sold to Kishore Namdev Mhaskar, Harishchandra Damodar Mhaskar and Chetan Dashrath Mhaskar ("Mhaskar Family") vide sale deed dated March 29, 2012. Thereafter, on May 4, 2012, the Mhaskar Family sold the Suit Property to our Promoter. Accordingly, our Promoter has been made party to the said civil suit and the Court has directed that summons may be served to our Promoter.

(iii) A civil suit no. 197/2013 has been filed in the Court of Civil Judge, Kalyan, by one Gyanchand Satyadev ("Plaintiff") against our Promoter, Dipak Poddar ("Defendant No. 4"), one of our employees, Jinendra Nahar ("Defendant No. 5") Ram Narayan Rajwardhan Yadav (Defendant No.1) and certain other persons ("Defendants") in relation to a property situated at Revenue Village, Registration sub-District Shahapur, District Thane, bearing S. No. 128(Old), i.e. S No. 142 (New), H No. 5 admeasuring at about 0H-27R-8P i.e. 2,780 Sq. mts. and S. No. 128(Old), i.e. S. No. 142(New), H. No. 3, admeasuring at about 0H-22R-8P i.e. 2,280 Sq. mts.

("Suit Property"). The Plaintiff, claiming to be the owner of the Suit Property, has alleged that the Defendant No. 4 is claiming as owner of the Suit Property on the strength of a deed of conveyance dated December 17, 2012 ("Deed of Conveyance") which is executed by the Defendant No.1 as vendor and Defendant No. 4 as a purchaser and is signed by Defendant No. 5 as a power of attorney holder of Defendant No. 4. The Plaintiff has claimed that the said Deed of Conveyance has allegedly been registered in the office of Sub-Registrar of Assurance, Shahapur as per document no. 2765/2013 dated April 16, 2013. The Plaintiff has claimed that the Deed of Conveyance is false, fraudulent, null and void. Accordingly, the plaintiff has prayed inter-alia that the Defendants be (i) restrained from entering into the suit property or its part and or from dispossessing the plaintiffs for the Suit Property by an order of injunction or ad-interim injunction, (ii) restrained from obtaining any permission from any authority for the purpose of changing user of and /or development of the Suit Property by an order of injunction or ad-interim injunction, (iii) restrained from creating any third party interests in the Suit Property or any of its part by an order of injunction or ad-interim injunction. The Defendants have filed their reply dated October 3, 2010 to the civil suit and have denied each and every allegation made by the Plaintiff and has prayed to said court inter-alia that the suit filed by the Plaintiff must be disposed off with its compensatory cost. The matter has now been kept for framing of issues.

Criminal

(i) A complaint dated May 26, 2013 has been made with the Senior Police Inspector, Shahapur Police Station by one Gyanchand Satyadev Yadav ("Complainant") against our Promoter, Dipak Poddar, one of our employees, Jinendra Nahar requesting the police officer to take action against our Promoter and Jinendra Nahar for false sales transactions based on forged documents in relation to the property situated at Revenue Village, Registration sub-District Shahapur, District Thane, bearing S. No. 128(Old), i.e. S No. 142(New), H No. 5 admeasuring at about 0H-27R-8P i.e. 2,780 Sq. mts. and S. No. 128(Old), i.e. S. No. 142(New), H. No. 3, admeasuring at about 0H-22R-8P i.e. 2,280 Sq. mts. in order to cheat the Complainant. Jinendra Nahar, has thereafter filed his statement dated July 9, 2013 in response to the complaint launched and has denied all allegations made therein.

III. Proceedings under the Companies Act

There has been no inquiry, inspection or investigations initiated or conducted against us under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of circulation of this Placement Document. Further, Except as stated under the heading '*Details of past penalties imposed on our Company*' above, there have not been any prosecutions filed (whether pending or not), fines imposed, compounding of offences under the Companies Act, 2013 or any previous company law, in the last three years immediately preceding the year of circulation of this Placement Document with respect to us.

IV. Material Frauds against our Company

There have been no material frauds committed against our Company in the last three years except as disclosed above in this section under the heading '*Litigation – By our Company'*.

V. Litigations involving our Subsidiary

There is no litigation involving our Subsidiaries.

INDEPENDENT ACCOUNTANTS

The Company's audited financial statements as of and for each of the years ended March 31, 2014, 2013 and 2012 included in this Placement Document have been audited by M/s. R.S. Shah & Company, Chartered Accountants. The Company's unaudited consolidated financial statements as of and for the six month period ended September 30, 2014 included in this Placement Document, have been reviewed by M/s. R.S. Shah & Company, Chartered Accountants. See section, "***Financial Statements***" on page 212.

GENERAL INFORMATION

1. Our Company was incorporated on June 28, 1982 as a public limited company, in the name of '*Monotona Exports Limited*', and was registered with the Registrar of Companies, West Bengal. Our Company received Certificate for Commencement of Business on July 14, 1982 by Registrar of Companies, West Bengal. Our Registered Office was changed from the state of West Bengal to state of Maharashtra *vide* order dated May 23, 2003 of Company Law Board, Eastern Region Branch, Kolkata. The name of our Company was changed to '*Wearology Limited'* and a fresh certificate of incorporation consequent on change of name dated October 11, 2004 was issued by Registrar of Companies, Maharashtra, Mumbai. The name of our Company was further changed from '*Wearology Limited'* to *'Poddar Developers Limited'* and a fresh certificate of incorporation consequent on change of name dated May 13, 2008 was issued by Deputy Registrar of Companies, Maharashtra, Mumbai.

2. The Registered Office of our Company is located at Unit 3-5, Neeru Silk Mills, Mathuradas, Mill Compound, 126, N.M. Joshi Marg, Lower Parel (West), Mumbai- 400013. Our Corporate Identity Number is L51909MH1982PLC143066.

3. This Issue was authorised and approved by our Board of Directors on December 5, 2014 and approved by our shareholders through postal ballot dated January 10, 2015.

4. Our Company has received in-principle approval under Clause 24(a) of the Listing Agreement to list the Equity Shares on the BSE on January 19, 2015.

5. Copies of our Memorandum of Association and Articles of Association will be available for inspection during usual business hours on any weekday between 10.00 A.M. to 1.00 P.M. (except public holidays) at our Registered Office.

6. The Company has obtained necessary consents, approvals and authorisations required in connection with the Issue.

7. Except as disclosed in this Placement Document, there has been no material change in our consolidated financial condition since March 31, 2014, the date of the latest audited financial statements, prepared in accordance with Indian GAAP, included herein.

8. Except as disclosed in this Placement Document, there are no material 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. For details of litigations, see section "***Legal Proceedings***" beginning on page 203.

9. Our Company's Statutory Auditor, M/s. R.S. Shah & Company, Chartered Accountants, Firm Registration No.: 109762W has audited our consolidated financial statements as of and for the years ended March 31, 2014, 2013 and 2012, and have has applied limited procedures in accordance with professional standard in India with respect to our unaudited consolidated reviewed interim financial statements as of and for the six month period ended September 30, 2014 and September 30, 2013 and have consented to inclusion of their report in this Placement Document.

10. Our Company confirms that it is in compliance with the minimum public shareholding requirements as required under the Listing Agreement, SCRA and SCRR.

11. The Floor Price for the Issue is ₹1,184.43, calculated in accordance with Chapter VIII of the ICDR Regulations, as certified by M/s. R.S. Shah & Company, Chartered Accountants.

12. The authorised share capital of our Company is ₹700.00 Lacs consisting of 7,000,000 Equity Shares of ₹10 each. Our Company's issued and subscribed Capital is ₹520.45 Lacs divided into 5,204,500 Equity Shares of ₹10 each.

13. We may offer a discount of not more than 5% on the Floor Price in accordance with and in terms of Regulation 85 of the ICDR Regulations.

FINANCIAL STATEMENTS

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Note: Financial statements for six months ended September 2014 and March 2014 are in Lacs while for FY 2013 and FY 2012 are in Rupees.

R. S. SHAH & CO.,
CHARTERED ACCOUNTANTS
PAN NO.AAYPS0510M

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Cawasji Patel Street,
Fort, Mumbai – 400 001
Tel.: 22042469 / 26122746
Email: rsshahco@yahoo.com

INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
PODDAR DEVELOPERS LIMITED

1) We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of Poddar Developers Limited (the "**Company**") for six months period ended 30th September 2014 (the "**Statement**") except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoters Group Shareholding' which have been traced from the disclosures made by the management and have not been audited by us. However, in case of subsidiaries and joint venture, we have traced the financial statements, duly certified by the management, for the purposes of consolidation. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors / Committee of 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 (the "**ICAI**"). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. 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 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards prescribed by section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

R. S. SHAH & CO.,
CHARTERED ACCOUNTANTS
PAN NO.AAYPS0510M

218, Vardhaman Chambers,
Cawasji Patel Street,
Fort, Mumbai – 400 001
Tel.: 22042469 / 26122746
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4) 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 promoter group shareholding in terms of Clause 35 of the Listing Agreement and the particulars relating to investor complaints disclosed in Part II – Select Information for the six months ended 30th September 2014 of the Statement, from the details furnished by the Management.

For R. S. Shah & Co.,
Chartered Accountants

(Ranjeet S. Shah)
Proprietor
(Membership No. 030108)
Firm Registration No.

Place: Mumbai
Date: 06/01/2015

PODDAR DEVELOPERS LIMITED

Un-Audited Consolidated Financial Results for the Quarter / Half year ended 30th September 2014

(₹. In Lacs)

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.13	30.09.2014	30.09.2013	31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Income from operations**						
	(a) Net Sales / Income from operations	1598.07	5132.95	1038.15	6731.02	3224.29	6258.72
	(b) Other Operating Income	146.56	463.11	64.15	609.67	239.78	557.55
	Total income from operations (net)	1744.63	5596.06	1102.30	7340.69	3464.07	6816.27
2	**Expenses**						
	(a) Cost of Construction	1813.13	1698.66	1129.98	3511.79	3109.51	6841.32
	(b) (Increase)/ Decrease in WIP & Finished goods	(876.11)	2250.00	(561.14)	1373.89	(624.55)	(1890.45)
	(c) Employee Benefit Expenses	92.81	78.68	71.55	171.49	137.40	296.13
	(d) Depreciation and amortisation expenses	20.25	32.18	12.73	52.43	30.18	57.55
	(e) Other Expenses	123.93	84.21	75.10	208.14	123.81	349.84
	Total expenses	1174.01	4143.73	728.22	5317.74	2776.35	5654.39
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)**	570.62	1452.33	374.08	2022.95	687.72	1161.88
4	Other income	36.62	32.49	(102.57)	69.11	55.89	102.65
5	**Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 +/- 4)**	607.24	1484.82	271.51	2092.06	743.61	1264.53
6	Finance costs	1.32	1.43	1.24	2.75	2.50	5.49
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 +/- 6)**	605.92	1483.39	270.27	2089.31	741.11	1259.04
8	Exceptional items	(16.07)	39.57	(2.71)	23.50	(4.06)	5.83
9	**Profit / (Loss) from ordinary activities before tax (7 +/- 8)**	589.85	1522.96	267.56	2112.81	737.05	1264.87
10	Tax expense						
	Current Tax	(208.00)	(512.00)	(96.00)	(720.00)	(280.00)	(481.43)
	Deferred Tax	3.25	8.94	0.85	12.19	9.13	3.17
11	**Net Profit / (Loss) from ordinary activities after tax (9 +/- 10)**	385.10	1019.90	172.41	1405.00	466.18	786.61
12	Extraordinary items	-	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11 +/- 12)**	385.10	1019.90	172.41	1405.00	466.18	786.61
14	Minority Interest	0.91	0.47	0.07	1.38	0.73	2.01
15	**Net Profit / (Loss) for the period (13 +/- 14)**	386.01	1020.37	172.48	1406.38	466.91	788.62
14	Paid-up Equity Share Capital (Face Value Rs. 10/- each)	520.45	520.45	520.45	520.45	520.45	520.45
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						6164.67
16.i	**Earnings per share (before extra-ordinary items)**						
	(a) Basic	7.42	19.61	3.31	27.02	8.97	15.15
	(b) Diluted	7.42	19.61	3.31	27.02	8.97	15.15
16.ii	**Earnings per share (after extra-ordinary items)**						
	(a) Basic	7.42	19.61	3.31	27.02	8.97	15.15
	(b) Diluted	7.42	19.61	3.31	27.02	8.97	15.15
			**				**

Information for the Quarter Ended 30.09.2014

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
A	**PARTICULARS OF SHAREHOLDING**						
1	**Public shareholding**						
	- Number of shares	1351732	1351732	1351732	1351732	1351732	1351732
	- Percentage of shareholding	25.97	25.97	25.97	25.97	25.97	25.97
2	**Promoters and Promoter Group Shareholding**						
	a) Pledged / Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non - encumbered						
	- Number of shares	3852768	3852768	3852768	3852768	3852768	3852768
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	74.03	74.03	74.03	74.03	74.03	74.03
		**	**	**	**	**	**

	Particulars	3 months ended 30-09-2014
B	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

Statement of Assets and Liablities as at 30.09.2014

(Rs. In 'Lacs)

	Particulars	Standalone		Consolidated	
		As at 30.09.2014 (Unaudited)	As at 31.03.2014 (Audited)	As at 30.09.2014 (Unaudited)	As at 31.03.2014 (Audited)
A	**EQUITY AND LIABILITIES**				
1	**Shareholders' funds**				
	(a) Share capital	520.45	520.45	520.45	520.45
	(b) Reserves and surplus	7412.61	5997.34	7575.20	6164.67
	Sub-total - Shareholders' funds	7933.06	6517.79	8095.65	6685.12
2	**Share application money pending allotment**	-	-	-	-
3	**Non-current liabilities**				
	(a) Long-term borrowings	780.01	1325.69	1358.68	2017.36
	(b) Deferred tax liabilities (net)	-	4.77	-	4.77
	(c) Other long-term liabilities	-	-	-	10.57
	(d) Long-term provisions	384.47	32.41	385.18	31.33
	Sub-total - Non-current liabilities	1164.48	1362.87	1743.86	2064.03
4	**Current liabilities**				
	(a) Short-term borrowings	-	-	-	-
	(b) Trade payables	528.32	233.38	563.15	296.67
	(c) Other current liabilities	8092.71	10556.87	10621.49	12093.35
	(d) Short-term provisions	112.36	205.31	188.25	211.64
	Sub-total - Current liabilities	8733.39	10995.56	11372.89	12601.66
	TOTAL - EQUITY AND LIABILITIES	17830.93	18876.22	21212.40	21350.81
B	**ASSETS**				
1	**Non-current assets**				
	(a) Fixed assets	632.27	425.91	637.24	431.32
	(b) Non-current investments	219.54	195.38	317.53	348.35
	(c) Deferred tax Assets (net)	7.42		7.42	
	(d) Long-term loans and advances	4230.05	4214.49	904.38	792.88
	(e) Other non-current assets	-	-	-	-
	Sub-total - Non-current assets	5089.28	4835.78	1866.57	1572.55
2	**Current assets**				
	(a) Current investments	1588.35	53.21	1937.04	322.22
	(b) Inventories	10108.46	12458.61	16113.54	17672.57
	(c) Trade receivables	372.59	147.81	372.59	147.81
	(d) Cash and cash equivalents	468.65	1149.29	689.79	1367.65
	(e) Short-term loans and advances	203.60	231.52	230.36	265.50
	(f) Other current assets	-	-	2.51	2.51
	Sub-total - Current assets	12741.65	14040.44	19345.83	19778.26
	TOTAL - ASSETS	17830.93	18876.22	21212.40	21350.81

1 The Auditors have carried out Limited Reiew of the above Un-Audited financial results and the same were approved by the Board of Directors in their meeting held on January 06, 2015

2 The Consolidated Financial Results include the results of the following Companies:

Name of the Company	% of the Shareholding	Consolidated as
Poddar Housing FZC, Sharjah, U.A.E	90	Subsidiary
Poddar Natural Resources & Ores Limited	100	Subsidiary
Poddar Infrastructure Private Limited	100	Subsidiary
Poddar Habitat Private Limited	100	Subsidiary
Poddar Leisure Infrastructure Private Limited	100	Subsidiary
Viva Poddar Housing Private Limited	50	Joint venture

3 a) The Company had received demand notice of ₹349.05 lacs towards royalty including penal charges from Land revenue authorities (Tahsildar) Government of Maharashtra for excavation of Land and Stone in respect of land at Badlapur against which the Company had preferred an appeal before the higher authorities. The said authorities have set aside the demand and referred the matter back to the land revenue authorities with an instruction to re-compute the liability. Accordingly, there is no demand pending against the Company as on this date. Moreover, the Company does not expect any significant liability on re-computation.

b) Similar demand of ₹27.23 lacs had been raised in the name of Land owners in respect of Land covered under joint development agreement between the subsidiary company and land owners in case of Atgaon project against which the Company has preferred an appeal and the same is pending.

4 The provision in respect of sticky loan of ₹.115 lacs will be considered at the year end if necessary.

5 Consequent to enactment of Companies Act 2013, (the Act) and its applicability for accounting periods commencing from 1st April,2014, the Company has reassessed the remaining usefull life of fixed assets in accordance with the provisions prescibed under Schedule II to the Act. The effect of the same is adjusted in Depreciation for the quarter ended 30th June 2014.

6 Previous quarters' / year's figures have been regrouped / rearranged wherever considered necessary.

For Poddar Developers Limited

Place : Mumbai
Date : January 06, 2015

Dipak Kumar Poddar
Executive Chairman

R.S.SHAH & COMPANY
Chartered Accountants
218, Vardhaman Chambers,
Cawasji Patel Street,
Fort
MUMBAI – 400 001
Tel Nos: 22042469/ 22873508

INDEPENDENT AUDITOR'S REPORT

To,
THE BOARD OF DIRECTORS OF PODDAR DEVELOPERS LIMITED

We have audited the accompanying consolidated financial statements of PODDAR DEVELOPERS LIMITED ("the Company") and its subsidiaries and joint venture, which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India; this responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

BASIS FOR QUALIFIED OPINION

a) *The Company had, in the earlier years, given a loan of ₹.115 lacs to a body corporate, not related to the management, which is unable to repay the instalment and interest thereon. We are informed that the said loan is being rescheduled and is under final stage of settlement as referred to in Note 13 (f). However, the Company has made suitable provision for accrued interest of ₹.31.17 lacs. Further, no interest income has been provided during the current year. Accordingly, the loan amount of ₹.115 lacs is doubtful of recovery for which no provision has been made in the books of accounts. Had the same been provided for, the assets and the profit of the Company would have been lower to that extent.*

b) *In respect of the foreign subsidiary, as stated by the respective auditor, the investments have been stated at cost and have not been tested for impairment. Further, in the absence of an independent confirmation of the investment balance, the said auditor is unable to express any opinion on the investment balance stated in the financial statements of the subsidiary.*

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to Note 35 to the financial statements regarding the demand notice raised by the land revenue authorities on the Company in respect of land at Badlapur pertaining to royalty including penal charges amounting to ₹.349.05 lacs. The management has filed a writ petition in the Bombay High Court against the order. Similar levy has been raised on other land owners and have obtained stay from the Court. Similarly, in case of one of the subsidiaries, a demand of ₹.27.23 lacs has been raised in the name of land owners in respect of land covered under joint development agreement between the subsidiary and land owners in respect of Atgaon project. Further, the land owners have filed a writ petition in the Bombay High Court against the order. Accordingly, the management is of the view that the aforesaid demands are not tenable. Our opinion is not qualified in respect of this matter.

OTHER MATTER

We did not Audit the financial statements of a foreign subsidiary, whose financial statements reflect total assets of ₹.195.76 lacs as at 31st March 2014 and total loss of ₹.20.08 lacs for the year then ended on that date. These financial statements and other financial information have been extracted from the audited financial statements which have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter. Further, in respect of the joint venture, in absence of audited financial statements, we have relied on the management certified financial statements and other financial information, the total assets of which are ₹.6279.18 lacs as at 31st March 2014 and has Nil profit/loss for the year then ended.

For R.S. SHAH & COMPANY
CHARTERED ACCOUNTANTS
Firm's Registration Number: 109762W

R. S. SHAH
(PROPRIETOR)
Membership No.30108

Place : MUMBAI
Dated : 12th May 2014

PODDAR DEVELOPERS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014

	Particulars	Note No.	AS AT 31.03.2014 ₹ in Lacs	AS AT 31.03.2013 ₹ in Lacs
I.	**EQUITY AND LIABILITIES**			
(1)	**Shareholders' funds**			
	(a) Share Capital	2	520.45	520.45
	(b) Reserves & Surplus	3	6164.67	5455.70
(2)	**Non-current liabilities**			
	(a) Long-term borrowings	4	2017.36	1122.58
	(b) Deferred tax liabilities (Net)	5	4.77	7.94
	(c) Other Long term liabilities	6	10.57	
	(d) Long-term provisions	7	31.33	78.71
(3)	**Current liabilities**			
	(a) Short-term borrowings	8	-	2250.00
	(b) Trade payables		296.67	457.70
	(c) Other current liabilities	9	12093.35	9835.47
	(d) Short-term provisions	10	211.64	142.19
		TOTAL	21350.81	19870.74
II.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Fixed assets	11		
	(i) Tangible assets		427.37	472.71
	(ii) Intangible assets		3.56	4.02
	(iii) Capital work-in-progress			
	(iv) Intangible assets under development			
	(v) Goodwill as per AS-21 on Consolidation		0.39	0.39
	(b) Non-current investments	12	348.35	343.16
	(c) Long-term loans and advances	13	792.88	4034.93
	(d) Other non-current assets		-	
(2)	**Current assets**			
	(a) Current investments	14	322.22	
	(b) Inventories	15	17672.57	11593.53
	(c) Trade receivables	16	147.81	117.76
	(d) Cash and cash equivalents	17	1367.65	2772.06
	(e) Short-term loans and advances	18	265.50	532.18
	(f) Other current assets (share in joint venture)		2.51	-
		TOTAL	21350.81	19870.74

III. **Contingent Liabilities and Commitments** **19**
(To the extent not provided for)

Notes attached to and forming part of accounts

Significant Accounting Policies **1**

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 12th May 2014

Chandrakant Sharma
Company Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	Particulars	Note No.		2013-2014		2012-2013
				₹ in Lacs		₹ in Lacs
I.	Revenue from operations	20		6816.27		2695.08
II.	Other income	21		102.65		380.46
III.	**Total Revenue (I + II)**			6918.92		3075.54
IV.	Expenses **:**					
	Cost of construction	22		6794.64		6324.41
	(Increase)/Decrease in stock	23		(1890.45)		(4520.56)
	Employee benefit expenses	24		296.13		214.46
	Finance costs	25		5.49		6.22
	Depreciation and Amortisation expenses			57.55		89.71
	Other expenses	26		396.52		378.81
	Total expenses			5659.88		2493.05
V.	Profit before exceptional and extraordinary items and tax (III-IV)			1259.04		582.49
VI.	Exceptional items	27		5.83		539.60
VII.	Profit before extraordinary items and tax (V - VI)			1264.87		1122.09
VIII.	Extraordinary Items					
IX.	Profit before tax (VII - VIII)			1264.87		1122.09
X.	Tax expenses:					
	1) Current tax		(481.43)		(382.96)	
	2) Deferred tax		3.17	(478.26)	12.55	(370.41)
XI.	Minority Interest			2.01		14.85
XIII.	Profit / (Loss) for the year from continuing operations (IX - X)			788.62		766.53
XII.	Profit / (Loss) for the year from discontinuing operations			-		
XIV.	Tax expenses of discontinuing operations			-		
XV.	Profit / (Loss) for the year from discontinuing operations (after tax) (XII-XIII)			-		
XVI.	Profit / (Loss) for the year (XI + XIV)			788.62		766.53
XVII.	Earning per Share (in Rs.)					
	Basic			15.15		14.73
	Diluted			15.15		14.73

Notes attached to and forming part of accounts

Significant Accounting Policies **1**

As per our report of even date

For and on behalf of the Board

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

Dipak Kumar Poddar - Executive Chairman

R.S.SHAH
(Proprietor)
Membership No.:30108

Rohitashwa Poddar - Managing Director

PLACE : MUMBAI
DATED : 12th May 2014

Chandrakant Sharma
Company Secretary

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS		YEAR ENDED 31st March 2014 (₹ in Lacs)		YEAR ENDED 31st March 2013 (₹ in Lacs)
A. Cash Flow from Operating Activities				
Net Profit / (Loss) after Tax and Extra-Ordinary Items		788.62		766.53
Adjustments For				
Depreciation and Amortization expenses	57.55		89.71	
Diminution in value of Investments	(5.83)		62.90	
(Profit) / Loss on Sale of Fixed Assets	11.08		0.77	
(Profit) / Loss on sales of Investments	-		(0.18)	
Share of Loss/(Profit) in Partnership	9.19		1.06	
Interest Received	(77.23)		(354.40)	
Interest Paid	5.49		6.22	
Dividend Received	(20.02)		(21.58)	
Deferred Tax	(3.17)		(12.55)	
Foreign Currency Translation Reserve on Foreign Investments	14.00		42.51	
Statutory Reserves	0.42		1.31	
Preliminary expenses written off	-		0.15	
		(8.52)		(184.08)
Operating Profit/(Loss) before changes in assets and liabilities		780.10		582.45
Changes in assets and liabilities				
Trade & Other Receivables	3476.17		(2285.43)	
Inventories	(6079.04)		(4795.50)	
Liabilities and provisions	2129.49	(473.38)	4165.20	(2915.73)
Net Cash Flow from Operating Activities (A)		**306.72**		**(2333.28)**
B. Cash Flow from Investing Activities				
(Purchase) / Sale of Fixed Assets	(22.83)		(74.01)	
(Purchase) / Sale of Investments	(321.58)		731.39	
Share of Profit / (Loss) in Partnership	(9.19)		(1.06)	
Interest Received	77.23		354.40	
Dividend Received	20.02		21.58	
		(256.35)		1032.30
Net Cash Flow from Investing Activities (B)		**(256.35)**		**1032.30**
C. Cash Flow from Financing Activities				
Proceeds from / (Repayment of) Borrowing	(1355.22)		1919.90	
Dividend Paid including Tax thereon	(89.54)		(90.73)	
Minority Interest (including dividend)	(4.53)		(14.59)	
Interest Paid	(5.49)	(1454.78)	(6.22)	1808.36
Net Cash Flow from Financing Activities (C)		**(1454.78)**		**1808.36**
Net increase (Decrease) in Cash & Cash Equivalents (A+B+C)		**(1404.41)**		**507.38**
Cash & Cash Equivalents (Opening Balance)		**2772.06**		**2264.68**
Cash & Cash Equivalents (Closing Balance)		**1367.65**		**2772.06**

Notes: 1) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 12th May 2014

Chandrakant Sharma
Company Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Significant accounting policies

BASIS OF CONSOLIDATION

a) The Consolidated Financial Statements (CFS) relate to Poddar Developers Ltd, the Company, its subsidiary companies and its joint venture (collectively referred to as “the Group”). Details of the same are given below:-

Name of the Company	Country of Incorporation	Proportion of Ownership	Year Ending
Subsidiaries			
Wearology (FZC)	U.A.E.	90%	31.03.2014
Poddar Natural Resources & Ores Ltd	India	100%	31.03.2014
Poddar Habitat Pvt. Ltd.	India	100%	31.03.2014
Poddar Leisure Infrastructure Pvt. Ltd.	India	100%	31.03.2014
Poddar Infrastructure Pvt.Ltd	India	100%	31.03.2014
Joint Venture			
Viva Poddar Housing Pvt. Ltd.*	India	50%	31.03.2014

*Unaudited and certified by the management

b) 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 expenditure, after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profits and losses. The financial statements of subsidiaries used in preparation of CFS are drawn up to the same reporting date as that of the Company i.e. for the year ended 31.03.2014.

c) The interest in joint venture has been consolidated by using the proportionate consolidation method by showing separate line items for the Company’s share of the assets, liabilities, income and expenses in the joint venture after eliminating intra group balances and intra group transactions and resulting unrealized profits and losses. However, there is no income or expenses for the current year as the joint venture company is yet to commence its commercial activities.

d) The CFS have been prepared in accordance with Accounting Standard – 21 on ‘Consolidated Financial Statements’, Accounting Standard – 23 on ‘Accounting for Investments in Associates in Consolidated Financial Statements’ and Accounting Standard – 27 on ‘Financial Reporting of Interest in Joint Ventures’ .

e) In case of foreign subsidiaries being non-integral foreign operations, revenue items have been consolidated at the average of the rates prevailing during the year. All assets and liabilities are translated at the rates prevailing at the balance sheet date. The exchange difference arising on the translation is debited or credited to Foreign Currency Translation Reserve. The same is in accordance with Accounting Standard – 11 on ‘The Effects of changes in Foreign Exchange Rates’.

A. Method of Accounting and Basis of preparation of Financial Statements

a) The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of insurance claim and overdue interest from customers where the recovery thereof is uncertain.

b) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

c) The financial statements have been prepared in compliance with all material aspects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act,1956, read with General Circular No.15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.

d) Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities at the date of the financial statements and the reported accounts of revenue and expenses for the year presented. Actual results could differ from these estimates.

C. Fixed Assets and Depreciation

a) **Fixed assets:**

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

b) **Depreciation:**

i) Depreciation is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956.

ii) Depreciation on assets sold, discarded or scrapped, is provided upto the date on which the said asset is sold, discarded or scrapped.

iii) In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets.

D. Impairment

a) The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

b) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

E. Investments

Long-term Investments are valued at cost of acquisition (including cost of purchase, brokerage, and other related expenses incurred thereon). However, provision is made for any diminution in value, other than temporary, in which case the carrying value is reduced to recognize the decline and the same is being reversed when value of those investments is improved. Short-term investments are valued at lower of the cost or market price at the end of the year.

F. Exchange Fluctuations

Trade receivables and payables and Loans & advances in the foreign currency which are outstanding as on the date of balance sheet are converted on the basis of rates prevailing at the year-end. Exchange differences arising on settlement of monetary items during the year are recognized as Forex gain or loss of that year. Investments in Foreign Subsidiaries and Partnership LLCs are converted on the basis of rates prevailing at the year-end. Exchange differences for the same are credited / debited to Foreign currency translation reserve and effect to the Profit & Loss is given only when the investment is actually realized.

G. Inventories

Realty & Construction

i) Land and Land Development Right in hand is valued at cost including incidental and development expenses.

ii) Construction materials are valued at cost.

iii) Work in progress is valued at cost consisting of land, land development, construction, infrastructure, administration, marketing and finance expenses, plus also the effect of profit / loss where the construction is reasonably complete, in respect of unit sold, as determined by the management with the help of technical experts in respect of projected cost of completion, percentage of completion and the projected revenue and as per Guidance Note issued by the ICAI in respect of 'Accounting for Real Estate Transactions (Revised 2012)'.

iv) a) Finished goods, which are unsold, are valued at cost, consisting of Land and Land development rights, construction, development, administration, marketing and finance expenses, or market value whichever is lower. For this purpose items of similar nature are compared in totality.

b) Finished goods which are sold but possession of which could not be given on account of technical reasons are valued at the agreement price.

H. Revenue Recognition

a) Revenue recognition in respect of property sale transaction is on the basis of agreement to sale as well as on the transfer of all significant risks and rewards of ownership to the buyers on handing over the possession of the property.

b) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable where the recovery thereof is reasonably certain. In other case, the same is accounted for as and when realized.

c) Dividend income is recognized when the shareholders' right to receive the payment is established.

I. Advances from customers

The amounts received from the customers against progressive demand note from time to time, are credited to Advances against sale of flats and the same are treated as Current Liabilities and adjusted against the sale value as per the terms of the Agreements at time of handing over the possession of the flats. Moreover, the amounts lying in the debit to account of certain customers, due to the difference in surrender value of the flat and rate at which it was originally booked, are being netted off from the aggregate credit of the customer's account and finally reduced from the sale value whenever revenue of such flats is recognized.

J. Joint Venture Development (in respect of one of the subsidiaries)

The subsidiary company has entered into an agreement with the land owners, including one of the directors of the said company, for construction and development of real estate project at Atgaon in five phases. As per the revised terms of joint development agreement, the Land owner shall be entitled to receive 5226.77 sq.mtr. of constructed area earmarked in the agreement against the recovery of the construction cost of Rs.1001/- sq.ft. in addition to the Land provided for construction.

K. Gratuity, Leave Encashment & Retirement Benefits

a) The Company has taken group insurance policy in respect of future Gratuity liability for all its employees and contributes annual premium on the basis of liability determined by LIC on actuarial basis.

b) The Company provides for unutilised privilege leave and leave travel allowance available to its employees on the assumption that all of its employees would retire at the end of the year.

L. Taxation

a) <u>Income Tax</u>
Provision for Income tax is made on the basis of the taxable income as per the provisions of Income Tax Act, 1961 and the relevant Finance Act. Tax payments are set-off against provisions.

b) <u>Deferred Tax</u>
Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the basis of the tax rate and the tax laws enacted or subsequently enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

M. Earnings per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

N. Provisions and Contingent liabilities

Provisions are recognized when the company has a present obligation as a result of past events for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions 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 management estimates.

Contingent liabilities are disclosed when the company has a possible obligation and it is probable that a cash outflow will not be required to settle the obligation.

O. Other Accounting Policies

These are consistent with the generally accepted accounting policies.

			AS AT 31.03.2014 ₹ in Lacs		AS AT 31.03.2013 ₹ in Lacs
Note 2	**Shareholders' funds**				
	Share Capital				
	Authorised				
	70,00,000 Equity Shares of Rs.10/- each		700.00		700.00
	Issued,Subscibed and paid up				
	52,04,500 Equity Shares of Rs.10/- each at par fully paid up		520.45		520.45
			520.45		520.45

a) Shareholders holding more than 5 percent shares :

		AS AT 31.03.2014 Qty		AS AT 31.03.2013 Qty
(i) Suvijay Exports Ltd	Shares	676540	Shares	676540
(ii) Poddar Amalgamated Holdings Pvt. Ltd.	Shares	1857700	Shares	1857700
(iii) Rohitashwa Poddar	Shares	965653	Shares	270920
(iv) Sandhini Poddar	Shares	-	Shares	430493

b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in the proportion to their shareholding.

			AS AT 31.03.2014		AS AT 31.03.2013
Note 3	**Reserves and Surplus**				
1	**General Reserves**				
	Balance as per Last Balance sheet	2220.92		2120.92	
	Add : Transferred from Surplus balance in Profit & Loss Account	200.00	2420.92	100.00	2220.92
2	**Other Reserves**				
	Foreign Currency Translation Reserve				
	Balance as per Last Balance sheet	100.27		57.76	
	Add/(Less) : During the year	14.00	114.27	42.51	100.27
3	Statutory Reserve		11.87		11.45
4	**Surplus Balance in Profit & Loss Account**				
	Balance as per Last Balance sheet	3123.06		2550.16	
	Add : Profit for the year	788.62		766.53	
		3911.68		3316.69	
	Less : Transferred to General Reserve	(200.00)		(100.00)	
	Proposed Dividend including tax thereon (₹.1.50/- per share, Prev. yr.₹.1.50 per share)	(89.54)		(90.73)	
		3622.14		3125.96	
	Less : Dividend to Minority share holders	(2.61)			
	Minority Interest adjusted being negative and irrecoveral	(1.92)	3617.61	(2.90)	3123.06
			6164.67		5455.70
Note 4	**Long-term borrowings**				
a)	**Secured Loans**				
	Term loans				
1	From Financial Institution				
	Working Capital Project finance - HDFC Ltd		1267.89		1000.00
	From Bank				
	Working Capital Project finance - Yes Bank Ltd		466.67		-
2	From banks				
	Vehicles *		55.01		64.95
3	From Others				
	Vehicles *		2.79		7.63
			1792.36		1072.58
b)	**Unsecured Loans**				
	From related parties		225.00		50.00
			225.00		50.00
			2017.36		1122.58

* Secured by hypothecation of specific vehicles & equipments.

a) Working capital project finance from financial institution is secured by way of mortgage of certain portion of land at Badlapur and hypothecation of all current assets relating to the project and personally guaranteed by the promoter directors of the Company.

b) Working capital project finance from financial institution is repayable in eight installments commencing from 29th month from the date of first disbursement with a right to adjust against the project's cash flow at an earlier date as deemed fit.

c) Working Capital Project Finance from bank is Secured by exclusive charge with the Bank by way of mortgage of project Land at Atgaon, hypothecation of all current assets and fixed assets (present and future), personal guarantee given by one of the directors of the Company and corporate guarantee given by its holding company.

d) Working Capital Project finance from bank is repayable in thirty equal instalments commencing after six months from the date of disbursement and accordingly, installments due and payable within 12 months have been shown under the head 'Other current liabilities'.

e) Unsecured loans are payable from the revenue after meeting out all the liabilities of the working capital finance from bank and interest thereon.

Note 5 Deferred tax liabilities (Net)

The Deferred Tax Liability / (Asset) comprises of tax effect of timing differences on account of:

	Up to 31.03.2013 ₹ in lacs	For the Current Year ₹ in lacs	As at 31.03.2014 ₹ in lacs
Deferred Tax Liability			
Difference between the Net Block as per Books & Net Block after allowing the Depreciation U/s 32 of Income Tax Act, 1961	22.32	1.58	23.90
Deferred Tax (Asset)			
Provision for Employees' benefit	(14.38)	(4.75)	(19.13)
TOTAL	**7.94**	**(3.17)**	**4.77**

		AS AT 31.03.2014 ₹ in Lacs	AS AT 31.03.2013 ₹ in Lacs
Note 6	**Other Long Term Liabilities**		
	Interest accured but not due on Borrowings	10.57	-
		10.57	-
Note 7	**Long-term provisions**		
1	Provision for Employee Benefits	31.21	25.58
2	Provision for Taxation	0.12	53.13
		31.33	78.71
Note 8	**Short-term borrowings**		
	Secured Loan		
	From Yes Bank Ltd		
	Working Capital Project Finance	-	2250.00
		-	2250.00
Note 9	**Other current liabilities**		
1	Current Maturities of Long - Term Debt	431.08	36.25
2	Interest accured but not due on Borrowings	0.54	0.99
3	Interest accured and due on Borrowings	10.36	27.65
4	Unclaimed Dividends	16.51	14.59
5	Advance against sale of flats	10889.56	9410.99
6	Advance against sale of flats of Land owner	200.45	-
7	Advance against transfer of Development Rights	156.79	146.79
8	Deposits & other receipts from customers	33.49	26.79
9	Other statutory liabilities	61.62	33.74
10	Other liabilities	292.95	129.25
11	Employee benefit obligation as per AS-15		8.43
		12093.35	9835.47

		AS AT 31.03.2014 ₹ in Lacs	AS AT 31.03.2013 ₹ in Lacs
Note 10	**Short-term provisions**		
1	Provision for Employee benefits	67.80	39.46
2	Proposed Dividend	78.07	78.07
3	Provision for tax on dividend distribution	13.27	12.66
4	Other provisions	52.50	12.00
		211.64	142.19

NOTE 11

FIXED ASSETS

(₹ . In Lacs)

SR NO	PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
		AS AT 01.04.2013 ₹	ADDITIONS DURING THE YEAR ₹	DEDUCTION DURING THE YEAR ₹	TOTAL AS 31.03.2014 ₹	UP TO 01.04.2013 ₹	FOR THE YEAR ₹	DEDUCTION FOR THE YEAR ₹	UP TO 31.03.2014 ₹	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
	TANGIBLE ASSETS										
1	BUILDING	71.48	-	-	71.48	13.97	1.17	-	15.14	56.34	57.51
2	CONSTRUCTION EQUIPMENTS	209.26	1.03	83.89	126.4	58.63	11.88	50.18	20.33	106.07	150.63
3	FURNITURE & FIXTURES	59.01	6.29	-	65.3	10.44	4.17	-	14.61	50.69	48.57
4	VEHICLES	288.47 *	22.90	2.41	308.96	116.28	30.99	1.30	145.97	162.99	172.19
5	DATA PROCESSING MACHINES	40.01	11.76	5.57	46.2	20.40	5.79	4.87	21.32	24.88	19.61
6	OFFICE EQUIPMENTS	27.55	4.89	0.21	32.23	3.35	2.55	0.07	5.83	26.4	24.2
	INTANGIBLE ASSETS										
7	COMPUTER SOFTWARE	6.02	0.82	0.46	6.38	2.00	1.00	0.18	2.82	3.56	4.02
	TOTAL	701.80	47.69	92.54	656.95	225.07	57.55	56.60	226.02	430.93	476.73
	Previous Year	630.65	74.05	2.90	701.80	137.46	89.71	2.10	225.07	476.73	

* Certain vehicles are registered in the name of a Director & Employees.

** Depreciation for the year includes ₹.2.77 lacs (Prev. Yr.₹.10.79 lacs) towards impairment of vehicles.

Note 12 Non-current Investments

1 Investment in Equity Instrument

	(i) Quoted shares		
5000	Equity Shares of Rs.10/- each fully paid up of Bharat Earth Movers Ltd (Prev. Yr. 5000 Sh.)	66.81	66.81
95000	Equity Shares of Rs.10/- each fully paid up of GTL Ltd (Prev. Yr. 95000 Sh.)	239.52	239.52
37049	Equity Shares of Rs.10/- each fully paid up of NHPC Ltd (Prev. Yr. 37049 Sh.)	13.34	13.34
-	Equity Shares of Rs.10/- each fully paid up of BIL Power Ltd (Prev. Yr. 40842 Sh.)	0.00	13.72
24000	Equity Shares of Rs.10/- each fully paid up of Janpriya Traders Ltd. (Prev. Yr. 24000 Sh.)	0.51	0.51
22550	Equity Shares of Rs.10/- each fully paid up of Brite Merchants Ltd (Prev. Yr.22550 Sh.)	0.46	0.46
		320.64	334.36
	Less : Provision for diminution in value of investments	(284.38)	(303.11)
	Total	36.26	31.25
	Market Value of Quoted Shares	36.26	31.34
	(ii) Unquoted shares		
	I) Joint Venture		
0	Equity Shares of Rs.10/- each fully paid up of Viva Poddar Housing Pvt. Ltd (Prev. Yr. 5010 Sh.) #	0.00	0.50
	II) Others		
19019	Equity Shares of Rs.10/- each fully paid up of Poddar Amalgamated Holdings P.Ltd (Prev. Yr.19019 Sh.)	1.14	1.14
	Capitoline Ventures II LLC # #	182.45	215.09
	Total Cost of Unquoted Investments	183.59	216.73

* 6 Shares are held on behalf of the company by nominee.
** 2 Shares are held on behalf of the company by nominee.
*** 2 Shares are held on behalf of the company by nominee.
****2 Shares are held on behalf of the company by nominee.

The same was a subsidiary in the previous year. The figures for consoliation were not available in the earlier year.

The above investment is held in the name of the foreign subsidiary. The same is stated at cost and not tested for impairment.

2 Investment in partnership firms & LLC

Organically Grown Group LLC	83.52	85.73
Nav Nirman Agro	9.33	9.45
Shiv Shakti Developers	35.65	-
Total Cost of Investment in Partnership	128.50	95.18
Total	348.35	343.16

List of Investments in Partnership Firms (Associates):-

The Company has entered into partnership arrangements with the following:-

	Name of Firm	Ownership (%)	Capital as on 31/03/2014 ₹. In lacs	Company's Share Profit/Loss ₹. In lacs
A)	Organically LLC, USA			
	Partners			
	1) Poddar Developers Ltd.	50%	83.52 (85.73)	-9.08 (-0.93)
	2) MJIR Inc., USA	50%		
	* Equivalent to USD 15302/-			
B)	Nav Nirman Agro		9.33 (9.45)	-0.11 (-0.13)
	Partners			
	1) Poddar Developers Ltd.	99%		
	2) Individuals			
	- Jinendra Nahar	0.25%		
	- Chandrakant Ghanekar	0.25%		
	- Vimal Dhoot	0.20%		
	- Pradeep Sharma	0.20%		
	- Lakhi Prasad Kheradi	0.10%		
C)	Shivshakti Developers		35.65	-
	Partners			
	Poddar Developers Ltd	97%		
	Poddar Habitat Pvt. Ltd	3%		

			AS AT 31.03.2014 ₹ in Lacs		AS AT 31.03.2013 ₹ in Lacs
Note 13	**Long-term loans and advances**				
	(Unsecured, considered good except stated otherwise)				
1	Security Deposits		24.01		8.48
2	Loans & advances to related parties				
(i)	Subsidiaries	-		2800.00	
(ii)	Joint Venture	131.09		-	
(iii)	Others	6.12	137.21	224.62	3024.62
3	Loans & advances to others				
(i)	Loans				
	- Considered good	-		55.00	
	- Considered doubtful	146.17		145.49	
		146.17		200.49	
	Less : Provision for Doubtful Loans & Advances	(31.17)	115.00	-	200.49
(ii)	Advances recoverable in cash or kind or for value to be received				
	- Considered good	5.61		242.98	
	- Considered doubtful	3.07		8.63	
		8.68		251.61	
	Less : Provision for Doubtful Loans & Advances	(3.07)	5.61	(8.63)	242.98
(iii)	Advances and Other Incidentals for Bhivpuri Project				
	- Considered good	20.57		25.71	
	- Considered doubtful	12.44		12.44	
		33.01		38.15	
	Less : Provision for Doubtful Loans & Advances	(12.44)	20.57	(12.44)	25.71
(iv)	Advances and Other Incidentals for Badlapur Project		41.75		73.88
(v)	Advances and Other Incidentals for Mohili Project		224.62		224.62
(vi)	Advances and Other Incidentals for Tisgaon Project		102.73		162.71
(vii)	Advances and Other Incidentals for Goregaon Project		27.00		1.01
(ix)	Advances and Other Incidentals for Vidhyavihar Project		94.38		70.43
			792.88		4034.93

a) Advances and Other Incidentals for Bhivpuri Project
The Company had given advances to land owners directly / through its employee of ₹.33.01 lacs (Prev. Yr.₹.38.15 lacs) towards purchase of additional Land, including certain Land which is not useable for the purpose of the construction being a hilly area. The Company is making necessary attempt to sale / recover the advances. The final recovery thereof would depend on disposal of the same.

b) Advances and Other Incidentals for Badlapur Project
The Company has given advances for acquisition of additional land to the land owner directly / through its employee to the land owner amounting to ₹.41.75 lacs (Prev. Yr.₹.73.88 lacs) which will be registered in favour of the Company in due course

c) Advances and Other Incidentals for Mohili Project
i represents aggregate consideration paid for purchase of development right of the land which is in process of converting into non-agricultural land. Thereafter, the Company would apply for various approvals for construction of a residential project which is expected to be launched by end of the next year.

ii The Company has taken advances of ₹.85 lacs from other parties for transfer of aforesaid development right in the earlier years, included and shown under the head 'Other current liabilities', which shall be returned in due course of time.

d) Advances and Other Incidentals for Tisgaon Project
i The Company had entered into Joint development agreement with the Land owners and paid an aggregate amount of ₹.82.45 lacs (Prev. Yr.₹.142.43 lacs) with the understanding that certain portion of the constructed area would be given to them as a compensation towards the cost of the land and the above amount would be adjusted against the sale proceeds of their rights. The Company has now decided to commence the development of the said project and submitted the plans for approval with the appropriate authorities which is expected to be received in a short time.

ii The Company has also given advances of ₹.20.28 lacs (Prev. yr.₹.20.28 lacs) towards charges for aggregation of land at Tisgaon Dombivali Maharashtra. The same would be debited to cost of project as and when the Company commences the development of the project and any amount, if payable, would also debited to the same as and when settled .

iii In the mean time, the Company has incurred the following expenses as pre-emptive preparation before the commencement of construction and development which have been debited to work in progress.

	Rs.in lacs
1. Stamping & Registration	30.85
2. Land Development Expenses	27.81
3. Infra structure & incidental expenses	64.26
4. Project Consultancy	24.89
5. Other expenses	8.13

e) Advances and Other Incidentals for Vidhyavihar Project represent
the payment of expenses of ₹.32.13 lacs (Prev. Yr.₹.12.18 lacs) and advances of ₹.62.25 lacs (Prev. Yr.₹.58.25 lacs) paid towards the proposed joint redevelopment project at Vidhyavihar including incidentals, pending documentation. The matter is under litigation and consent term is being filed; the recovery thereof would finally depend upon further development in the matter, the confirmation is awaited.

f) Loans and advances to others include sticky loan of ₹.115 lacs to a company which is not able to repay instalment and interest due thereon. The Company has asked the party to forward the repayment schedule with post dated cheques in order to meet their commitment as the same is to be rescheduled. However, the matter is under final stage of settlement. In the meantime, the management has decided to make suitable provision for accrued interest of ₹.31.17 lacs which was accounted for as income in the earlier years. Moreover, no interest income has been recognized on such loan during the current year as followed in the previous year. The Management is hopeful to recover atleast the principal amount in the phased manner.

g) Advances recoverable in cash or kind include ₹.3.07 lacs which had been misappropriated by one of the employees in the earlier year against which the Company had lodged an FIR and the matter is still under investigation. However, the same has been provided for.

				AS AT 31.03.2014 ₹ in Lacs		AS AT 31.03.2013 ₹ in Lacs
Note 14		**Current Investments**				
	(i)	Quoted				
		MUTUAL FUNDS				
14045.848		Reliance Liquid Fund Treasury plan Direct Institutional option Daily Dividend (Prev. Yr. Nil)		214.72		-
101028.619		Birla Sun Life Cash Manager Daily Div. Direct (Prev. Yr. Nil)		101.40		
608.250		UTI Money Market Fund Institutional Plan Direct (Prev. Yr. Nil)		6.10		-
		Cost of Mutual Funds		322.22		-
		Market Value of Quoted Investments		322.36		-
		Total		322.22		-
Note 15		**Inventories** (As taken, valued & Certified by the management)				
	1	Construction Materials		366.76		349.16
	2	Work in Progress				
		- Land & Related expenses	907.76		1170.33	
		- Construction, Development, administration marketing & finance cost	10859.56	11767.32	9100.90	10271.23
	3	Finished Goods		846.15		451.79
	4	Land Development Rights		704.68		521.35
	5	Land & Structures thereon at Goregaon		851.80		-
	6	Share in Joint venture		3135.86		-
				17672.57		11593.53

a) Land Development Rights includes

1 ₹.704.68 lacs (Pr. Yr. ₹ 521.35 lacs) including incidental expenses for procurement / development of Land at Badlapur extension for which necessary permission from various authorities are awaited.

2 Land & Structures thereon at Goregaon
The Company has purchased 14983.10 Sq. Mtrs. alongwith the structures mostly occupied by the tenants / occupant and slum notified area for purpose of redevelopment in Goregaon (East) Mumbai. The slum owners had formed the society and the said society has appointed M/s. Shiv Shakti Developers, a firm in which the Company and one of its subsidiaries are partner, as the developers. The said firm has applied for necessary permissions under SRA Rules from the appropriate authority. In addition to above, the Company is also planning to redevelop other areas along with various tenants / occupants for which necessary steps will be taken in due course of time.

			AS AT 31.03.2014 ₹ in Lacs		AS AT 31.03.2013 ₹ in Lacs
Note 16	**Trade Receivables**				
	(Unsecured, considered good unless otherwise stated)				
	Outstanding for the period of more than six months				
	- Considered good	12.01		18.91	
	- Considered doubtful	17.78		1.20	
		29.79		20.11	
	Less : Provision for Doubtful debts	(17.78)	12.01	(1.20)	18.91
	Others		135.80		98.85
			147.81		117.76
Note 17	**Cash & Cash Equivalents**				
1	Balance with bank				
(i)	Current A/c.	517.17		1453.75	
(ii)	Unpaid Dividend *	16.50		14.59	
(iii)	Margin money against borrowing	84.02		659.73	
(iv)	Margin money against guarantee	59.30		13.23	
(v)	Term Deposit	678.59	1355.58	625.67	2766.97
2	Cash on hand		10.85		5.09
3	Share in Joint venture		1.22		-
			1367.65		2772.06

* Diffrence of ₹.0.01 lacs vis-à-vis unclaimed dividend shown under Other current liabilities towards bank charges debited in the unpaid dividend bank account which is being deposited in due course of time.

Note 18	**Short-term Loans and Advances**				
	(Unsecured, considered good except stated otherwise)				
1	Loans & advances to related parties				
	Others	0.03	0.03	-	-
2	Advances recoverable in cash or kind for value to be received				
	Considered good	262.74		531.65	
	Considered Doubtful	1.15		2.92	
		263.89		534.57	
	Less : Provision for Doubtful Loans & Advances	(1.15)	262.74	(2.92)	531.65
3	Employee Benefit Plan Assets (Net) As per AS-15		2.18		-
4	Security Deposits		0.55		0.53
			265.50		532.18

Note 19 **Contingent liabilities and Commitments (not provided for):**

a) Claims against the Company not acknowledged as debt ₹.14.85 lacs. The matter was decided in favour of company. However, the bank has preferred an appeal against the order which is pending before the Debt Recovery Tribunal. The Company had deposited ₹.1.00 lacs as earnest money.

b) Guarantee given by a bank on behalf of the Company amounting to ₹.56.48 lacs against which 100 % fixed deposit margin given by the Company.

c) Guarantee given by the Company to a bank on behalf of one of the subsidiaries amounting to ₹.2200 lacs

		AS AT 31.03.2014	AS AT 31.03.2013
Note 20	**Revenue from operations**		
(i)	Sales	6258.72	2465.36
(ii)	Other Operating revenues		
	Profit on transfer of Development rights	-	125.21
	Interest Received on overdue payments	0.65	1.34
	Surrender & forfeitures	46.89	47.83
	Contribution towards other amenities	413.42	26.12
	Brokerage received	12.33	29.22
	Service tax Cenvat credit setoff	84.26	-
		6816.27	2695.08

Note 21 **Other Income**

Dividend received	20.02	21.58
Interest Received	77.23	354.40
Sundry balances written back	3.60	0.42
Profit on Sale of Investments	-	0.18
Rent received	-	0.00
Miscellanious Income	1.80	3.88
	102.65	380.46

Note 22 Cost of Construction

		2013-2014 ₹ in Lacs	2013-2014 ₹ in Lacs
Expenses incurred during the Year			
Land / Land related cost	**A1**	91.68	22.69
Development & Construction Cost	**A2**	5316.19	5001.72
Administration Cost	**A3**	603.46	530.87
Marketing Cost	**A4**	512.59	246.83
Finance Cost	**A5**	400.00	353.76
Advisory Fees			168.54
Service tax Cenvat credit setoff		(129.28)	-
		6794.64	6324.41

NOTE NO `A1'

LAND / LAND RELATED COST		
- Land	-	22.69
- Land Related Expenses	91.68	-
	91.68	22.69

NOTE NO `A2'

DEVELOPMENT & CONSTRUCTION COST		
Material Consumed :		
Opening Stock	349.16	249.13
Add : Purchase during the year	1899.59	2462.11
	2248.75	2711.24
Less : Closing Stock	366.76	349.16
	1881.99	2362.08
Labour cost	1777.00	1525.31
Other construction Expenses	117.22	148.06
Infrastructure cost	1539.98	966.27
	5316.19	5001.72

Infrastructure cost is netoff recoveries made from customers of ₹.64.51 lacs (Prev. Yr.104.71 lacs) at the time of handing over the possession

NOTE NO `A3'

ADMINISTRATION COST		
Employee benefit expenses		
- Salaries	270.87	200.17
- Contribution to Provident & other funds	8.70	8.94
- Staff Welfare Expenses	4.10	4.61
Legal & Professional Fees	77.96	61.83
Travelling & Conveyance	6.31	3.93
Postage, Telegram & Telephone	8.23	7.14
Insurance	19.53	16.92
Rates & Taxes	64.49	99.08
Motor Car Expenses	12.23	8.48
Security charges	33.85	20.44
Electricity Expenses	36.00	20.38
Repairs & Maintainence	7.75	9.77
Site Expenses	40.09	45.95
Miscellanious Expenses	13.35	23.23
	603.46	530.87

		2013-2014 ₹ in Lacs	2012-2013 ₹ in Lacs
	NOTE NO `A4'		
	MARKETING COST		
	Advertisements	227.67	112.60
	Brokerage (net)	173.30	58.73
	Sponsorship Expenses	12.58	16.44
	Donation	3.07	2.39
	Miscellaneous Expenses	95.97	56.67
		512.59	246.83
	NOTE NO `A5'		
	FINANCE COST		
	Interest and Other Finance Charges	433.15	410.33
	Less : Interest income	(33.15)	(56.57)
		400.00	353.76

a) In absence of adequate building-wise consumption records of materials, the aggregate consumption has been arrived at on the basis of closing stock of the materials as physically verified by the management after deducting the same from the opening stock & total purchases made during the year and the same has been allocated to the respective buildings on the basis of consumption certificate issued by the architect.

Note 23	**(Increase)/Decrease in stock**		
	Closing Stock		
	Finished goods		
	Completed Flats	846.15	451.79
	Work in progress	11767.32	10271.23
		12613.47	10723.02
	Less : Opening Stock		
	Finished goods		
	Completed Flats	451.79	310.95
	Work in progress	10271.23	5891.51
		10723.02	6202.46
		(1890.45)	(4520.56)
Note 24	**Employee benefit expenses ***		
1	Salaries & Bonus	265.87	193.18
2	Company's Contribution to Providend & other fund	11.59	7.05
3	Staff Welfare Expenses	5.15	2.83
4	Contribution to Gratuity fund	5.67	8.59
5	Insurance premium - Group health	7.85	2.81
		296.13	214.46

* Excluding the expenses related to construction debited to cost of construction in Note "A3" & "A4".

Note 25	**Finance cost ***		
	Interest	4.97	5.44
	Bank interest		0.78
	Bank Charges	0.52	
		5.49	6.22

* Excluding the expenses related to construction debited to cost of construction in Note "A5".

Note 26 **Other Expenses***

		2013-2014 ₹ in Lacs		2012-2013 ₹ in Lacs
Selling & Distribution Expenses				
Impairment of Receivables		13.03		139.61
Administrative and General Expenses				
Rent		17.17		1.32
Insurance Expenses		2.08		2.47
Auditors remuneration :				
Audit Fees	16.33		13.26	
Tax Audit Fees	3.00		2.81	
Other Services	0.88	20.21	0.45	16.52
Managerial Remuneration		54.27		54.52
Board Meeting Fees		2.85		3.20
Legal & Professional & Service Charges		42.11		15.60
Telephone & Postage Expenses		12.42		8.18
Repairs & Maintenance				
- Others	6.16		3.33	
- Post Possession Maintenance **	46.68	52.84	-	3.33
Miscellaneous Expenses		109.81		71.79
Irrecoverable advances written off				25.77
Loss on Sale of Fixed Assets / Discarded		10.12		0.77
Donation		10.37		0.02
Share of Loss in Partnership		9.19		1.06
Provision for Doubtful Debts, Loans & Advances		33.24		25.19
Rates & Taxes		0.01		2.26
Preliminary Expenses written off		0.00		0.15
Imparment amount due from related party		0.00		1.83
Fees & Charges		5.31		5.22
Communication Cost		0.01		0.00
Office & Other expenses		1.48		0.00
		396.52		378.81

* Certain expenses have been apportioned to the respective project and debited to cost of construction in Note "A3" & "A4"

** Post possession maintenance represents rectification of defects repair work carried out after the handing over possession of the flat to the customers.

Note 27 **Exceptional Items**

	2013-2014 (₹ in lacs)	2012-2013 (₹ in lacs)
Income from compensation for non-fulfilment of contract	-	602.50
Add / (Less) : Reversal of diminution / (diminution) in value of Investments	5.83	(62.90)
	5.83	539.60

Note 28 **Expenses relating to Prior period debited to various head of accounts**

	Prior period Expenses		
1	Office & General expenses	-	0.08
2	Rates & Taxes	-	0.68
		-	0.76

Note 29 **Expenditure in Foreign Exchange**

Travelling expenses	0.52	-
Sponsorship expenses	0.59	-

Note 30 Sundry Debtors, Creditors and Loans & Advances are subject to confirmations and reconciliations.

	2013-2014	2012-2013
	(₹ in lacs)	(₹ in lacs)

Note 31 The disclosures in respect of the Defined Benefit Gratuity plan (to the extent of information made available by LIC) are given below as per AS-15:

Change in present value of obligation :

	2013-2014	2012-2013
Obligation at beginning of the year	50.38	30.20
Current Service Cost	7.02	4.84
Interest Cost	4.03	2.42
Actuarial (gain)/loss	(1.19)	13.07
Benefit paid	(0.40)	(0.14)
Obligation at the end of the year	59.84	50.39
Change in Plan Assets :		
Fair Value of Plan Assets at beginning of the year	41.95	38.50
Expected return on plan assets	4.94	3.52
Actuarial gain / (loss)	-	-
Contributions	15.53	0.08
Benefit paid	(0.40)	(0.14)
Fair value of plan Assets at the end of the year	62.02	41.96
Reconciliation of present value of the obligation and the fair value of plan Assets and amounts recognized in the Balance Sheet:		
Present value of the obligation at the end of the year	59.84	50.39
Fair Value of plan Assets at the end of the year	62.02	41.96
Net Assets/(Liability)	2.18	(8.43)
Gratuity cost recognised for the year :		
Current service Cost	7.02	4.84
Interest Cost	4.03	2.42
Expected return on plan assets	(4.94)	(3.52)
Actuarial (gain) / loss	(1.19)	13.07
Net gratuity cost (gain) / loss	4.92	16.81
Asumptions :		
Discount rate	8.00	8.00
Rate of growth in salary levels *	5	5

* The estimate of future salary increases considered in actuarial valuation takes into account inflation,seniority, promotion and relevent factors.

Note 32 The Company has not received any intimation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to the amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Note 33 **Related Party Disclosures**

1 Related party disclosures, as required by AS-18, “Related Party Disclosures” are given below:

i List of Joint Venture

Viva Poddar Housing Pvt. Ltd

ii List of Partnership Firms (Associates) :

Organically Grown Group LLC

Nav Nirman Agro

Shiv Shakti Developers

iii Enterprises over which Key Management personnel/Relatives have

Poddar Bhumi Holdings Ltd (formerly known as Suvijay Exports Ltd)

Brite Merchants Ltd

Poddar Heaven Homes Ltd (formerly known as Knitrite Apparelco Ltd)

Poddar Amalgamated Holdings Pvt. Ltd

Poddar Foundation

iv Key Managerial Person:

Shri Dipak Kumar Poddar – Executive Chairman

Shri Rohitashwa Poddar - Managing Director

2. The following transactions were carried out with the related parties in the ordinary course of business:

(a) Details relating to parties referred to in Items 1(i) (ii)and (iii) above (Figures in lacs ₹.)

Particulars	A		B		C		Total A+B+C	
	Joint Venture		Investment in Partnership		Enterprises over which key Management personnel/Relatives have significant influence			
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Opening Balance	3040.18	-	6.12	6.12	238.38	296.65	3284.68	302.77
Loan Given	230.00	2800.00	-	-	-	88.84	230.00	2888.84
Loan Repaid by party	-	-	-	-	-	(147.64)	0.00	(147.64)
Interest receivable	-	240.18	-	-	6.75	40.11	6.75	280.29
Receipt against interest receivable	-	-	-	-	(6.75)	(20.23)	(6.75)	(20.23)
Advance Received	-	-	-	-	(90.44)	(12.57)	(90.44) 0.00	(12.57) 0.00
Advance repaid	-	-	-	-	44.08	12.57	44.08	12.57
Advance Given	-	-	-	-	12.62	2.26	12.62	2.26
Advance recovered	-	-	-	-	(12.62)	(2.26)	(12.62)	(2.26)
Expenses incurred by us on behalf of others	-	-			0.71	15.03	0.71	15.03
Amount recovered aginst exp. incurred on behalf of others	-	-			(0.68)	(15.03)	(0.68)	(15.03)
Dividend	-	-	-	-	-	-	-	-
Amount received against Dividend	-	-	-	-	-	-	-	-
Rent	-	-			-	-	0.00	0.00
Rent recived	-	-			-	-	0.00	0.00
Donation to Trust					10.00	-	10.00	-
Material Transferred / received	-	-	-	-	0.37	-	0.37	-
Amount paid against Purchase	-	-	-	-	(0.37)	-	(0.37)	-
Amount receivable/payable last year (received) / paid during the year	-	-			(238.38)	(19.35)	(238.38)	(19.35)
Balance Receivable/payable as at year end	3270.18	3040.18	6.12	6.12	(36.33)	238.38	3239.97	3284.68

(b) Details relating to parties referred to in Items 1 (iv) above

Managerial Remunaration	Executive Chariman ₹.in lacs	Managing Director ₹.in lacs
Salary & Allowances	23.76	20.70
	(23.76)	(21.60)
Perquisites	4.12	3.90
(as valued as per Income tax rules)	(3.56)	(2.94)
Contribution to PF & other fund	-	2.16
	(-)	(2.36)
Total	27.88	26.76
	(27.32)	(26.90)

(c) Details of Related party transactions of subsidiary

i) Poddar Amalgamated Holdings Pvt. Ltd.

Particulars	2013-2014	2012-2013
Loan taken in earlier year	50.00	50.00
Interest	6.75	0.31

ii) Poddar Heaven Homes Ltd (formerly known as Knitrite Apparelco Ltd)

Particulars	2013-2014	2012-2013
Loan taken	63.45	-
Loan repaid	(63.45)	-
Interest	1.31	-

iii) Poddar Bhumi Holdings Ltd (formerly known as Suvijay Exports Ltd)

Particulars	2013-2014	2012-2013
Loan taken	175.00	-
Interest	3.54	-

Note 34 Disclosure of provision as required under AS – 29 on ‘ Provisions, Contingent Liabilities and Contingent Assets’ issued by the Institute of Chartered Accountants of India.

Nature of provision	**Leave Encashment** ₹.in lacs	**LTA** ₹.in lacs
Opening Balance	25.58	3.93
	(16.35)	-
Additions	13.35	16.86
	(15.67)	(17.01)
Utilization	7.72	16.50
	(6.44)	(13.08)
Reversal	-	-
	(-)	-
Closing Balance	31.21	4.29
	(25.58)	(3.93)

Note 35 a) The Company has received demand notice of ₹.349.05 lacs towards royalty including penal charges from Land revenue authorities (Tahsildar) Government of Maharashtra for excavation of Land and Stone in respect of land at Badlapur. The Company had preferred an appeal before the higher authority which has confirmed the same with certain concession. The Company has filed a writ petition against the Order in the Bombay High Court, hearing of which is pending. Similar levy had been raised on other land owners and they have obtained the stay from the Bombay High Court. In view of the same, and as per expert opinion, the management is of the view that the above demand is not tenable.

In view of the above and opinion of the board, no provision is considered necessary till the matter is finally decided. Moreover, in exceptional circumstances, if the matter is not decided in favour of the Company, the same would be debited to the cost of project of other phases to be constructed on the same land.

b) Similar demand of Rs.27.23 lacs has been raised in the name of Land owners in respect of Land covered under joint development agreement between the subsidiary company and land owners in case of Atgaon project. Also in the same case, the land owners have filed writ petition against the order in the Bombay High Court.

Note 36 The Company is dealing in only real estate segment. Hence, AS-17 on 'Segment Reporting' is not applicable to the Company.

Note 37 The figure in the bracket represents the figures of the previous year.

Note 38 Previous year figures are regrouped/re-arranged wherever necessary.

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 12th May 2014

Chief Financial Officer

Chandrakant Sharma
Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

R.S.SHAH & COMPANY
Chartered Accountants
218, Vardhaman Chambers,
Cawasji Patel Street,
Fort
MUMBAI – 400 001
Tel Nos: 22042469/ 22873508

INDEPENDENT CONSOLIDATED AUDITOR'S REPORT

To,
THE BOARD OF DIRECTORS OF PODDAR DEVELOPERS LIMITED

We have audited the accompanying consolidated financial statements of PODDAR DEVELOPERS LIMITED ("the Company"), which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India; this responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

BASIS FOR QUALIFIED OPINION

a) *The Company had given a loan to a body corporate, not related to the management, of ₹.1,15,00,000/- and provided an interest income of ₹.30,49,278/- , in the earlier years, which are not recovered as stipulated. We are informed that the financial position of the said company is under stress and there are chances of significant delay in recovering the amounts. Accordingly, the above amount of ₹.1,45,49,278/- is doubtful of recovery for which no provision has been made in the books of accounts. Had the same been provided for, the assets and the profit of the Company would have been lower to that extent.*

b) *In respect of the foreign subsidiary, as stated by the respective auditor, the investments have been stated at cost and have not been tested for impairment since fair value could not be determined without undue cost or effort. Further, the investment balances are subject to confirmation.*

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) *in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;*
b) *in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and*
c) *in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.*

OTHER MATTER

We did not Audit the financial statements of a foreign subsidiary, whose financial statements reflect total assets of ₹.2,29,87,389/- as at 31st March 2013 and total loss of ₹.1,48,47,752/- for the year ended on that date. These financial statements and other financial information have been extracted from the audited financial statements which have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

For R.S. SHAH & COMPANY
CHARTERED ACCOUNTANTS
Firm's Registration Number: 109762W

R. S. SHAH
(PROPRIETOR)
Membership No.30108

Place : MUMBAI
Dated : 7th May 2013

PODDAR DEVELOPERS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

	Particulars	Note No.	AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹
I.	**EQUITY AND LIABILITIES**			
(1)	**Shareholders' funds**			
	(a) Share Capital	2	52045000	52045000
	(b) Reserves & Surplus	3	545569127	473882320
	(c) Minority Interest			1168974
(2)	**Non-current liabilities**			
	(a) Long-term borrowings	4	112256548	7448724
	(b) Deferred tax liabilities (Net)	5	794082	2049087
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions	6	7871050	4203559
(3)	**Current liabilities**			
	(a) Short-term borrowings	7	225000000	137818182
	(b) Trade payables		39195681	37280599
	(c) Other current liabilities	8	983548313	581899001
	(d) Short-term provisions	9	20793832	11504979
		TOTAL	1987073633	1309300425
II.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Fixed assets	10		
	(i) Tangible assets		47270278	48819810
	(ii) Intangible assets		402079	499734
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(v) Goodwill as per AS-21 on Consolidation		39027	39027
	(b) Non-current investments	11	34316128	37540690
	(c) Long-term loans and advances	12	403491649	153257236
	(e) Other non-current assets		-	-
(2)	**Current assets**			
	(a) Current investments	13	-	76186855
	(b) Inventories	14	1159352608	679802348
	(c) Trade receivables	15	11775445	23126434
	(d) Cash and cash equivalents	16	277206146	226468068
	(e) Short-term loans and advances	17	53220273	63560223
	(f) Other current assets		-	-
		TOTAL	1987073633	1309300425

III. **Contingent Liabilities and Commitments** **18**
(To the extent not provided for)

Notes attached to and forming part of accounts

Significant Accounting Policies **1**

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 7th May 2013

Chandrakant Sharma
Company Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

	Particulars	Note No.		2012-2013		2011-2012
				₹		₹
I.	Revenue from operations	19		269507931		164443122
II.	Other income	20		38045688		23478512
III.	**Total Revenue (I + II)**			307553619		187921634
IV.	Expenses :					
	Cost of construction	21		632440044		488238843
	Purchase for Resale			-		3870665
	(Increase)/Decrease in stock	22		(452055818)		(354552321)
	Employee benefit expenses	23		21446512		3999153
	Finance costs	24		622415		866587
	Depreciation and Amortisation expenses			8971239		7542858
	Other expenses	25		37879700		15041905
	Total expenses			249304092		165007690
V.	Profit before exceptional and extraordinary items and tax (III-IV)			58249527		22913944
VI.	Exceptional items	26		53959992		(24019552)
VII.	Profit before extraordinary items and tax (V - VI)			112209519		(1105608)
VIII.	Extraordinary Items			-		-
IX.	Profit before tax (VII - VIII)			112209519		(1105608)
X.	Tax expenses:					
	1) Current tax		(38295882)		(7600000)	
	2) Deferred tax		1255005	(37040877)	408865	(7191135)
XI.	Minority Interest			1484775		62812
XII.	Profit / (Loss) for the year from continuing operations (IX - X)			76653417		(8233931)
XIII.	Profit / (Loss) for the year from discontinuing operation			-		-
XIV.	Tax expenses of discontinuing operations			-		-
XV.	Profit / (Loss) for the year from discontinuing operation (after tax) (XII-XIII)			-		-
XVI.	Profit / (Loss) for the year (XI + XIV)			76653417		(8233931)
XVII.	Earning per Share (in Rs.)					
	Basic			14.73		(1.58)
	Diluted			14.73		(1.58)

Notes attached to and forming part of accounts

Significant Accounting Policies **1**

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 7th May 2013

Chandrakant Sharma
Company Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS		YEAR ENDED 31st March 2013 (₹)		YEAR ENDED 31st March 2012 (₹)
A. Cash Flow from Operating Activities				
Net Profit / (Loss) after Tax and Extra-Ordinary Items		76653417		(8233931)
Adjustments For				
Depreciation and Amortization expenses	8971239		7542858	
Diminution in value of Investments	6290008		24019552	
(Profit) / Loss on Sale of Fixed Assets	76829		448415	
(Profit) / Loss on sales of Investments	(17679)		12789	
Share of Loss/(Profit) in Partnership LLC	93127		750119	
Share of Loss/(Profit) in Partnership	13212		31671	
Interest Received	(35440205)		(18805384)	
Interest Paid	622415		604354	
Dividend Received	(2158052)		(2987502)	
Deferred Tax	(1255005)		(408865)	
Foreign Currency Translation Reserve on Foreign Investments	4251046		6870426	
Statutory Reserves	130500		117000	
Preliminary expenses written off	14745		24510	
Return on Investment	-		(1153649)	
		(18407820)		17066294
Operating Profit/(Loss) before changes in assets and liabilities		58245597		8832363
Changes in assets and liabilities				
Trade & Other Receivables	(228543474)		(98971814)	
Inventories	(479550260)		(250493878)	
Liabilities and provisions	416520738	(291572996)	335874246	(13591446)
Net Cash Flow from Operating Activities (A)		**(233327399)**		**(4759083)**
B. Cash Flow from Investing Activities				
(Purchase) / Sale of Fixed Assets	(7324052)		(25347084)	
(Purchase) / Sale of Investments	73121409		20721384	
Profit / (Loss) on Sale of Fixed Assets	(76829)		(448415)	
Profit / (Loss) on Sale of Investments	17679		(12789)	
Share of Profit / (Loss) in Partnership LLC	(93127)		(750119)	
Share of Profit / (Loss) in Partnership	(13212)		(31671)	
Return on Investment	-		1153649	
Interest Received	35440205		18805384	
Dividend Received	2158052		2987502	
		103230125		17077841
Net Cash Flow from Investing Activities (B)		**103230125**		**17077841**
C. Cash Flow from Financing Activities				
Proceeds from Borrowing	191989642		130783295	
Dividend Paid including Tax thereon	(9073200)		(9073200)	
Minority interest (including dividend paid in preivous year)	(1458675)		(1858594)	
Interest Paid	(622415)	180835352	(604354)	119247147
Net Cash Flow from Financing Activities (C)		**180835352**		**119247147**
Net increase (Decrease) in Cash & Cash Equivalents (A+B+C)		**50738078**		**131565905**
Cash & Cash Equivalents (Opening Balance)		**226468068**		**94902163**
Cash & Cash Equivalents (Closing Balance)		**277206146**		**226468068**

Notes: 1) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 7th May 2013

Chandrakant Sharma
Company Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

Note 1 – Significant accounting policies

BASIS OF CONSOLIDATION

a) The Consolidated financial statement (CFS) relates to Poddar Developers Ltd, the Company and its following subsidiary companies collectively referred to as "the Group":-

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership	Year Ending
Wearology (FZC)	U.A.E.	90%	31.03.2013
Poddar Natural Resources & Ores Ltd	India	100%	31.03.2013
Poddar Habitat Pvt. Ltd.	India	100%	31.03.2013
Poddar Leisure Infrastructure Pvt. Ltd.	India	100%	31.03.2013
Poddar Infrastructure Pvt.Ltd	India	100%	31.03.2013

Note: The above does not include one of the subsidiaries of the Company, namely, Poddar Viva Housing Pvt. Ltd., where the ownership percentage is 50.1% as on 31-Mar-2013 as the Company has diluted its investment to 50% pursuant to Board circular resolution dt.03-May-2013.

b) 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 expenditure, after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profits and losses. The financial statements of subsidiaries used in preparation of CFS are drawn up to the same reporting date as that of the Company i.e. for the year ended 31.03.2013.

c) The CFS have been prepared in accordance with Accounting Standard – 21 on 'Consolidated Financial Statements' and Accounting Standard – 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.

d) In case of foreign subsidiaries being non-integral foreign operations, revenue items have been consolidated at the average of the rates prevailing during the year. All assets and liabilities are translated at the rates prevailing at the balance sheet date. The exchange difference arising on the translation is debited or credited to Foreign Currency Translation Reserve. The same is in accordance with Accounting Standard – 11 on 'The Effects of changes in Foreign Exchange Rates'.

A. Method of Accounting

a) The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of insurance claim and interest income where the recovery thereof is uncertain.

b) Financial statements are based on historical cost in accordance with the applicable mandatory accounting standards issued by The Institute of Chartered Accountants of India and the relevant provisions of Companies Act, 1956. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities at the date of the financial statements and the reported accounts of revenue and expenses for the year presented. Actual results could differ from these estimates.

C. Fixed Assets and Depreciation

a) **Fixed assets:**

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

b) **Depreciation:**

i) Depreciation is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956, except depreciation on aluminium shuttering used for Badlapur project.

ii) Depreciation on Aluminium shuttering is provided on the basis of estimated life of those assets as technically evaluated, which is higher than the depreciation provided on straight line method

D. Impairment

a) The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

b) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

E. Investments

Long-term Investments are valued at cost of acquisition (including cost of purchase, brokerage, and other related expenses incurred thereon). However, provision is made for any diminution in value, other than temporary, in which case the carrying value is reduced to recognize the decline. Short-term investments are valued at lower of the cost or market price at the end of the year.

F. Exchange Fluctuations

Trade receivables and payables and Loans & advances in the foreign currency which are outstanding as on the date of balance sheet are converted on the basis of rates prevailing at the year-end. Exchange differences arising on settlement of monetary items during the year are recognized as Forex gain or loss of that year. Investments in Foreign Subsidiaries and Partnership LLCs are converted on the basis of rates prevailing at the year-end. Exchange differences for the same are credited / debited to Foreign currency translation reserve and effect to the Profit & Loss is given only when the investment is actually realized.

G. Inventories

Realty & Construction

i) Land and Land Development Right in hand is valued at cost including incidental and development expenses.

ii) Construction materials are valued at cost.

iii) Work in progress is valued at cost consisting of land, construction, development, administration, marketing and finance expenses, and also the effect of profit / loss where the construction is reasonably complete, in respect of unit sold, as determined by the management with the help of technical experts in respect of projected cost of completion, percentage of completion and the projected revenue.

iv) a) Finished goods, which are unsold, are valued at cost, consisting of Land and Land development rights, construction, development, administration, marketing and finance expenses, or market value whichever is lower. For this purpose items of similar nature are compared in totality.

b) Finished goods which are sold but possession of which could not be given on account of technical reasons are value at cost plus estimated profit / loss.

H. Revenue Recognition

a) Revenue recognition in respect of property sale transaction is on the basis of agreement to sale and on the transfer of all significant risks and rewards of ownership to the buyers.

b) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable where the recovery thereof is reasonably certain. In other case, the same is accounted for as and when realized.

c) Dividend income is recognized when the shareholders' right to receive the payment is established.

I. Advances from customers

The amounts received from the customers against progressive demand note from time to time, are credited to Advances against sale of flats and the same are treated as Current Liabilities and adjusted against the sale value as per the terms of the Agreements at time of handing over the possession of the flats. Moreover, the amounts lying in the debit to account of certain customers, due to the difference in surrender value of the flat and rate at which it was originally booked, are being netted off from the aggregate credit of the customer's account and finally reduced from the sale value whenever revenue of such flats is recognized.

J. Gratuity, Leave Encashment & Retirement Benefits

a) The Company has taken group insurance policy in respect of future Gratuity liability for all its employees and contributes annual premium on the basis of liability determined by LIC on actuarial basis.

b) The Company provides for unutilised privilege leave and leave travel allowance available to its employees on the assumption that all of its employees would retire at the end of the year.

K. Taxation

a) Income Tax
Provision for Income tax is made on the basis of the taxable income as per the provisions of Income Tax Act, 1961 and the relevant Finance Act. Tax payments are set-off against provisions.

b) Deferred Tax
Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the basis of the tax rate and the tax laws enacted or subsequently enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

L. Earnings per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

M. Provisions and contingent liabilities

Provisions are recognized when the company has a present obligation as a result of past events for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions 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 management estimates.

Contingent liabilities are disclosed when the company has a possible obligation and it is probable that a cash outflow will not be required to settle the obligation.

N. Other Accounting Policies

These are consistent with the generally accepted accounting policies.

			AS AT 31.03.2013 ₹		AS AT 31.03.2012 ₹
Note 2	**Shareholders' funds**				
	Share Capital				
	Authorised				
	70,00,000 Equity Shares of Rs.10/- each		70000000		70000000
	Issued,Subscibed and paid up				
	52,04,500 Equity Shares of Rs.10/- each at par fully paid up		52045000		52045000
			52045000		52045000
	Shareholders holding more than 5 percent shares :		Qty		Qty
	(i) Suvijay Exports Ltd	Shares	676540		634000
	(ii) Poddar Amalgamated Holdings Pvt. Ltd.	Shares	1857700		1747700
	(iii) Rohitashwa Poddar	Shares	270920		270920
	(iv) Sandhini Poddar	Shares	430493		229900
Note 3	**Reserves and Surplus**				
1	**General Reserves**				
	Balance as per Last Balance sheet	212091701		211591701	
	Add : Transferred from Surplus balance in Profit & Loss Account	10000000	222091701	500000	212091701
2	**Other Reserves**				
	Foreign Currency Translation Reserve				
	Balance as per Last Balance sheet	5775844		(1094582)	
	Add/(Less) : During the year	4251046	10026890	6870426	5775844
3	Statutory Reserve		1144500		1014000
4	**Surplus Balance in Profit & Loss Account**				
	Balance as per Last Balance sheet	255015520		274641833	
	Add : Profit for the year	76653417		(8233931)	
		331668937		266407902	
	Less : Transferred to General Reserve	(10000000)		(500000)	
	Proposed Dividend including tax thereon	(9073200)		(9073200)	
	(₹.1.50/- per share, Prev. yr.₹.1.50 per share)	312595737		256834702	
	Dividend paid to Minority share holders	-		(1819182)	
		312595737		255015520	
	Unadjusted Preliminary expenses	-		(14745)	
		312595737		255000775	
	Minority Interest adjusted being negative and irrecoverable	(289701)	312306036	-	255000775
			545569127		473882320
Note 4	**Long-term borrowings**				
a)	**Secured Loans**				
	Term loans				
1	From HDFC Ltd				
	Working Capital Project finance		100000000		-
2	From banks				
	Vehicles *		6493778		5127167
	Construction Equipments *				1080006
3	From Others				
	Vehicles *		762770		1241551
			107256548		7448724
b)	**Unsecured Loans**				
	From other related parties		5000000		-
			5000000		-
	a + b		112256548		7448724

* Secured by hypothecation of specific vehicles & equipments.

a) Working capital project finance is secured by pari passu charge with Yes Bank Ltd. by way of mortgage of Land at Badlapur and hypothecation of all current assets relating to the project and personally guaranteed by two directors of the Company.

b) Working capital project finance is repayable in eight installments commencing from 29th month from the date of first disbursement.

c) Unsecured loan from related parties is payable in four quarterly installments after completion of one year of disbursement.

		AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹

Note 5 **Deferred tax liabilities (Net)**

The Deferred Tax Liability / (Asset) comprises of tax effect of timing differences on account of:

	Up to 31.03.2012 ₹	For the Current Year ₹	As at 31.03.2013 ₹
Deferred Tax Liability			
Difference between the Net Block as per Books & Net Block after allowing the Depreciation U/s 32 of Income Tax Act, 1961	2868188	(636224)	2231964
Deferred Tax (Asset)			
Provision for Employees' benefit	(819101)	(618781)	(1437882)
TOTAL	**2049087**	**(1255005)**	**794082**

Note 6 **Long Term provisions**

		AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹
1	Provision for Employee Benefits	2558117	1634646
2	Provision for Taxation	5312933	2568913
		7871050	4203559

Note 7 **Short-term borrowings**

Secured Loan

From Yes Bank Ltd

	AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹
Working Capital Project Finance	225000000	137818182
	225000000	137818182

a) Working capital project finance is secured by pari passu charge with HDFC Ltd. by way of mortgage of Land at Badlapur and hypothecation of all current assets relating to the project and personally guaranteed by two directors of the Company and corporate guarantee of another company.

b) Working capital project finance is being repaid in the monthly installment of ₹.25000000/-.

Note 8 **Other current liabilities**

		AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹
1	Current Maturities of Long - Term Debt	3625207	4768410
2	Interest accured but not due on Borrowings	99342	75973
3	Interest accured and due on Borrowings	2765069	1889318
4	Unclaimed Dividends	1459675	1200284
5	Advance against sale of flats	941099283	563361601
6	Advance against sale of Investments	-	520000
7	Advance agianst transfer of Development Rights	14678750	-
8	Deposits & other receipts from customers	2678900	1901500
9	Other statutory liabilities	3374022	2929882
10	Other liabilities	12925410	5252033
11	Employee benefit obligation as per AS-15	842655	
		983548313	581899001

Note 9 **Short-term provisions**

		AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹
1	Provision for Employee benefits	3946396	1322785
2	Proposed Dividend	7806750	7806750
3	Provision for tax on dividend distribution	1266450	1266450
4	Other provisions	7774236	1108994
		20793832	11504979

NOTE 10

FIXED ASSETS

SR NO	PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK BEFORE IMPAIRMENT	IMPAIRMENT	NET BLOCK	
		AS AT 01.04.2012 ₹	ADDITIONS DURING THE YEAR ₹	DEDUCTION DURING THE YEAR ₹	TOTAL AS 31.03.2013 ₹	UP TO 01.04.2012 ₹	FOR THE YEAR ₹	DEDUCTION FOR THE YEAR ₹	UP TO 31.03.2013 ₹	AS AT 31.03.2013 ₹	FOR THE YEAR ₹	AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹
	TANGIBLE ASSETS												
1	BUILDING	7147764	-	-	7147764	1280678	116509	-	1397187	5750577	-	5750577	5867086
2	CONSTRUCTION EQUIPMENTS	19620013	1288527	-	20908540	1661547	4119833	-	5781380	15127160	81286	15045874	17958466
3	FURNITURE & FIXTURES	5835765	82553	17206	5901112	678040	371197	5309	1043928	4857184	-	4857184	5157725
4	VEHICLES	23684550 *	5162018	-	28846568	8095408	2535207	-	10630615	18215953	997671	17218282	15589142
5	DATA PROCESSING MACHINES	3759051	434100	192398	4000753	1696095	527711	184090	2039716	1961037	-	1961037	2062956
6	OFFICE EQUIPMENTS	2415714	437683	80871	2772526	231279	124170	20247	335202	2437324	-	2437324	2184435
	INTANGIBLE ASSETS												
7	COMPUTER SOFTWARE	602436	-	-	602436	102702	97655	-	200357	402079	-	402079	499734
	TOTAL	63065293	7404881	290475	70179699	13745749	7892282	209646	21428385	48751314	1078957	47672357	49319544
		38396484	26145561	1476752	63065293	6881166	4552114	678275	10755005	52310288	2990744	49319544	-

* Certain vehicles are registered in the name of a Director & Employees.

		AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹
Note 11	**Non-current Investments**		
1	**Investment in Equity Instrument**		
(i)	Quoted shares		
5000	Equity Shares of Rs.10/- each fully paid up of Bharat Earth Movers Ltd (Prev. Yr. 5000 Sh.)	6680656	6680656
95000	Equity Shares of Rs.10/- each fully paid up of GTL Ltd (Prev. Yr. 95000 Sh.)	23952145	23952145
37049	Equity Shares of Rs.10/- each fully paid up of NHPC Ltd (Prev. Yr. 37049 Sh.)	1333764	1333764
40842	Equity Shares of Rs.10/- each fully paid up of BIL Power Ltd (including 20421 shares received as bonus) (Prev. Yr. 20421 Sh.)	1371532	1371532
24000	Equity Shares of Rs.10/- each fully paid up of Janpriya Traders Ltd. (Prev. Yr. 24000 Sh.)	50652	50652
22550	Equity Shares of Rs.10/- each fully paid up of Brite Merchants Ltd (Prev. Yr.22550 Sh.)	45553	45553
		33434302	33434302
	Less : Provision for diminution in value of investments	(30309560)	(24019552)
	Total Cost of Quoted Investments	3124742	9414750
	Market Value of Quoted Shares	3134004	9346873
(ii)	Unquoted shares		
I)	In Subsidiary		
5010	Equity Shares of Rs.10/- each fully paid up of Poddar Viva Housing Pvt. Ltd (50.10% ownership) # (Prev. Yr. Nil Sh.)	50100	-
		50100	-
II)	Others		
19019	Equity Shares of Rs.10/- each fully paid up of Poddar Amalgamated Holdings P.Ltd (Prev. Yr.19019 Sh.)	114475	114475
	Capitoline Ventures II LLC # #	21508650	19056143
	Total Cost of Unquoted Investments	21623125	19170618

* 6 Shares are held on behalf of the company by nominee.
** 2 Shares are held on behalf of the company by nominee.
*** 2 Shares are held on behalf of the company by nominee.
****2 Shares are held on behalf of the company by nominee.

a) # Ceases to be a subsidiary w.e.f. 03-May-2013 due to partial disinvestment

b) # # The above investment is held in the name of the foreign subsidiary. The same is stated at cost and not tested for impairment since fair value could not be determined without undue cost or effect.

		AS AT 31.03.2013 ₹	AS AT 31.03.2012 ₹
2	**Investment in partnership firms & LLC**		
	Organically Grown Group LLC	8573044	7996993
	Nav Nirman Agro	945117	958329
	Total Cost of Investment in Partnership	9518161	8955322
	Total Cost Of Quoted & Unquoted Investments	34316128	37540690

		AS AT 31.03.2013	AS AT 31.03.2012
		₹	₹

List of Investments in Partnership Firms (Associates):-

The Company has entered into partnership arrangements with the following:-

Name of Firm	Ownership (%)	Capital as on 31/03/2013	Company's Share Profit/Loss
Organically LLC, USA			
Partners			
1) Poddar Developers Ltd.	50%	8573044	-93127 *
		(7996993)	(-750119)
2) MJIR Inc., USA	50%		
* Equivalent to USD 1696			
Nav Nirman Agro		1000000	-13212
		(1000000)	(-31671)
Partners			
1) Poddar Developers Ltd.	99%		
2) Individuals			
- Jinendra Nahar	0.16%		
- Chandrakant Ghanekar	0.16%		
- Vimal Dhoot	0.16%		
- Pradeep Sharma	0.16%		
- Lakhi Prasad Kheradi	0.16%		
- Rajeev Gupta	0.16%		

				AS AT 31.03.2013 ₹		AS AT 31.03.2012 ₹
Note 12		**Long-term loans and advances**				
		(Unsecured, considered good except stated otherwise)				
1		Security Deposits		846357		629385
2		Loans & advances to related parties				
	(i)	Subsidiaries	280000000		-	
	(ii)	Others	22461734	302461734	28341734	28341734
3		Loans & advances to others				
	(i)	Loans				
		- Considered good	5500000		25002472	
		- Considered Doubtful	14549278	20049278	-	25002472
	(ii)	Advances recoverable in cash or kind or for value to be received				
		- Considered good	24219165		643456	
		- Considered doubtful	862700		2397750	
			25081865		3041206	
		Less : Provision for Doubtful Loans & Advances	(862700)	24219165	-	3041206
	(iii)	Loan to Staff		180000		-
	(iv)	Advances and Other Incidentals for Bhivpuri Project				
		- Considered good	2571195		6450478	
		- Considered doubtful	1244000		318500	
			3815195		6768978	
		Less : Provision for Doubtful Loans & Advances	(1244000)	2571195	-	6768978
	(v)	Advances and Other Incidentals for Badlapur Project		7388328		23923333
	(vi)	Advances and Other Incidentals for Mohili Project		22461628		44717204
	(vii)	Advances and Other Incidentals for Tisgaon Project		16271164		14645394
	(viii)	Advances against SRA/Redevelopment Project		7042800		6187530
				403491649		153257236

a) Loans & advances to subsidiaries include:
₹.280000000/- given to a subsidiary carrying interest @ 18% p.a. towards purchase of land / land development rights for development and construction of real estate projects in that company. The same alongwith the interest is recoverable from realisation of the sale proceeds of the said project. However, the said company is not a subsidiary after 03-May-2013 in view of partial disinvestment.

b) Advances and Other Incidentals for Bhivpuri Project
The Company had given advances to land owners directly / through its employee of ₹.3815195/- (Prev. Yr.₹.6768978/-) towards purchase of additional Land, including certain Land which is not useable for the purpose of the construction being a hilly area. The Company is making necessary attempt to sale / recover the advances. The final recovery thereof would depend on disposal of the same.

c) Advances and Other Incidentals for Badlapur Project
The Company has given advances for acquisition of additional land to the land owner directly / through its employee to the land owner amounting to ₹.7388328/- (Prev. Yr.₹.23923333/-) which is in process of registration in favour of the Company.

d) Advances and Other Incidentals for Mohili Project
Paid towards purchase of development right which the Company is in the process of transfer to other parties.

e) Advances and Other Incidentals for Tisgaon Project
1 The Company had entered into Joint development agreement with the Land owners and paid an aggregate amount of ₹.14243406/- (Prev. Yr.₹.12617636/-) with the understanding that certain portion of the constructed area would be given to them as a compensation towards the cost of the Land and the above amount would be adjusted against the sale proceeds of their rights. The Company proposes to commence the project in the subsequent year.

2 The Company has also given advances of ₹.2027758/- (Prev. yr.₹.2027758/-) towards charges for aggregation of land at Tisgaon Dombivali Maharashtra. The same would be debited to cost of project as and when the Company commences the development of the project.

f) Advances against SRA/Redevelopment Project represent
the payment of expenses of ₹.1217800/- and advances of ₹.5825000/- paid towards the proposed joint redevelopment project at Kurla including incidentals, pending documentation; the recovery thereof would finally depend upon further development in the matter, the confirmation is awaited.

g) Loans and advances to others include a loan of ₹.11500000/- given to a company which is under financial stress and unable to pay its due installments & interest of ₹.3049278/- and requested the Company to restructure the same. The Company is considering its request and the matter is under negotiation. However, keeping in view of its financial position, it has been decided to waive the overdue interest charged on the interest and not to account for the interest for the current year till the matter is finally resolved and the interest is regularly recovered after reschedulement. In the opinion of the management there could be delay in recovering the amount. However, the same would be recovered in due course of time and no provision is considered necessary.

h) Advances recoverable in cash or kind include ₹.300000/- which has been misappropriated by one of the employees against which the Company has lodged an FIR and the matter is under investigation and the same has been provided for.

			AS AT 31.03.2013 ₹		AS AT 31.03.2012 ₹
Note 13	**Current Investments**				
(i)	Quoted				
a)	MUTUAL FUNDS				
-	Templeton India Short Term Income Retail Plan Weekly Dividend Reinvestment (Prev. Yr. 6885.626 units)		-		7403546
-	Reliance Liquid Fund Cash Plan Daily Dividend (Prev. Yr. 478243.840 units)		-		5328354
-	Reliance Liquid Fund Treasury plan Institutional option Daily Dividend (Prev. Yr. 3073443.150 units)		-		46984955
-	Reliance Quarterly Interval Fund Series II Institutional Dividend Plan (Prev. Yr. 1590165.896 units)		-		15950000
	Cost of Mutual Funds		-		75666855
	Market Value of Quoted Investments		-		75909064
(ii)	Unquoted				
I)	In Subsidiary				
	Ami Varsha Developers P.Ltd (52% ownership) (Prev. Yr.52000 shares)		-		520000
			-		520000
	Total Cost of Current Investments		-		76186855
Note 14	**Inventories**				
	(As taken, valued & Certified by the management)				
1	Construction Materials		34916253		24912729
2	Work in Progress				
	- Land & Related expenses	123794366		128963598	
	- Construction, Development, administration marketing & finance cost	903327958	1027122324	460187251	589150849
3	Finished Goods		45179343		31095000
4	Land Development Rights		52134688		34643770
			1159352608		679802348

a) Land Development Rights includes

1 ₹.52134688/- (Pr. Yr. ₹ 34643770/-) including incidental expenses for procurement / development of Land at Badlapur extension for which necessary permission from various authorities are awaited.

Note 15	**Trade Receivables**				
	(Unsecured, considered good)				
	Outstanding for the period of more than six months	2011300		18364319	
	Less : Provision for Doubtful debts	(120372)	1890928	-	18364319
	Others		9884517		4762115
			11775445		23126434
Note 16	**Cash & Cash Equivalents**				
1	Balance with bank				
(i)	Current A/c.	145374738		127485267	
(ii)	Unpaid Dividend	1459675		1199184	
(iii)	Margin money against borrowing	65973129		37322850	
(iv)	Margin money against guarantee	1323073		-	
(v)	Term Deposit	62566646	276697261	59831987	225839288
2	Cash on hand		508885		628780
			277206146		226468068

			AS AT 31.03.2013 ₹		AS AT 31.03.2012 ₹
Note 17	**Short-term Loans and Advances**				
	(Unsecured, considered good except stated otherwise)				
1	Loans & advances to related parties		-		44750000
2	Loans & advances to others				
(i)	Loan				
	Loan to staff		276400		84000
(ii)	Advances recoverable in cash or kind for value to be received				
	Considered good	52890463		15892973	
	Considered Doubtful	292000		2785930	
		53182463		18678903	
	Less : Provision for Doubtful Loans & Advances	(292000)	52890463	-	18678903
(iii)	Security Deposits		53410		47320
			53220273		63560223

Note 18 **Contingent liabilities and Commitments (not provided for):**

a) Claims against the Company not acknowledged as debt ₹.1485000. The matter was decided in favour of company. However, the bank has preferred an appeal against the order which is pending before the Debt Recovery Tribunal. The Company had deposited ₹ .10000 as earnest money.

b) Guarantee given by a bank on behalf of the Company amounting to ₹.5648000/-.

Note 19	**Revenue from operations**		
(i)	Sales	246535800	161488291
(ii)	Other Operating revenues		
	Profit on transfer of Development rights	12520983	-
	Interest Received on overdue payments	134211	66638
	Surrender & forfeitures	4783239	2888193
	Grill charges	2611550	-
	Brokerage received	2922148	-
		269507931	164443122
Note 20	**Other Income**		
	Dividend received	2158052	2987502
	Interest Received	35440205	18791289
	Sundry balances w/back	42227	482028
	Profit on Sales of Investment	17679	-
	Miscellanious Income	387525	49949
	Interest on loan to related party	-	14095
	Return on Investment	-	1153649
		38045688	23478512

		2012-2013 ₹	2012-2013 ₹

Note 21 **Cost Of Construction**

Expenses incurred during the Year			
Land / Land related cost	**A1**	2268666	111863364
Development & Construction Cost	**A2**	500171357	276339822
Administration Cost	**A3**	53087334	53845664
Marketing Cost	**A4**	24683092	14423922
Finance Cost	**A5**	35375595	31766071
Advisory Fees		16854000	-
		632440044	488238843

NOTE NO `A1'

LAND / LAND RELATED COST		
- Land	2268666	111863364
	2268666	111863364

NOTE NO `A2'

DEVELOPMENT & CONSTRUCTION COST		
Material Consumed :		
Opening Stock	24912729	22549006
Add : Purchase during the year	246210098	172207510
	271122827	194756516
Less : Closing Stock	34280520	24912729
	236842307	169843787
Labour cost	150895998	51121823
Other construction Expenses	13811415	20950079
Infrastructure cost	96468307	32858243
D.G.Set expenses	2153330	1565890
	500171357	276339822

Infrastructure cost is netoff recoveries made from customers of ₹.10470500/- at the time of handing over the possession

NOTE NO `A3'

ADMINISTRATION COST		
Employee benefit expenses		
- Salaries	20016694	26692305
- Contribution to Provident & other funds	893563	1271374
- Staff Welfare Expenses	461149	628186
Legal & Professional Fees	6183370	10992486
Travelling & Conveyance	392674	412739
Postage, Telegram & Telephone	713805	583674
Printing & Stationary	204109	670651
Rent paid	583948	1183424
Insurance	1692277	1066310
Rates & Taxes	9906478	119907
Motor Car Expenses	848100	1360553
Security charges	2044474	1558262
Electricity Expenses	2038450	1358527
Repairs & Maintainence	977580	752418
Site Expenses	4595498	3213981
Sundry Balance written off	281203	20954
Miscellanious Expenses	1253962	1727403
Loss on sales of Fixed Assets	-	730
Pollution Control	-	230100
Bank charges	-	1680
	53087334	53845664

		2012-2013 ₹	2011-2012 ₹
	NOTE NO `A4'		
	MARKETING COST		
	Advertisements	11259925	5177196
	Brokerage (net)	5873393	3810852
	Sales Promotion Expenses	1037915	1104106
	Sample Flat Expenses	-	1009793
	Sponsorship Expenses	1644155	1339238
	Donation	238851	172100
	Legal & Professional Fees	184632	301600
	Miscellaneous Expenses	1742019	1509037
	Sample Flat & Marketing office Expenses	2569947	-
	Office & General expenses	58677	-
	Printing & Stationary Expenses	73578	-
		24683092	14423922
	NOTE NO `A5'		
	FINANCE COST		
	Interest and Other Finance Charges	35375595	31766071
		35375595	31766071

a) In absence of adequate building-wise consumption records of materials, the aggregate consumption has been arrived at on the basis of closing stock of the materials as physically verified by the management after deducting the same from the opening stock & total purchases made during the year and the same has been allocated to the respective buildings on the basis of consumption certificate issued by the architect.

		2012-2013 ₹	2011-2012 ₹
Note 22	**(Increase)/Decrease in stock**		
	Closing Stock		
	Finished goods		
	Completed Flats	45179343	31095000
	Work in progress	1027122324	589150849
		1072301667	620245849
	Less : Opening Stock		
	Finished goods		
	Completed Flats	31095000	3685000
	Work in progress	589150849	262008528
		620245849	265693528
		(452055818)	(354552321)
Note 23	**Employee benefit expenses ***		
1	Salaries & Bonus	19317605	3799249
2	Company's Contribution to Providend & other fund	705053	78385
3	Staff Welfare Expenses	283121	88645
4	Contribution to Gratuity fund	859404	32874
5	Insurance premium - Group health	281329	-
		21446512	3999153

* Excluding the expenses related to construction debited to cost of construction in Note "A3" & "A4".

		2012-2013 ₹	2011-2012 ₹
Note 24	**Finance cost ***		
	Interest	544247	604354
	Bank charges	78168	118000
	Bank interest	-	144233
		622415	866587

* Excluding the expenses related to construction debited to cost of construction in Note "A5".

			2012-2013 ₹		2011-2012 ₹
Note 25	**Other Expenses ***				
	Selling & Distribution Expenses				
	Business Promotion				172538
	Impairment of Receivables		13960999		
	Administrative and General Expenses				
	Rent		132000		132000
	Insurance Expenses		246859		237101
	Auditors remuneration :				
	Audit Fees	1325848		1109555	
	Tax Audit Fees	280900		224720	
	Other Services	44944	1651692	33091	1367366
	Managerial Remuneration		5451947		3431109
	Board Meeting Fees		320000		140000
	Legal & Professional & Service Charges		1559486		2146994
	Telephone & Postage Expenses		818318		849386
	Repairs & Maintenance		333075		250356
	Miscellaneous Expenses		7177494		3608643
	Irrecoverable advances w/off		2577063		-
	Loss on Sale of Fixed Assets / Discarded		76829		448415
	Donation		2100		703001
	Loss on Sales of Investments		-		12789
	Share of Loss in Partnership LLC **		93127		750119
	Share of Loss in Partnership		13212		31671
	Provision for Doubtful Debts, Loans & Advances		2519072		-
	Rates & Taxes		226399		11200
	Security Transaction Tax		-		1712
	Preliminary Expenses written off		14745		24510
	Fees & charges		-		436525
	Travel & Conveyance		-		199280
	Office & Other expenses		-		87152
	Difference in Exchange (Loss)		-		38
	Imparment amount due from related party		183094		-
	Fees & Charges		522189		-
			37879700		15041905

* Certain expenses have been apportioned to the respective project and debited to cost of construction in Note "A3" & "A4"

		For the year 31.03.2013	For the year 31.03.2012
Note 26	**Exceptional Items**		
	Income from compensation for non-fulfilment of contract *	60250000	-
	Less : Diminution in value of Investments	(6290008)	(24019552)
		53959992	(24019552)

*Pursuant to agreement for releasing the development right, held by one of the erstwhile subsidiary of the Company, out of which ₹35250000 has since been received and balance is expected to be realized in due course.

		For the year 31.03.2013	For the year 31.03.2012
Note 27	**Expenses relating to Prior period debited to various head of accounts**		
	Prior period Expenses		
1	Office & General expenses	8365	72941
3	Service charges	-	1236
4	ESIC	-	979
5	Providend fund employer contribution	-	8579
8	Rates & Taxes	67527	
		75892	83735

Note 28 Sundry Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation.

	2012-2013 ₹	2011-2012 ₹

Note 29 The disclosures in respect of the Defined Benefit Gratuity plan (to the extent of information made available by LIC) are given below:

	2012-2013 (₹)	2011-2012 (₹)
Change in present value of obligation :		
Obligation at beginning of the year	3020299	3019587
Current Service Cost	483516	543553
Interest Cost	241624	241567
Actuarial (gain)/loss	(14438)	(312134)
Benefit paid	1306943	(472274)
Obligation at the end of the year	5037944	3020299
Change in Plan Assets :		
Fair Value of Plan Assets at beginning of the year	3850051	3968532
Expected return on plan assets	352119	353793
Actuarial gian / (loss)	-	-
Contributions	7557	-
Benefit paid	(14438)	(472274)
Fair value of plan Assets at the end of the year	4195289	3850051
Reconciliation of present value of the obligation and the fair value of plan Assets and amounts recognized in the Balance Sheet:		
Present value of the obligation at the end of the year	5037944	3020299
Fair Value of plan Assets at the end of the year	4195289	3850051
Net Assets/(Liability)	(842655)	829752
Gratuity cost recognised for the year :		
Current service Cost	483516	543553
Interest Cost	241624	241567
Expected return on plan assets	(352119)	(353793)
Actuarial (gain) / loss	1306943	(312134)
Net gratuity cost (gain) / loss	1679964	119193
Asumptions :		
Discount rate	8.00	8.00
Rate of growth in salary levels *	5	5

* The estimate of future salary increases considered in actuarial valuation takes into account inflation,seniority, promotion and relevent factors.

Note 30 The Company has not received any intimation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to the amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Note 31 **Related Party Disclosures**

1 Related party disclosures, as required by AS-18, “Related Party Disclosures” are given below:

i List of Subsidiaries
Poddar Viva Housing Pvt. Ltd *

ii List of Partnership Firms (Associates)
Organically Grown Group LLC
Nav Nirman Agro

iii Enterprises over which Key Management personnel/Relatives have
Suvijay Exports Ltd
Brite Merchants Ltd
Knitrite Apparelco Ltd
Poddar Amalgamated Holdings Pvt. Ltd
Wearology Ltd - LLC

iv Key Managerial Person:
Shri Dipak Kumar Poddar – Executive Chairman
Shri Rohitashwa Poddar - Managing Director

* Ceases to be a subsidiary w.e.f. 03-May-2013 due to partial disinvestment.

2. The following transactions were carried out with the related parties in the ordinary course of business:

(a) Details relating to parties referred to in Items 1(i) (ii)and (iii) above (Figures in ₹.)

Particulars	A Subsidiary		B Investment in Partnership		C Enterprises over which key Management personnel/Relatives have significant influence		Total A+B+C	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Opening Balance	-	-	611734	606484	29664864	2384674	30276598	2991158
Loan Given	280000000	-	-	-	8883609	32657000	288883609	32657000
Loan Repaid by party	-	-	-	-	(14763609)	(4927000)	(14763609)	(4927000)
Interest receivable	24018165	-	-	-	4010959	3192075	28029124	3192075
Receipt against interest receivable	-	-	-	-	(2022663)	(1257211)	(2022663)	(1257211)
Advance Received	-	-	-	-	1257211	130000	1257211 -	130000 -
Advance repaid	-	-	-	-	(1257211)	(130000)	(1257211)	(130000)
Advance Given	-	-	-	-	(226000)	-	(226000)	-
Advance recovered	-	-	-	-	226000	-	226000	-
Expenses incurred by us on behalf of others	-	-	-	5250	1503273	7946552	1503273	7951802
Amount recovered aginst exp. incurred on behalf of others	-	-	-	-	(1503273)	(7946552)	(1503273)	(7946552)
Amount receivable/payable last year (received) / paid during the year	-	-	-	-	(1934864)	(2384674)	(1934864)	(2384674)
Balance Receivable/payable as at year end	304018165	-	611734	611734	23838296	29664864	328468195	30276598

(b) Details relating to parties referred to in Items 1 (iv) above

Amt. in .₹

Managerial Remunaration	Executive Chariman	Managing Director
Salary & Allowances	2376000	2160000
	(2376000)	(546000)
Perquisites	371115	308628
	(428481)	(70008)
Contribution to PF & other fund	-	236204
	(-)	(10620)
Total	2747115	2704832
	(2804481)	(626628)

(c) Details od Related party transactions of subsidiary

i) Weraology FZC (UAE)

Particulars	Amt. in .₹ 2012-2013	Amt. in .₹ 2011-2012
Sales	-	2379363
Interest expenses	-	13981
Business Promotion	-	172538
Total	-	2565882

ii) Poddar Amalgamated Holdings Pvt. Ltd

Particulars	Amt. in .₹ 2012-2013	Amt. in .₹ 2011-2012
Loan Taken	5000000	-
Interest	31439	-
Total	5031439	-

Note 32 Disclosure of provision as required under AS – 29 on ‘ Provisions, Contingent Liabilities and Contingent Assets’ issued by the Institute of Chartered Accountants of India.

Nature of provision	Leave Encashment	LTA
Opening Balance	1634646	-
	(1232478)	-
Additions	1567272	1701069
	(769181)	1017229
Utilization	643801	1308211
	(356033)	(1017229)
Reversal	-	-
	(10980)	-
Closing Balance	2558117	392858
	(1634646)	-

Note 33 The Company,as a consolidated organisation, is dealing only in real estate segment. Hence, AS-17 on 'Segment Reporting' is not applicable to the Company.

Note 34 The figure in the bracket represents the figures of the previous year.

Note 35 Previous year figures are regrouped/re-arranged wherever necessary.

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 7th May 2013

Chandrakant Sharma
Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

R.S.SHAH & COMPANY
Chartered Accountants
218, Vardhaman Chambers,
Cawasji Patel Street,
Fort
MUMBAI – 400 001
Tel Nos: 22042469/ 22824736

AUDITORS REPORT TO THE BOARD OF DIRECTORS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PODDAR DEVELOPERS LIMITED

(1) We have audited the attached Consolidated Balance Sheet of PODDAR DEVELOPERS LIMITED and its subsidiaries as at 31st March 2012, and also the Consolidated Profit and Loss Statement and the Consolidated Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

(2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

(3) We did not Audit the financial statements of one foreign subsidiary, whose financial statements reflect total assets of ₹.3,41,04,376/- as at 31st March 2012 and total loss of ₹.6,28,115/- for the year ended on that date. These financial statements and other financial information have been extracted from the audited financial statements which have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

(4) We report that Consolidated financial statements have been prepared by the Poddar Developers Ltd's management in accordance with the requirements of Accounting Standard – 21 on 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

(5) *We draw your attention to the following Notes in the financial statement in respect of :–*

a) Note 12 (a) and 17 (a) regarding non-provision of doubtful advances aggregating to ₹ 51,83,680/-.

b) Note 12(b) regarding the recovery/realization of advances of ₹ 67,68,978/-, including doubtful advances of ₹ 3,18,500/- for which no provision has been made, given for purchase of land at Bhivpuri.

c) *Note 12 (e) (2) regarding stagnant advances of ₹ 20,27,758/- to the aggregator of land at Tisgaon-Dombivali and Note 14(a) (2) regarding the effect of expenditure incurred for development of land at Tisgaon belonging to others of ₹ 21,88,095/-, in case the project is abandoned.*

d) *Note 12 (f)(1) regarding the recovery and confirmation of advances given towards redevelopment project at Colaba amounting to ₹ 41,62,530/- including incidentals.*

We are unable to express the exact impact on the profit and the reserves of the Company for the points referred herein above.

(6) *Subject to above* in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

(a) In case of the Consolidated Balance Sheet, of the state of affairs of Poddar Developers Ltd's and its subsidiaries as at 31st March 2012 and;

(b) In case of Consolidated Profit and Loss Statement, of the loss of the Poddar Developers Ltd's and its subsidiaries for the year ended on that date.

(c) In case of Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For R.S. SHAH & COMPANY
CHARTERED ACCOUNTANTS
Firm's Registration Number: 109762W

R. S. SHAH
(PROPRIETOR)
Membership No.30108

Place : MUMBAI
Dated : 14th May 2012

PODDAR DEVELOPERS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

	Particulars	Note No.	AS AT 31.03.2012 (₹)	AS AT 31.03.2011 ₹
I.	**EQUITY AND LIABILITIES**			
(1)	**Shareholders' funds**			
	(a) Share Capital	2	52045000	52045000
	(b) Reserves & Surplus	3	473882320	485996697
	(c) Minority Interest		1168974	1208386
(2)	**Non-current liabilities**			
	(a) Long-term borrowings	4	7448724	5325097
	(b) Deferred tax liabilities (Net)	5	2049087	2457952
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions	6	1634646	1232478
(3)	**Current liabilities**			
	(a) Short-term borrowings	7	137818182	9158514
	(b) Trade payables		37280599	31684961
	(c) Other current liabilities	8	581899001	253885963
	(d) Short-term provisions	9	14073892	12210490
		TOTAL	1309300425	855205538
II.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Fixed assets	10		
	(i) Tangible assets		48819810	31289042
	(ii) Intangible assets		499734	226276
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(v) Goodwill as per AS-21 on Consolidation		39027	39027
	(b) Non-current investments	11	18484547	68523844
	(c) Long-term loans and advances	12	151069141	107904808
	(d) Other non-current assets		-	-
(2)	**Current assets**			
	(a) Current investments	13	95242998	89944637
	(b) Inventories	14	681990443	431496565
	(c) Trade receivables	15	23126434	22030611
	(d) Cash and cash equivalents	16	226468068	94902163
	(e) Short-term loans and advances	17	63560223	8848565
	(f) Other current assets			-
		TOTAL	1309300425	855205538
III.	**Contingent Liabilities and Commitments (To the extent not provided for)**	**18**		

Notes attached to and forming part of accounts

Significant Accounting Policies **1**

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 14th May 2012

Deepak Agarwal
Company Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

	Particulars	Note No.		2011-2012		2010-2011
				₹		₹
I.	Revenue from operations	19		164443122		201611629
II.	Other income	20		23478512		18805446
III.	**Total Revenue (I + II)**			187921634		220417075
IV.	Expenses **:**					
	Cost of construction	21		161096522		38050717
	Cost of Materials consumed			-		654547
	Purchase for Resale			3870665		134786802
	(Increase)/Decrease in stock	22		(27410000)		1856022
	Employee benefit expenses	23		3999153		2353530
	Finance costs	24		866587		2456975
	Depreciation and Amortisation expenses			7542858		2145280
	Other expenses	25		15041905		17498375
	Total expenses			165007690		199802248
V.	Profit before exceptional and extraordinary items and tax (III-IV)			22913944		20614827
VI.	Exceptional items	26		(24019552)		-
VII.	Profit / (Loss) before extraordinary items and tax (V - VI)			(1105608)		20614827
VIII.	Extraordinary Items					-
IX.	Profit / (Loss) before tax (VII - VIII)			(1105608)		20614827
X.	Tax expenses:					
	1) Current tax		(7600000)		(1050000)	
	2) Deferred tax		408865	(7191135)	(220051)	(1270051)
XI.	Minority Interest			62812		(936571)
XII.	Profit / (Loss) for the year from continuing operations (IX - X)			(8233931)		18408205
XIII.	Profit / (Loss) for the year from discontinuing operation			-		-
XIV.	Tax expenses of discontinuing operations			-		-
XV.	Profit / (Loss) for the year from discontinuing operation (after tax) (XII-XIII)			-		-
XVI.	Profit / (Loss) for the year (XI + XIV)			(8233931)		18408205
XVII.	Earning per Share (in Rs.)					
	Basic			(1.58)		3.54
	Diluted			(1.58)		3.54

Notes attached to and forming part of accounts

Significant Accounting Policies **1**

As per our report of even date

For and on behalf of the Board

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

Dipak Kumar Poddar - Executive Chairman

R.S.SHAH
(Proprietor)
Membership No.:30108

Rohitashwa Poddar - Managing Director

PLACE : MUMBAI
DATED : 14th May 2012

Deepak Agarwal
Company Secretary

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS		YEAR ENDED 31st March 2012 (₹)		YEAR ENDED 31st March 2011 (₹)
A. Cash Flow from Operating Activities				
Net Profit / (Loss) after Tax and Extra-Ordinary Items		(8233931)		18408205
Adjustments For				
Depreciation and Amortization expenses	7542858		2145280	
Diminution in value of Investments	24019552		-	
(Profit) / Loss on Sale of Fixed Assets	448415		13185	
(Profit) / Loss on sales of Investments	12789		(4124341)	
Share of Loss/(Profit) in Partnership LLC	750119		62455	
Share of Loss/(Profit) in Partnership	31671		-	
Interest Received	(18805384)		(6049009)	
Interest Paid	604354		2456975	
Dividend Received	(2987502)		(5926450)	
Deferred Tax	(408865)		220051	
Foreign Currency Translation Reserve on Foreign Investments	6870426		88862	
Statutory Reserves	117000		3750	
Preliminary expenses written off	24510		24508	
Return on Investment	(1153649)		(3657886)	
		17066294		(14742620)
Operating Profit/(Loss) before changes in assets and liabilities		8832363		3665585
Changes in assets and liabilities				
Trade & Other Receivables	(98971814)		(59561008)	
Inventories	(250493878)		(243117996)	
Liabilities and provisions	335874246	(13591446)	252419454	(50259550)
Net Cash Flow from Operating Activities (A)		**(4759083)**		**(46593965)**
B. Cash Flow from Investing Activities				
(Purchase) / Sale of Fixed Assets	(25347084)		(15724857)	
(Purchase) / Sale of Investments	20721384		76384419	
Profit / (Loss) on Sale of Fixed Assets	(448415)		(13185)	
Profit / (Loss) on Sale of Investments	(12789)		4124341	
Share of Profit / (Loss) in Partnership LLC	(750119)		(62455)	
Share of Profit / (Loss) in Partnership	(31671)		-	
Return on Investment	1153649		3657886	
Interest Received	18805384		6049009	
Dividend Received	2987502		5926450	
		17077841		80341608
Net Cash Flow from Investing Activities (B)		**17077841**		**80341608**
C. Cash Flow from Financing Activities				
Proceeds from Borrowing	130783295		(17673288)	
Dividend Paid including Tax thereon	(9073200)		(9103354)	
Minority interest (including dividend paid)	(1858594)		937321	
Interest Paid	(604354)	119247147	(2456975)	(28296296)
Net Cash Flow from Financing Activities (C)		**119247147**		**(28296296)**
Net increase (Decrease) in Cash & Cash Equivalents (A+B+C)		**131565905**		**5451347**
Cash & Cash Equivalents (Opening Balance)		**94902163**		**89450816**
Cash & Cash Equivalents (Closing Balance)		**226468068**		**94902163**

Notes: 1) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 on the cash flow statement issued by the ICAI.

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 14th May 2012

Deepak Agarwal
Company Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

PODDAR DEVELOPERS LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

Note 1 – Significant accounting policies

BASIS OF CONSOLIDATION

a) The Consolidated financial statement (CFS) relates to Poddar Developers Ltd, the Company and its following subsidiary companies collectively referred to as "the Group":-

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership	Year Ending
Wearology (FZC)	U.A.E.	90%	31.03.2012
Poddar Natural Resources & Ores Ltd	India	100%	31.03.2012
Poddar Habitat Pvt. Ltd.	India	100%	31.03.2012
Poddar Leisure Infrastructure Pvt. Ltd.	India	100%	31.03.2012
Poddar Infrastructure Pvt.Ltd	India	100%	31.03.2012
Ami Varsha Land Developers Pvt. Ltd*	India	52%	31.03.2012

* Pursuant to Board resolution dated 01-Nov-2011, the Company has decided to sell the investment in Ami Varsha Land Developers Pvt. Ltd., and accordingly, the balance sheet and profit and loss statement for the year ended 31-Mar-2012 of the said subsidiary company has not been consolidated and hence, the investment in the said subsidiary and advances to same have been shown under Current investments and Short-term loans and advances respectively.

b) 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 expenditure, after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profits and losses. The financial statements of subsidiaries used in preparation of CFS are drawn up to the same reporting date as that of the Company i.e. for the year ended 31.03.2012.

c) The CFS have been prepared in accordance with Accounting Standard – 21 on 'Consolidated Financial Statements' and Accounting Standard – 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.

d) In case of foreign subsidiaries being non-integral foreign operations, revenue items have been consolidated at the average of the rates prevailing during the year. All assets and liabilities are translated at the rates prevailing at the balance sheet date. The exchange difference arising on the translation is debited or credited to Foreign Currency Translation Reserve. The same is in accordance with Accounting Standard – 11 on 'The Effects of changes in Foreign Exchange Rates'.

A. Method of Accounting

a) The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except in case of Insurance claim and Interest income on overdue Installment.

b) Financial statements are based on historical cost in accordance with the applicable mandatory accounting standards issued by The Institute of Chartered Accountants of India and the relevant provisions of Companies Act, 1956. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities at the date of the financial statements and the reported accounts of revenue and expenses for the year presented. Actual results could differ from these estimates.

C. Fixed Assets and Depreciation

a) **Fixed assets:**

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

b) **Depreciation:**

i) Depreciation is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956, except depreciation on aluminium shuttering used for Badlapur project.

ii) Depreciation on Aluminium shuttering is provided on the basis of estimated life of those assets as technically evaluated, which is higher than the depreciation provided on straight line method

D. Impairment

a) The Carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

b) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

E. Investments

Long-term Investments are valued at cost of acquisition (including cost of purchase, brokerage, and other related expenses incurred thereon). However, provision is made for any diminution in value, other than temporary, in which case the carrying value is reduced to recognize the decline. Short-term investments are valued at lower of the cost or market price at the end of the year.

F. Exchange Fluctuations

Trade receivables and payables and Loans & advances in the foreign currency which are outstanding as on the date of balance sheet are converted on the basis of rates prevailing at the year-end. Exchange differences arising on settlement of monetary items during the year are recognized as Forex gain or loss of that year. Investments in Foreign Subsidiaries and Partnership LLCs are converted on the basis of rates prevailing at the year-end. Exchange differences for the same are credited / debited to Foreign currency translation reserve and effect to the Profit & Loss is given only when the investment is actually realized.

G. Inventories

a) Realty & Construction

i) Land and Land Development Right in hand are valued at cost including incidental and development expenses.

ii) Construction materials are valued at cost.

iii) Work in progress are valued at cost consisting of Land, construction, development, administration, marketing and finance expenses, and also effect of profit/loss where the construction is substantially completed, in respect of unit sold, as determined on technical estimates.

iv) a) Finished goods, which are unsold, are valued at cost, consisting of Land and Land development rights, construction, development, administration, marketing and finance expenses, or market value whichever is lower. For this purpose items of similar nature are compared in totality.

b) Finished goods which are sold but possession of which could not be given on account of technical reasons are value at cost plus estimated profit / loss.

H. Revenue Recognition

a) Revenue recognition in respect of property sale transaction is on the basis of agreement to sale and on the transfer of all significant risks and rewards of ownership to the buyers.

b) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

c) Dividend income is recognized when the shareholders' right to receive the payment is established.

I. Advances from customers

The amounts received from the customers against progressive demand note from time to time, are credited to Advances against sale of flats and the same are treated as Current Liabilities and adjusted against the sale value as per the terms of the Agreements at time of handing over the possession of the flats.

J. Gratuity, Leave Encashment & Retirement Benefits

a) The Company has taken group insurance policy in respect of future Gratuity liability for all its employee and contributes annual premium on the basis of liability determine by LIC on actuarial basis.

b) The Company provides for unutilised privilege leave available to its employees on the basis that as if all the employees would retire at the end of the year.

K. Taxation

Tax expenses include current and deferred tax. Provision for Income tax is made on the basis of the taxable income as per the provisions of Income Tax Act, 1961 and the relevant Finance Act. Tax payments are set-off against provisions.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the basis of the tax rate and the tax laws enacted or subsequently enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

L. Earnings per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

M. Provisions and contingent liabilities

Provisions are recognized when the company has a present obligation as a result of past events for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions 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 management estimates.

Contingent liabilities are disclosed when the company has a possible obligation and it is probable that a cash outflow will not be required to settle the obligation.

N. Other Accounting Policies

These are consistent with the generally accepted accounting policies.

		AS AT 31.03.2012 ₹		AS AT 31.03.2011 ₹
Note 2 - Shareholders' funds				
Share Capital				
Authorised				
70,00,000 Equity Shares of Rs.10/- each		70000000		70000000
Issued,Subscibed and paid up				
52,04,500 Equity Shares of Rs.10/- each at par fully paid up		52045000		52045000
		52045000		52045000
Shareholders holding more than 5 percent shares :		Qty		Qty
(i) Suvijay Exports Ltd		634000		634000
(ii) Poddar Amalgamated Holdings Pvt. Ltd.		1747700		1747700
(iii) Rohitashwa Poddar		270920		-
Note 3 - Reserves and Surplus				
1 **General Reserves**				
Balance as per Last Balance sheet	211591701		210991701	
Add : Transferred from Surplus balance in Profit & Loss Account	500000	212091701	600000	211591701
2 **Other Reserves**				
Foreign Currency Translation Reserve				
Balance as per Last Balance sheet	(1094582)		(1161124)	
Add/(Less) : During the year	6870426	5775844	66542	(1094582)
3 Statutory Reserve		1014000		897000
4 **Surplus Balance in Profit & Loss Account**				
Balance as per Last Balance sheet	274641833		265936982	
Add : Profit for the year	(8233931)		18408205	
	266407902		284345187	
Less : Transferred to General Reserve	(500000)		(600000)	
Proposed Dividend including tax thereon (₹.1.50/- per share, Prev. yr.₹.1.50 per share)	(9073200)		(9103354)	
	256834702		274641833	
Unadjusted Preliminary expenses	(14745)		(39255)	274602578
Dividend paid to Minority share holders	(1819182)	255000775	-	-
		473882320		485996697
Note 4 - Long-term borrowings				
Secured Loans				
Term loans				
1 From a bank				
Vehicles *		5127167		983062
Construction Equipments *		1080006		2742955
2 From Others				
Vehicles *		1241551		1599080
		7448724		5325097

* Secured by hypothecation of specific vehicles & equipments.

Note 5 - Deferred tax liabilities (Net)

The Deferred Tax Liability / (Asset) comprises of tax effect of timing differences on account of:

	Up to 31.03.2011 ₹	For the Current Year ₹	As at 31.03.2012 ₹
Deferred Tax (Liability)			
Difference between the Net Block as per Books & Net Block after allowing the Depreciation U/s 32 of Income Tax Act, 1961	3106046	(237858)	2868188
Deferred Tax (Asset)			
Provision for Leave Encashment	(380836)	(124270)	(505106)
Provision for Bonus	(267258)	(46737)	(313995)
TOTAL	**2457952**	**(408865)**	**2049087**

Note 6 - Long Term provisions

Provision for Employee Benefits	1634646	1232478
	1634646	1232478

Note 7 - Short-term borrowings

Secured Loan		
From Bank	-	
Working Capital Project Finance	137818182	9158514
	137818182	9158514

Working capital project finance is secured by mortgage of Land at Badlapur and hypothecation of all current assets and personally guaranteed by two directors of the Company and corporate guarantee of two other companies.

Note 8 - Other current liabilities

1	Current Maturities of Long - Term Debt	4768410	3561354
2	Interest accured but not due on Borrowings	75973	75515
3	Interest accured and due on Borrowings	1889318	126443
4	Unclaimed Dividends	1200284	958136
5	Advance against sale of flats	563361601	242258763
6	Advance against sale of Investments	520000	-
7	Deposits & other receipts from customers	1901500	2625467
8	Other statutory liabilities	2929882	2899003
9	Other liabilities	5252033	1381282
		581899001	253885963

Note 9 - Short-term provisions

1	Provision for Employee benefits	1322785	901062
2	Provision for Taxation	3835363	1548506
3	Proposed Dividend	7806750	7806750
4	Other provisions	1108994	1954172
		14073892	12210490

PODDAR DEVELOPERS LIMITED
CONSOLIDATED SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

NOTE NO.-10

FIXED ASSETS

SR NO	PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK BEFORE IMPAIRMENT	IMPAIRMENT	NET BLOCK	
		AS AT 01.04.2011 ₹	ADDITIONS DURING THE YEAR ₹	DEDUCTION DURING THE YEAR ₹	TOTAL AS 31.03.2012 ₹	UP TO 01.04.2011 ₹	FOR THE YEAR ₹	DEDUCTION FOR THE YEAR ₹	UP TO 31.03.2012 ₹	AS AT 31.03.2012 ₹	FOR THE YEAR ₹	AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
	TANGIBLE ASSETS												
1	BUILDING	7147764	-	-	7147764	1164169	116509	-	1280678	5867086	-	5867086	5983595
2	CONSTRUCTION EQUIPMENTS	9071739	10548274	-	19620013	176071	1353705	-	1529776	18090237	131771	17958466	8895668
3	FURNITURE & FIXTURES	2709090	3139051	12376	5835765	352304	326716	980	678040	5157725	-	5157725	2356786
4	VEHICLES	15166260	9982666	1464376	23684550	3815597	2098133	677295	5236435	18448115	2858973	15589142	11350663
5	DATA PROCESSING MACHINES	2824226	934825	-	3759051	1196545	499550	-	1696095	2062956	-	2062956	1627681
6	OFFICE EQUIPMENTS	1210022	1205692	-	2415714	135373	95906	-	231279	2184435	-	2184435	1074649
	INTANGIBLE ASSETS												
7	COMPUTER SOFTWARE	267383	335053	-	602436	41107	61595	-	102702	499734	-	499734	226276
	TOTAL	38396484	26145561	1476752	63065293	6881166	4552114	678275	10755005	52310288	2990744	49319544	31515318
	Previous Year	22695437	15780043	78996	38396484	4759696	2145280	23810	6881166	-	-	31515318	-

* Certain vehicles are registered in the name of a Director & Employees.

		AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
	Note 11 - Non-current Investments		
	(1) Investment in Equity Instrument		
	(i) Quoted shares		
5000	Equity Shares of Rs.10/- each fully paid up of Bharat Earth Movers Ltd (Prev. Yr. 5000 Sh.)	6680656	6680656
95000	Equity Shares of Rs.10/- each fully paid up of GTL Ltd (Prev. Yr. 95000 Sh.)	23952145	23952145
37049	Equity Shares of Rs.10/- each fully paid up of NHPC Ltd (Prev. Yr. 37049 Sh.)	1333764	1333764
20421	Equity Shares of Rs.10/- each fully paid up of BIL Power Ltd (Prev. Yr. Nil Sh.)	1371532	-
24000	Equity Shares of Rs.10/- each fully paid up of Janpriya Traders Ltd. (Prev. Yr. 24000 Sh.)	50652	50652
22550	Equity Shares of Rs.10/- each fully paid up of Brite Merchants Ltd (Prev. Yr.22550 Sh.)	45553	45553
		33434302	32062770
	Less : Provision for diminution in value of investments	(24019552)	-
	Total Cost of Quoted Investments	9414750	32062770
	Market Value of Quoted Shares	9346873	60364657

		AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
	(ii) Unquoted		
	I) Others		
-	Equity Shares of Rs.100/- each fully paid up of The Janta Sahakari Bank Ltd (Prev. Yr.500 Sh.)	-	50000
19019	Equity Shares of Rs.10/- each fully paid up of Poddar Amalgamated Holdings P.Ltd (Prev. Yr.19019 Sh.)	114475	114475
	J P Morgan International Bank Ltd	-	27676397
	Total Cost of Unquoted Investments	114475	27840872

* 6 Shares are held on behalf of the company by nominee.
** 2 Shares are held on behalf of the company by nominee.
*** 2 Shares are held on behalf of the company by nominee.
****2 Shares are held on behalf of the company by nominee.

	AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
(2) Investment in partnership firms & LLC		
Organically Grown Group LLC	7996993	7630202
Nav Nirman Agro	958329	990000
Total Cost of Investment in Partnership	8955322	8620202
Total Cost Of Quoted & Unquoted Investments	18484547	68523844

List of Investments in Partnership Firms (Associates):-

The Company has entered into partnership arrangements with the following:-

Name of Firm	Ownership (%)	Capital as on 31/03/2012	Company's Share Profit/Loss
Organically LLC, USA			
Partners			
1) Poddar Developers Ltd.	50%	7996993 (7630202)	-750119 * (-62455)
2) MJIR Inc., USA	50%		

* Equivalent to USD 14804/-

Name of Firm	Ownership (%)	Capital as on 31/03/2012	Company's Share Profit/Loss
Nav Nirman Agro		1000000 (1000000)	-31671 (-)
Partners			
1) Poddar Developers Ltd.	99%		
2) Individuals			
- Jinendra Nahar	0.16%		
- Chandrakant Ghanekar	0.16%		
- Vimal Dhoot	0.16%		
- Pradeep Sharma	0.16%		
- Lakhi Prasad Kheradi	0.16%		
- Rajeev Gupta	0.16%		

				AS AT 31.03.2012		AS AT 31.03.2011
				₹		₹
		Note 12 - Long-term loans and advances				
		(Unsecured, considered good except stated otherwise)				
1		Capital Advances		-		7574310
2		Security Deposits		629385		794524
3		Loans & advances to related parties		28341734		606484
4		Loans & advances to others				
	(i)	Loans		25002472		19000000
	(ii)	Advances recoverable in cash or kind or for value to be received				
		- Considered good	643456		543456	
		- Considered doubtful	2397750	3041206	2397750	2941206
	(iii)	Advances and Other Incidentals for Bhivpuri Project				
		- Considered good	6450478		-	
		- Considered doubtful	318500	6768978	4002278	4002278
	(iv)	Advances and Other Incidentals for Badlapur Project		23923333		7876613
	(v)	Advances and Other Incidentals for Mohili Project		44717204		49016804
	(vi)	Advances and Other Incidentals for Tisgaon Project		12457299		10930059
	(vii)	Advances against SRA/Redevelopment Project		6187530		5162530
				151069141		107904808

a) Loans and Advances to others include ₹.2397750/- (Prev. Yr. ₹.2397750/-) which is considered doubtful of recovery for which no provision has been made in the accounts as the management is hopeful to recover the same in due course of time.

b) Advances and Other Incidentals for Bhivpuri Project
The Company had given advances of ₹ 6768978/- (Prev. Yr.₹ 4002278/-), including doubtful advances of Rs.318500/-for which no provision has been made, towards purchase of additional Land, including certain Land which is not useable for the purpose of the construction being a hilly area. The Company is making necessary attempt to sale / recover the advances. The final recovery thereof would depend on disposal of the same.

c) Advances and Other Incidentals for Badlapur Project
The Company has given advances for purchase of additional Land amounting to ₹.23923333/- (Prev. Yr.₹7876613/-) which is in process of registration in favour of the Company.

d) Advances and Other Incidentals for Mohili Project
The Company had entered into the agreement for purchase of development Rights/ agriculture Land at Mohili - Kalyan and paid advances of ₹.44717204/- (Prev. Yr. ₹.49016804/-) including incidental for which necessary approval / permission from various authorities are awaited and accordingly shown under the head Long Term Loans & Advances. The Company proposes to sell these rights.

e) Advances and Other Incidentals for Tisgaon Project
1 The Company had entered into Joint development agreement with the Land owners and paid an aggregate amount of ₹.10429541/- (Prev. Yr.₹.8902301/-) with the understanding that the certain portion of the constructed area would be given to them as a compensation towards the cost of the Land and above amount would be adjusted against the sale proceeds of their rights.

2 Advances for Tisgaon project include ₹.2027758/- (Prev. yr.₹.2027758/-) towards charges for aggregation of land at Tisgaon Dombivali Maharashtra. The same would be debited to cost of project as and when the Company commences the development of the project.

f) Advances against SRA/Redevelopment Project includes
1 ₹.4162530/- (Prev. Yr.₹ 4162530/-) paid towards redevelopment project at Colaba including incidentals, pending documentation; the recovery thereof would finally depend upon further development in the matter or to be appropriated towards another project, the confirmation is awaited.

2 ₹. 2025000/- (Prev. Yr. ₹.1000000/-) paid during the year for SRA project at Kurla for which confirmation is awaited.

Units		Particulars	AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
		Note 13 - Current Investments		
	(i)	Quoted		
	a	MUTUAL FUNDS		
-		HDFC High Interest Fund Short Term Plan Div. Option (Long Term) (Prev. Yr.796483.071 units)	-	8460875
-		HDFC High Interest Fund Short Term Plan Div. Option (Prev. Yr.74671.865 units)	-	789864
-		Templeton India Short Term Income Retail Plan Weekly Dividend Reinvestment (Long Term) (Prev. Yr.19468.392 units)	-	20934847
6885.626		Templeton India Short Term Income Retail Plan Weekly Dividend Reinvestment (Prev. Yr.834.129 units)	7403546	897237
-		SBI Debt Fund Series -90 Days -38 Growth (Prev. Yr.100000 units)	-	1000000
-		IDFC Fixed Maturity 100 Days Series 3 Div. (Prev. Yr.2500000 units)	-	25000000
478243.840		Reliance Liquid Fund Cash Plan Daily Dividend (Prev. Yr.1478947.836 units)	5328354	16477697
3073443.150		Reliance Liquid Fund Treasury plan Institutional option Daily Dividend (Prev. Yr.Nil units)	46984955	-
1590165.896		Reliance Quarterly Interval Fund Series II Institutional Dividend Plan (Prev. Yr.Nil units)	15950000	-
-		IDFC Money Manager Fund-Treasury Plan Inst Plan B- Daily Div (Prev. Yr.5274.878 units)	-	53120
		Cost of Mutual Funds	75666855	73613640
	b	Other securities		
		Capitoline Ventures Bridge Investments	19056143	16330997
			19056143	16330997
		Total Cost of Quoted Investments	94722998	89944637
		Market Value of Quoted Investments	94965207	57231865
	(ii)	Unquoted		
	I)	In Subsidiary		
52000		Ami Varsha Developers P.Ltd (52% ownership) # (Prev. Yr. Nil Sh.)	520000	-
			520000	0
		Total Cost of Current Investments	95242998	89944637

\# The Board has approved the sale of these shares which would be executed on compliance of other terms and conditions by the counter party and amounts received there against have been shown under Other current liabilities in Note 8

			AS AT 31.03.2012 ₹		AS AT 31.03.2011 ₹
	Note 14 - Inventories				
	(As taken, valued & Certified by the management)				
1	Construction Materials		24912729		22549006
2	Work in Progress				
	- Land & Related expenses	128963598		25983005	
	- Construction, Development, administration marketing & finance cost	460187251	589150849	236025523	262008528
3	Finished Goods		31095000		3685000
4	Land Development Rights		36831865		143254031
			681990443		431496565

a) Land Development Rights includes

1 ₹.34643770/- including incidental expenses for procurment of Land at Badlapur for which necessary permission from various authorities are awaited.

2 ₹.2188095/- towards development of Land at Tisgaon belonging to others which is covered under joint development agreement. The necessary statutory approvals for construction are being applied for.

	AS AT 31.03.2012 ₹	AS AT 31.03.2011 ₹
Note 15 - Trade Receivables		
(Unsecured, considered good)		
Outstanding for the period of more than six months	18364319	-
Others	4762115	22030611
	23126434	22030611

			AS AT 31.03.2012 ₹		AS AT 31.03.2011 ₹
	Note 16 - Cash & Cash Equivalents				
1	Balance with bank				
(i)	Current A/c.	126540284		31524583	
(ii)	Unpaid Dividend *	1199184		957586	
(iii)	Margin money against borrowing	37322850		-	
(iv)	Term Deposit	59831987	224894305	60000000	92482169
2	Cheques on hand		944983		1880131
3	Cash on hand		628780		539863
			226468068		94902163

* Difference between the unpaid dividend and bank balance of ₹.1100/- being bank charges which has since been deposited.

	Note 17 - Short-term Loans and Advances				
	(Unsecured, considered good except stated otherwise)				
1	Loans & advances to related parties		44750000		878438
2	Loans & advances to others				
(i)	Loan				
	Loan to staff		84000		1506800
(ii)	Advances recoverable in cash or kind for value to be received				
	Considered good	15892973		6421467	
	Considered Doubtful	2785930	18678903	-	6421467
(iii)	Security Deposits		47320		41860
			63560223		8848565

a) Loans and Advances to others include ₹.2785930/- (Prev. Yr. Nil) which is considered doubtful of recovery for which no provision has been made in the accounts as the management is hopeful to recover the same in due course of time.

b) Loans and Advances to Related parties include ₹.44750000/- (Prev. Yr. Nil) given to Ami Varsha Land Developers P.Ltd towards Joint development agreement at Borivali which is now being cancelled and advances alongwith compensation would be recovered in due course of the time.

Note 18 - Contingent liabilities and Commitments (not provided for):

a) Claims against the Company not acknowledged as debt ₹.14.85 lacs .The matter was decided in favour of company. However, the bank has preferred an appeal against the order which is pending before the Debt Recovery Tribunal. The Company had deposited ₹.1.00 lac as earnest money.

		2011-2012	2010-2011
		₹	₹

Note 19 - Revenue from operations

		2011-2012 ₹	2010-2011 ₹
(i)	Sales	161488291	199065999
(ii)	Services	0	1257363
(iii)	Other Operating revenues		
	Interest Received on overdue payments	66638	45594
	Surrender & forfeitures	2888193	1242673
		164443122	201611629

Note 20 - Other Income

	2011-2012 ₹	2010-2011 ₹
Dividend Received	2987502	5926450
Profit on Sale of Investments	-	466455
Sundry balances / Excess Provision written back	482028	1317618
Interest Received	18791289	6009444
Miscellaneous Income	49949	1427014
Interest on loan to related party	14095	579
Return on Investment	1153649	3657886
	23478512	18805446

		2011-2012	2010-2011
		₹	₹
Note 21 - Cost Of Construction			
Opening Work in Progress		262008528	73077090
Add : Expenses incurred during the Year			
Land / Land related cost	**A1**	111863364	-
Development & Construction Cost	**A2**	274773932	162753236
Administration Cost	**A3**	51062397	30523497
Marketing Cost	**A4**	18773079	15896066
Finance Cost	**A5**	31766071	4195212
Project consultancy charges		-	13614144
		750247371	300059245
Less : Closing Work in Progress		589150849	262008528
		161096522	38050717

NOTE NO `A1'

LAND / LAND RELATED COST		
- Land	111863364	-
- Land Related Expenses		-
	111863364	-

NOTE NO `A2'

DEVELOPMENT & CONSTRUCTION COST		
Material Consumed :		
Opening Stock	22549006	2011097
Add : Purchase during the year	171762194	140036766
Royalty	445316	
	194756516	142047863
Less : Closing Stock	24912729	22549006
	169843787	119498857
Labour cost	51121823	28671738
Other construction Expenses	20950079	7567243
Infrastructure cost	32858243	7015398
	274773932	162753236

NOTE NO `A3'

ADMINISTRATION COST		
Employee benefit expenses		
- Salaries	22718394	19516173
- Contribution to Provident & other funds	992816	986920
- Staff Welfare Expenses	531498	352587
Legal & Professional Fees	10992486	1309491
Travelling & Conveyance	412739	356342
Postage, Telegram & Telephone	583674	753457
Printing & Stationary	670651	232172
Rent paid	1183424	271780
Bank charges	1680	19084
Insurance	1066310	255103
Rates & Taxes	119907	36648
Pollution Control	230100	-
Motor Car Expenses	1360553	1425669
Security charges	1558262	1375614
Loss on sales of Fixed Assets	730	-
Donation	-	497001
Electricity Expenses	1358527	509551
D.G.Set Expenses	1565890	443696
Repairs & Maintainence	752418	359391
Site Expenses	3213981	503651
Miscellanious Expenses	1748357	1319167
	51062397	30523497

	2011-2012 ₹	2010-2011 ₹
NOTE NO `A4'		
MARKETING COST		
Employee benefit expenses		
- Salaries	3973911	2736963
- Contribution to Provident & other funds	278558	62064
- Staff Welfare Expenses	96688	76668
Advertisements	5177196	2506593
Brokerage (net)	3810852	4094467
Sales Promotion Expenses	1104106	2099803
Sample Flat Expenses	1009793	455247
Sponsorship Expenses	1339238	1547149
Donation	172100	-
Rent	-	427128
Legal & Professional Fees	301600	-
Miscellanious Expenses	1509037	1889984
	18773079	15896066
NOTE NO `A5'		
FINANCE COST		
Interest and Other Finance Charges	31766071	4195212
	31766071	4195212

a) In absence of adequate building-wise consumption records of materials, the aggregate consumption has been arrived at on the basis of closing stock of the materials as physically verified by the management after deducting the same from the opening stock & total purchases made during the year and the same has been allocated to the respective buildings on the basis of consumption certificate issued by the architect.

		2011-2012	2010-2011
		₹	₹
	Note 22 - (Increase)/Decrease in stock		
	Closing Stock		
	Finished goods		
	Completed Flats	31095000	3685000
		31095000	3685000
	Less : Opening Stock		
	Finished goods		
	Garments	-	5541022
	Completed Flats	3685000	-
		3685000	5541022
		(27410000)	1856022
	Note 23 - Employee benefit expenses *		
1	Salaries & Bonus	3799249	2223672
2	Company's Contribution to Providend & other fund	78385	118207
3	Staff Welfare Expenses	88645	11651
4	Gratuity Premium Paid - LIC	32874	-
		3999153	2353530

* Excluding the expenses related to construction debited to cost of construction in Note "A3" & "A4".

	2011-2012	2010-2011
Note 24 - Finance cost *		
Interest	604354	610893
Bank charges	118000	1846082
Bank interest	144233	-
	866587	2456975

* Excluding the expenses related to construction debited to cost of construction in Note "A5".

		2011-2012		2010-2011
		₹		₹
Note 25 Other Expenses *				
Selling & Distribution Expenses				
Freight & Forwarding			10908	
Sample Expenses			97479	
Insurance			35120	
Business Promotion		172538	726798	
Imairment of Receivables			89801	
E.C.G.C.Premium			5000	965106
Administrative and General Expenses				
Rent		132000		308064
Rates & Taxes		11200		-
Security Transaction Tax		1712		-
Service Tax		-		40684
Insurance Expenses		237101		180939
Auditors remuneration :				
Audit Fees	1109555		868614	
Tax Audit Fees	224720		110300	
Other Services	33091	1367366	306083	1284997
Managerial Remuneration		3431109		3442960
Board Meeting Fees		140000		65000
Legal & Professional Charges		2146994		1509257
Telephone & Postage Expenses		849386		888979
Repairs & Maintenance				
- Plant & Machinery	-		-	
- Others	250356	250356	590627	590627
Loss on Sale of Fixed Assets		448415		13185
Loss on Sales of Investments		12789		-
Share of Loss in Partnership LLC **		750119		62455
Share of Loss in Partnership		31671		-
Miscellaneous Expenses		3608643		7696593
Donation		703001		-
Preliminary Expenses written off		24510		24508
Fees & charges		436525		-
Travel & Conveyance		199280		-
Office & Other expenses		87152		-
Difference in Exchange (Loss)		38		425021
				-
		15041905		17498375

* Certain expenses have been apportioned to the respective project and debited to cost of construction in Note "A3" & "A4"

Note 26 Exceptional Items

	For the year 31.03.2012	For the year 31.03.2011
Diminution in value of Investment	(24019552)	–
	(24019552)	–

Note 27 Expenses relating to Prior period debited to various head of accounts

		For the year 31.03.2012	For the year 31.03.2011
a	Prior period Expenses		
* 1	Office & General expenses	72941	19920
2	Sundry balance write off	-	24160
3	Service charges	1236	123185
4	ESIC	979	-
5	Providend fund employer contribution	8579	-
6	Sample expenses	-	84805
7	Material consumed	-	4500
		83735	256570
b	Prior period Incomes		
	Income Tax (Excess / Short Provision)	-	161843
		-	161843

Note 28

Sundry Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation.

Note 29

Income Tax

a) In respect of A.Y.1993-94, the CIT (Appeals) had decided the matter in favour of the Company and directed Income Tax Officer to give necessary effects of the said order which would result in significant reduction in the demand. However, the Company had made a provision of ₹.4 lacs against which ₹.3 lacs has already been paid. The balance payment if any will be made as and when final demand is received from the Department.

b) Income tax order for the A.Y.1995-96 were set aside by the appellant tribunal and fresh orders were passed raising aggregating demand of ₹.455770/-, net of refund, has been provided in accounts.

c) In respect of A.Y.2001-02 Income tax authorities have raised the demand for ₹.155424/- against which company has requested to the income tax authorities to appropriate the refund of ₹.138350/- in respect of TDS relating to A.Y.2004-05 and balance amount will be paid after necessary adjustment. However, the necessary provision has been made in the accounts.

Note 30

The disclosures in respect of the Defined Benefit Gratuity plan (to the extent of information made available by LIC) are given below:

	2011-2012 (₹)	2010-2011 (₹)
Change in present value of obligation :		
Obligation at beginning of the year	3019587	3129247
Current Service Cost	543553	580657
Interest Cost	241567	250340
Actuarial (gain)/loss	(312134)	(837024)
Benefit paid	(472274)	(103633)
Obligation at the end of the year	3020299	3019587
Change in Plan Assets :		
Fair Value of Plan Assets at beginning of the year	3968532	3737128
Expected return on plan assets	353793	335037
Actuarial gian / (loss)	-	4072165
Contributions		-
Benefit paid	(472274)	(103633)
Fair value of plan Assets at the end of the year	3850051	3968532
Reconciliation of present value of the obligation and the fair value of plan Assets and amounts recognized in the Balance Sheet:		
Present value of the obligation at the end of the year	3020299	3019587
Fair Value of plan Assets at the end of the year	3850051	3968532
Net Assets/(Liability)	829752	948945
Gratuity cost recognised for the year :		
Current service Cost	543553	580657
Interest Cost	241567	250340
Expected return on plan assets	(353793)	(335037)
Actuarial (gain) / loss	(312134)	(837024)
Net gratuity cost (gain) / loss	119193	(341064)
Asumptions :		
Interest rate	9.15	9.15
Rate of growth in salary levels *	5	5

* The estimate of future salary increases considered in actuarial valuation takes into account inflation,seniority, promotion and relevent factors.

Note 31

Segment Information (Figures in ₹)

Particulars	Garments	Realty	Unallocated	Total
Business Segment				
REVENUE				
External Revenue	4631943	160075214	23214477	187921634
	(158743081)	(45134433)	(16396428)	(220273942)
RESULT				
Segment Result before Unallocated Expenses	-1795859	22825523	23214477	44244141
	(6893642)	(10768716)	(16396428)	(34058786)
Less : Unallocated Expenses				45286937
				(14380530)
Taxes				-7191135
				(-1270051)
Net Profit after Tax				-8233931
				(18408205)
OTHER INFORMATION				
Segment Assets	16080822	863628582	-	879709404
	(18033182)	(244130485)	-	(262163667)
Other Unallocated Assets				429591021
				(297589561)
Total Assets				1309300425
				(559753228)
Segment Laibilities	88015	755837186	-	755925201
	(9158514)	(5727827)	-	(14886341)
Other Unallocated Liabilities				27447904
				(6824962)
Total Liabilities				783373105
				(21711303)

(Figures in ₹.)

Particulars	Outside India	Within India	Total
Geographical Segment			
Segment Revenue	4631943	183289691	187921634
	(148150543)	(72123399)	(220273942)

Business Segment

For Management reporting purposes, the Company, as a consolidated organization, is organized into two operating divisions – Garments and Realties. The divisions are on the basis of which the Company reports its primary segment information. The above segments have been identified taking into account the organization structure as well as the differing risk and returns of these segments.

i Garments segment comprises of import and export of the garments and trading in textiles of one of the foreign subsidiaries of the Company.

ii Realty segment comprises of Land bank and Land development Rights and construction of Low-Cost housing project.

iii Others segment mainly comprises of income from investments of surplus funds.

Note 32

The Company has not received any intimation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to the amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Note 33 Related Party Disclosures

1 Related party disclosures, as required by AS-18, “Related Party Disclosures” are given below:

i List of Partnership Firms (Associates)
Organically Grown Group LLC
Nav Nirman Agro

ii Enterprises over which Key Management personnel/Relatives have significant influence
Suvijay Exports Ltd
Brite Merchants Ltd
Knitrite Apparelco Ltd
Poddar Amalgamated Holdings Pvt. Ltd
Wearology Ltd - LLC

iii Key Managerial Person:
Shri Dipak Kumar Poddar – Executive Chairman
Shri Rohitashwa Poddar - Managing Director

2. The following transactions were carried out with the related parties in the ordinary course of business:

(a) Details relating to parties referred to in Items 1(i) and (ii) above (Figures in ₹.)

Particulars	A Investment in Partnership		B Enterprises over which key Management personnel/Relatives have significant influence		Total A+B	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Opening Balance	606484	1106484	3771574	1158654	4378058	2265138
Loan Given	-	-	32657000	-	32657000	-
Loan Repaid by party	-	-	(4927000)	-	(4927000)	-
Interest receivable	-	-	3192075	-	3192075	-
Receipt against interest receivable	-	-	(1257211)	-	(1257211)	-
Advance Received	-	-	130000	1684068	130000 -	1684068 -
Advance repaid	-	-	(130000)	(1684068)	(130000)	(1684068)
Advance Given	-	-	-	-	-	-
Advance recovered	-	-	-	-	-	-
Expenses incurred by us on behalf of others	5250	200	7946552	1036427	7951802	1036627
Amount recovered aginst exp. incurred on behalf of others		(200)	(7946552)	(1036427)	(7946552)	(1036627)
Sales Fabric / Garment / Design & Developing Income	-	-	-	12255907	-	12255907
Amt paid / (received) against Garment Purchase / Sale	-	-	- -	(9871233) -	- -	(9871233) -
Service charges received	-	-	-	1386900	-	1386900
Amount received against service chgs.	-	-	-	-	-	-
Sales of Investments	-	-	-	22320	-	22320
Amount received against Sales of Investments	-	-	-	(22320)	-	(22320)
Amount receivable/payable last year (received) / paid during the year	-	(500000)	(3771574)	(1158654)	(3771574)	(1658654)
Balance Receivable/payable as at year end	611734	606484	29664864	3771574	30276598	4378058

(b) Details relating to parties referred to in Items 1(iii) above

Amt. in `.₹

Managerial Remunaration	Executive Chariman	Managing Director
Salary & Allowances	2376000 (2376000)	546000 (546000)
Perquisites	428481 (440337)	70008 (70003)
Contribution to PF & other fund	- -	10620 (10620)
Total	2804481 (2816337)	626628 (626623)

(c) Details of Related party transactions of subsidiary
Name of the Subsidiary : Weraology FZC (UAE)

	Amt. in `.₹ 2011-12	Amt. in `.₹ 2010-11
Sales	2379363	19397600
Interest expenses	13981	-
Business Promotion	172538	-
Interest income	-	78902

Note 34

Disclosure of provision as required under AS – 29 on ‘ Provisions, Contingent Liabilities and Contingent Assets’ issued by the Institute of Chartered Accountants of India.

Nature of provision	Leave Encashment
Opening Balance	1232478 (1167935)
Additions	769181 (289291)
Utilization	356033 (209898)
Reversal	10980 (14850)
Closing Balance	1634646

Note 35

The figure in the bracket represents the figures of the previous year.

Note 36

Previous year figures are regrouped/re-arranged wherever necessary.

As per our report of even date

For R.S.SHAH & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number:109762W

R.S.SHAH
(Proprietor)
Membership No.:30108
PLACE : MUMBAI
DATED : 14th May 2012

Deepak Agarwal
Secretary

For and on behalf of the Board

Dipak Kumar Poddar - Executive Chairman

Rohitashwa Poddar - Managing Director

Shrikant Tembey - Director

DECLARATION

Our Company certifies that all relevant provisions of Chapter VIII read with Schedule XVIII of the ICDR 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 ICDR Regulations and that all approvals and permissions required to carry on our business have been obtained or applied for and such approvals and permissions are currently valid and terms thereunder have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

Signed by,

Mr. Dipak Kumar Jagdishprasad Poddar
Executive Chairman (Whole-time Director)

Mr. Rohitashwa Dipak Kumar Poddar
Managing Director

Mr. Omprakash Bhutada
President & Chief Financial Officer

Date: January 21, 2015
Place: Mumbai

DECLARATION IN ACCORDANCE WITH FORM PAS - 4

We the Board of Directors of the Company certify that:

(a) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(b) 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

(c) the monies received under the offer shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by

Rohit dePoddar

Director

I am authorised by the Board of Directors of the Company *vide* resolution dated December 5, 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 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 by

Date: January 21, 2015
Place: Mumbai

PODDAR DEVELOPERS LIMITED MUMBAI

ISSUER

Poddar Developers Limited
REGISTERED OFFICE OF THE ISSUER
Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound,
126 N. M. Joshi Marg, Lower Parel - (W) Mumbai - 400 013

Website: www.poddardevelopers.com, CIN : L51909MH1982PLC143066
Contact Person: Chandrakant Sharma, Company Secretary and Compliance Officer

Address of the Compliance Officer
Mr. Chandrakant Sharma
Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound,
126 N. M. Joshi Marg, Lower Parel - (W) Mumbai - 400 013
Tel: +91-22-6616 4444, Fax: +91-22-6616 4409, Email: chandrakant.sharma@poddardevelopers.com

BOOK RUNNING LEAD MANAGER

Equirus Capital Private Limited
4th floor, 'A' Wing,
Fortune 2000,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

LEGAL ADVISORS TO THE ISSUER

Crawford Bayley & Co.
State Bank Buildings
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Fort, Mumbai – 400 023

INTERNATIONAL LEGAL ADVISOR
FOR SELLING RESTRICTIONS

Squire Patton Boggs Singapore LLP
10 Collyer Quay, #03-01/02
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Singapore 049315
Republic of Singapore

AUDITORS

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