

Sunteck

SUNTECK REALTY LIMITED

Sunteck Realty Limited (our "Company") was incorporated on October 1, 1981 under the Companies Act, 1956, as Insul Electronics Private Limited. Subsequently, the name of our Company was changed to Insul Electronics Limited with effect from February 15, 1985. The name of our Company was further changed from Insul Electronics Limited to Sunteck Realty & Infrastructure Limited on April 26, 2006 which was thereafter changed to Sunteck Realty Limited with effect from November 29, 2007. The registered and corporate office of our Company is located at 5th Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai 400 057. Its CIN is L32100MH1981PLC025346. Website: www.sunteckindia.com; Tel: +91 22 4287 7800; Fax: +91 22 4287 7890

Our Company is issuing [●] equity shares of face value of ₹ 1 each (the equity shares of our Company are hereinafter referred to as the "Equity Shares") at a price of ₹ [●] per Equity Share (the "Issue Price"), including a premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] lakhs (the "Issue").

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

THIS ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO QUALIFIED INSTITUTIONAL BUYERS ONLY ("QIBS"), AS DEFINED IN THE SEBI ICDR REGULATIONS, WITH RELIANCE ON CHAPTER VIII OF THE SEBI ICDR REGULATIONS AND SECTION 42 OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN QIBS. THIS PRELIMINARY PLACEMENT DOCUMENT WILL BE CIRCULATED ONLY TO SUCH QIBS WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO EQUITY SHARES.

Invitations to subscribe to the Issue shall only be made consequence to and in accordance with this Preliminary Placement Document together with the respective Application Form (as defined hereinafter). For further information, see the section "Issue Procedure" on page 144. The distribution of this Preliminary Placement Document or the disclosure of its contents without our Company's prior consent to any person, other than QIBs and persons retained by QIBs to advise them with respect to their purchase of the Equity Shares offered in this Issue, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and agrees to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

Our Company's outstanding Equity Shares are listed on BSE Limited (the "BSE") and the National Stock Exchange of India Limited (the "NSE"), together with the BSE, the "Stock Exchanges"). On October 23, 2017 the closing price of the Equity Shares on the BSE and the NSE was ₹ 378.35 and ₹ 379.90 per Equity Share, respectively. In-principle approvals under Regulation 28(1) of the Listing Regulations (as defined herein) for listing of the Equity Shares have been received from the BSE and the NSE on October 24, 2017. Applications shall be made for obtaining the listing and trading approvals for the Equity Shares to be offered pursuant to the Issue from the Stock Exchanges. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended) has been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Maharashtra at 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, as amended. This Preliminary Placement Document has not been reviewed by SEBI, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by QIBs. This Preliminary Placement Document has not been and will not be registered as a prospectus with the RoC, and 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.

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

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "RISK FACTORS" BEGINNING ON PAGE 42 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THE PLACEMENT DOCUMENT.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) of the Securities Act, and (b) outside of the United States, in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S"). For a description of selling restrictions in certain other jurisdictions, see "Selling Restrictions" on page 157. The Equity Shares are transferable only in compliance with the restrictions described in "Transfer Restrictions" on page 163.

The name of one of our Independent Directors appears on the website of TransUnion CIBIL Limited (formerly Credit Information Bureau (India) Limited) as a wilful defaulter. For further details, see "Risk Factors" and "Disclosures pertaining to wilful defaulters" on pages 42 and 140, respectively.

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 Managers or their respective affiliates does not form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites.

This Preliminary Placement Document is dated October 24, 2017.

BOOK RUNNING LEAD MANAGERS



Kotak Mahindra Capital Company Limited

The information in this Preliminary Placement Document is not complete and may be changed. The Issue is meant only for QIBs on a private placement basis and is not an offer to the public or to any other class of investors to purchase the Equity Shares. This Preliminary Placement Document is not an offer to sell any Equity Shares and is not soliciting an offer to subscribe to or buy the Equity Shares in any jurisdiction where such offer, sale or subscription is not permitted. It is being issued for the sole purpose of information or discussion relating to the Equity Shares that may be Allotted through the Placement Document.

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NOTICE TO INVESTORS

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

The Book Running Lead Managers have made reasonable enquiries but have not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers nor any of their respective affiliates including any of their respective shareholders, directors, officers, employees, counsel, representatives and/or agents make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers nor any of their respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives, agents as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Issue. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on the Book Running Lead Managers or any of their respective affiliates including any of their respective shareholders, directors, officers, employees, counsel, representatives, agents in connection with such person’s investigation of the accuracy of such information or such person’s investment decision, and each such person must rely on its own examination of the Group and the merits and risks involved in investing in the Equity Shares. Prospective investors should not construe the contents of this Preliminary 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 Preliminary 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 the Book Running Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The Equity Shares to be issued pursuant to the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including SEBI, the U.S. Securities and Exchange Commission, any other federal or state authorities in the United States or a regulator of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No such authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offense in the United States and may be a criminal offence in certain jurisdictions.

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Within the United States, this Preliminary Placement Document is being provided only to persons who are reasonably believed to be “qualified institutional buyers” as defined in Rule 144A under the Securities Act pursuant to Section 4(a)(2) of the Securities Act. Distribution of this Preliminary Placement Document to any person other than the offeree specified by the Book Running Lead Managers or its representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized and any disclosure of its contents, without the prior written consent of our Company, is prohibited. Any reproduction or distribution of this Preliminary Placement Document in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Preliminary Placement Document and the issuance of Equity Shares pursuant to this Issue may be restricted by law in certain jurisdictions. As such, this Preliminary Placement Document does not

constitute, and may not be used for or in connection with, an offer or solicitation by any one in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. In particular, no action has been taken by our Company and the Book Running Lead Managers which would permit an issue of the Equity Shares or distribution of this Preliminary 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 Preliminary Placement Document nor any other Issue-related materials may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws of any such country or jurisdiction.

In making an investment decision, prospective investors must rely on their own examination of our Company and the Group and the terms of this Issue, including the merits and risks involved. Investors should not construe the contents of this Preliminary 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 the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any offeree or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or purchaser under applicable legal, investment or similar laws or regulations.

Each subscriber of the Equity Shares offered in this Issue is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in the Issue under applicable law, including Chapter VIII of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 and is not prohibited by SEBI or any other statutory authority from buying, selling or dealing in securities including Equity Shares. Each purchaser of Equity Shares offered in this Issue also acknowledges that it has been afforded an opportunity to request from our Company and has reviewed information relating to the Group and the Equity Shares.

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

This Preliminary Placement Document contains a summary of some terms of certain documents which are qualified in their entirety by the terms and conditions of those documents.

REPRESENTATIONS BY INVESTORS

All references to “you” or “your” in this section are to the prospective investors in this Issue. By bidding for and subscribing to any of the Equity Shares in this Issue, you are deemed to have represented, warranted, acknowledged and agreed to our Company and the Book Running Lead Managers as follows:

- (a) you (i) are a QIB as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations and are not excluded from applying for Equity Shares offered in this Issue pursuant to Regulation 86(1)(b) of the SEBI ICDR Regulations; (ii) have a valid and existing registration under laws of India, as applicable to you; and (iii) undertake to acquire, hold, manage or dispose of any Equity Shares offered in this Issue that are Allocated to you for the purposes of your business in accordance with Chapter VIII of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, the Companies Act, 2013, the Companies Act, 1956 to the extent applicable (together the “**Companies Act**”) and all other applicable laws, including in respect of reporting requirements, if any, in relation to this Issue;
- (b) You are not a FVCI or a multilateral or bilateral financial institution;
- (c) If you are not a resident of India, but a QIB, (i) you are an Eligible FPI as defined in this Preliminary Placement Document and have a valid and existing registration with SEBI under the applicable laws in India; (ii) are eligible to invest in India under applicable law, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, 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; and (iii) you are investing in the Issue under the Foreign Portfolio Investment Scheme, and (iv) you will make all necessary filings with the appropriate regulatory authorities including with the RBI, as required, pursuant to applicable laws;
- (d) you are eligible to invest in India under applicable laws, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and any notification, circulars or clarification issued thereunder, and have not been prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities;
- (e) You are investing in the Issue under the Foreign Portfolio Investment Scheme;
- (f) you will make all necessary filings with the appropriate regulatory authorities including with the RBI, as required, pursuant to applicable laws;
- (g) if you are Allotted Equity Shares pursuant to this Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the recognised Stock Exchanges (additional requirements apply if you are within the United States or a U.S. Person, see the section “**Transfer Restrictions**” on page 163);
- (h) If you are within the United States, you are a “qualified institutional buyer” as defined in Rule 144A under the Securities Act, are acquiring the Equity Shares for your own account or for the account of an investor who also meets the requirements of a “qualified institutional buyer”, for investment purposes only, and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part;
- (i) you are aware that this Preliminary Placement Document has not been, and will not be, registered as a prospectus under the Companies Act, 2013 and the SEBI ICDR Regulations or under any other law in force in India. You are aware that this Preliminary Placement Document has not been reviewed or affirmed by SEBI, RBI, the Stock Exchanges or any other regulatory or listing authority and is intended for use only by eligible QIBs. This Preliminary Placement Document has been filed (and the Placement Document will be filed) with the Stock Exchanges for record purposes only and this Preliminary Placement Document has been displayed (and the Placement Document will be displayed) on the websites of our Company and the Stock Exchanges;
- (j) you are entitled and have necessary capacity to acquire/subscribe for the Equity Shares under the laws of all relevant jurisdictions which apply to you and that you have fully observed such laws and obtained all such governmental and other consents in each case which may be required there under and complied with all necessary formalities and have obtained all necessary consents and authorities to

enable you to commit to participation in this Issue and to perform your obligations in relation thereto (including, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

- (k) neither our Company nor the Lead Managers nor any of their respective affiliates including any of their respective shareholders, directors, officers, employees, counsel, representatives, agents is making any recommendation to you or, advising you regarding the suitability of any transactions you may enter into in connection with this Issue; your participation in this Issue is on the basis that, up to Allotment, the Book Running Lead Managers nor any of their respective affiliates including any of their respective shareholders, directors, officers, employees, counsel, representatives, agents have any duty or responsibility to you for providing the protection afforded to their clients or customers for providing advice in relation to this Issue and are not in any way acting in any fiduciary capacity;
- (l) you confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (“**Company Presentations**”) with regard to our Company or this Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have knowledge of the statements that 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 Managers have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material information that was not publicly available;
- (m) you are aware and understand that the Equity Shares are being offered only to QIBs and are not being offered to the general public and the allotment of the Equity Shares shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Managers;
- (n) By participating in this Issue, you acknowledge that are not in violation of any applicable law including but not limited to SEBI (Prohibition of Insider Trading) Regulations, 2015, the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 and the Companies Act, 2013, and the rules made thereunder;
- (o) all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products), 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 present and future business strategies and environment in which we will operate in the future. You should not place reliance on forward looking statements and we assume no responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;
- (p) you have been provided a serially numbered copy of this Preliminary Placement Document and have read this Preliminary Placement Document in its entirety including, in particular the “**Risk Factors**” on page 42;
- (q) in making your investment decision (i) you have relied on your own examination of our Company and the Group; the terms of this Issue, including the merits and risks involved; (ii) you have made your own assessment of our Company, the Group, the Equity Shares and the terms of this Issue based solely on the information contained in this Preliminary Placement Document and no other representation by our Company or the Book Running Lead Managers or any other party; (iii) you have consulted your own independent advisors (including tax advisors) or otherwise have satisfied yourself concerning, without limitation, the effects of local laws and taxation matters; (iv) you have relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or the Book Running Lead Managers or any other party; and (v) you have 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. You are seeking to subscribe to/acquire the Equity Shares offered in this Issue for your own investment and not with a view to resell or for distribution;

- (r) you are a sophisticated investor and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares offered in this Issue and you and any accounts for which you are subscribing to the Equity Shares offered in this Issue and (i) you understand and accept that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you are able to bear the economic risk of the investment in the Issue; (iii) you will not look to the Book Running Lead Managers or 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 including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise; (iv) you are able to sustain a complete loss on the investment in the Equity Shares; (v) you have no need for liquidity with respect to the investment in the Equity Shares; (vi) you 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; and (vii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions;
- (s) neither the Book Running Lead Managers nor any of their respective affiliates including any of its respective shareholders, directors, officers, employees, counsel, representatives or agents have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership or disposal of the Equity Shares (including, but not limited, to this 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 Managers or any of their respective affiliates including any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates when evaluating the tax consequences of the Equity Shares (including, but not limited to, this Issue and the use of the proceeds from the Equity Shares). You waive and agree not to assert any claim against our Company, the Group, the Book Running Lead Managers or any of their respective affiliates including 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;
- (t) where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the 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;
- (u) you agree and acknowledge that in terms of Section 42(7) of the Companies Act, 2013, our Company shall file the list of QIBs (to whom this Preliminary Placement Document are circulated) along with other particulars with the RoC and SEBI within 30 days of circulation of this Preliminary Placement Document and other filings required under applicable law and if the Allotment of Equity Shares offered in the Issue results in you being one of the top ten shareholders of our Company, our Company shall also be required to disclose your name and shareholding details to the RoC within 15 days of Allotment, and you consent to such disclosure being made by our Company;
- (v) you are not a ‘promoter’ of our Company, as defined under Section 2(69) of the Companies Act, 2013 and the SEBI ICDR Regulations, and are not a person related to the Promoter and Promoter Group or to group companies of the Promoter and Promoter Group, either directly or indirectly and your Bid does not directly or indirectly represent the Promoter and Promoter Group or persons related to the Promoter and Promoter Group of our Company or to group companies of the Promoter or Promoter Group of our Company;
- (w) you have no rights under a shareholders’ agreement or voting agreement with the Promoter and Promoter Group or persons related to them, no veto rights or right to appoint any nominee director on the Board of Directors of our Company other than such rights acquired, if any, in the capacity of a lender not holding any Equity Shares of our Company, the acquisition of which shall not deem you to be a promoter (as defined under SEBI ICDR Regulations), a person related to them;
- (x) you have no right to withdraw your Bid after the Bid/Issue Closing Date;

- (y) you are eligible to Bid and hold the Equity Shares so Allotted together with any Equity Shares held by you prior to this Issue. You further confirm that your aggregate holding upon this Issue of the Equity Shares shall not exceed the level permissible as per applicable laws;
- (z) the Bid submitted by you would not eventually result in triggering a tender offer under the Takeover Regulations;
- (aa) your aggregate holding, together with other QIBs participating in this Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the present Issue, shall not exceed 50% of this Issue. For the purposes of this representation:
 - (i) the expression “**belongs to the same group**” shall be interpreted by applying the concept of “**companies under the same group**” as provided in sub-section (11) of Section 372 of the Companies Act, 1956; and
 - (ii) “**Control**” shall have the same meaning as is assigned to it under Regulation 2 (i)(e) of the Takeover Code;
- (bb) you shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approval for the Equity Shares is issued by the Stock Exchanges;
- (cc) you are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the Listing Regulations, will be filed by our Company with the Stock Exchanges, and if you are Allotted more than 5.00% of the Equity Shares in this Issue, we shall be required to disclose your name and the number of Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosure being made by our Company;
- (dd) you are aware that (i) applications for in-principle approval, in terms of Regulation 28(1) of the Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and an approval has been received from the Stock Exchanges, and (ii) the application for the listing and trading approvals will be made only after Allotment. There can be no assurance that the approvals for listing and trading in the Equity Shares will be obtained in time or at all. We shall not be responsible for any delay or non-receipt of such approvals for listing and trading or any loss arising from such delay or non-receipt;
- (ee) you are aware and understand that the Book Running Lead Managers have entered into a placement agreement with our Company (the “**Placement Agreement**”) whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable endeavours to seek to procure subscriptions for the Equity Shares on the terms and conditions set forth herein;
- (ff) the contents of this Preliminary Placement Document are our Company’s exclusive responsibility and neither the Book Running Lead Managers nor any of their respective affiliates including any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates has, or shall have, any liability for any information, representation or statement contained in this Preliminary 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 this Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting a participation in this Issue, you agree and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Book Running Lead Managers or by our Company or any other person and neither the Book Running Lead Managers, nor our Company or our respective directors, officers, employees, counsel, advisors, representatives, agents or affiliates or any other person will be liable for your decision to participate in this Issue based on any other information, representation, warranty or statement that you may have obtained or received;
- (gg) 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 Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares issued in pursuance of this Issue and that you have neither received nor relied on any other information

given or representations, warranties or statements made by Book Running Lead Managers (including any view, statement, opinion or representation expressed in any research published or distributed by the Book Running Lead Managers or their affiliates or any view, statement, opinion or representation expressed by any staff (including research staff) of the Book Running Lead Managers or their respective affiliates) or our Company or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates and neither the Book Running Lead Managers nor our Company or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- (hh) you understand that neither the Book Running Lead Managers nor their affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in this Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with this Issue, including non-performance by our Company of any of our obligations or any breach of any representations or warranties by our Company, whether to you or otherwise;
- (ii) you agree to indemnify and hold our Company, the Group and the Book Running Lead Managers and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements and agreements made by you in this Preliminary Placement Document. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
- (jj) each of the representations, warranties, acknowledgements and agreements set forth above shall continue to be true and accurate at all times up to and including the Allotment and listing and trading of the Equity Shares on the Stock Exchanges;
- (kk) we, the Book Running Lead Managers, their respective affiliates and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements, undertakings and agreements which are given to the Book Running Lead Managers on its own behalf and on behalf of our Company and are irrevocable and it is agreed that if any of such representations, warranties, acknowledgements, undertakings and agreements are no longer accurate, you will promptly notify to the Book Running Lead Managers;
- (ll) You understand that the Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly, may not be offered or sold within the United States, except in reliance on an exemption from the registration requirements of the Securities Act. For more information, see “**Selling Restrictions**” on page 157;
- (mm) If you are within the United States, you are a “qualified institutional buyer” as defined in Rule 144A under the Securities Act, are acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the requirements of a “qualified institutional buyer”, for investment purposes only, and not with a view to, or for offer or sale in connection with, the distribution thereof in whole or in part in violation of the Securities Act;
- (nn) any dispute arising in connection with this Issue will be governed by and construed in accordance with the laws of the Republic of India and the courts at Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document; and
- (oo) you have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and agreements set forth in this section and in “**Selling Restrictions**” and “**Transfer Restrictions**” on pages 157 and 163, respectively.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, approvals and in terms of Regulation 22 of the SEBI FPI Regulations, FPIs (other than Category III foreign portfolio investors and unregulated broad based funds which are classified as Category II FPI by virtue of their investment manager being appropriately regulated), including the affiliates of the Book Running Lead Managers, may issue, subscribe or otherwise deal in offshore derivative instruments, as defined under the SEBI FPI Regulations, as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on a recognised Stock Exchange in India, as its underlying and all such offshore derivative instruments are referred to herein as “**P-Notes**” for which they may receive compensation from the purchasers of such P-Notes. These P-Notes may be issued only in favour of those entities which are regulated by appropriate foreign regulatory authorities in the countries of their incorporation or establishment subject to compliance with “know your client” requirements. An FPI must ensure that the P-Notes are issued in compliance with all applicable laws including Regulation 4 and Regulation 22 of the SEBI FPI Regulations and circular no. CIR/IMD/FIIC/20/2014 dated November 24, 2014 issued by SEBI. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes, including, without limitation, 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 obligations of, claim 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 solely the obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and do not constitute any obligations of, or claims on, the Book Running Lead Managers. Affiliates of the Book Running Lead Managers (other than Category III FPI and unregulated broad based funds which are classified as FPI by virtue of their investment manager being appropriately regulated) may purchase, to the extent permissible under law, Equity Shares offered in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure 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 with 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 “*Selling Restrictions*” and “*Transfer Restrictions*” on page 157 and 163, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

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

- (i) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;
- (ii) warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges; or
- (iii) take any responsibility for the financial or other soundness of our Company, the Group, our Promoters, its management or any scheme or project of our Company;

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

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to:

- “you”, “your”, “offeree”, “purchaser”, “subscriber”, “recipient”, “investors”, “prospective investors” and “potential investor” are to the prospective investors in the Issue;
- the “Company”, our “Company”, “Sunteck Realty” and “Issuer” are to Sunteck Realty Limited;
- “we”, “us”, “our” and “Group” are to Sunteck Realty Limited and its Subsidiaries, joint ventures and associates, on a consolidated basis;
- a particular calendar year are to the year ended on December 31; and
- Our fiscal year commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year, so, unless otherwise specified or if the context requires otherwise, all references to a particular “financial year” or “fiscal year” or “Fiscal” or “FY” are to the twelve month period ended on March 31 of that year.

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

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Preliminary Placement Document in ‘lakh’ units. One lakh represents 1,00,000 and one crore represents 1,00,00,000.

Financial and Other Information

We publish our financial statements in Indian Rupees. Our (i) audited consolidated financial statements as of and for the years ended March 31, 2015 and March 31, 2016, including the reports issued by the Statutory Auditors, included in this Preliminary Placement Document, has been extracted from our audited consolidated financial statements for the respective years, which were prepared in accordance with Indian GAAP (to the extent applicable) and the Companies Act, 2013, and (ii) audited consolidated financial statements as of and for the year ended March 31, 2017, including the report issued by the Statutory Auditors, included in this Preliminary Placement Document, has been extracted from our audited consolidated financial statements for the year, which have been prepared in accordance with Ind AS and the Companies Act, 2013. Additionally audited consolidated financial statements as of and for the year ended March 31, 2016, has been extracted from our audited consolidated financial statements for the year, which have been prepared in accordance with Ind AS and the Companies Act, 2013 for the purpose of comparison. For details of significant differences between Indian GAAP and Ind AS, due to the first time adoption of Ind AS, see “*Summary of Significant Differences Between IFRS, Indian GAAP and Ind AS - Qualitative differences between Indian GAAP and Ind AS, as specifically applicable to us due to the first time adoption of Ind AS*”, on page 88.

The unaudited consolidated condensed balance sheet as at June 30, 2017, the unaudited consolidated condensed statement of profit and loss and the unaudited consolidated condensed statement of cash flow for the three months period ended June 30, 2016 and 2017 (the “**Consolidated Condensed Financial Results**”), included in this Preliminary Placement Document, have been prepared in accordance with Ind AS, and the Companies Act, and on the basis of the recognition and measurement principles prescribed under Ind AS 34 “Interim Financial Reporting” (“**Ind AS 34**”). The Consolidated Condensed Financial Results have been reviewed, 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.

Our audited consolidated financial statements form the basis of our Reformatted Condensed Financial Statements, which only comprises of conversion of conversion of our financial statements for Fiscals 2016 and

2015 from ₹ (in absolute number) to ₹ in lakhs. For details of our Reformatted Condensed Financial Statements, see “*Selected Financial Information*” on page 32.

Indian GAAP and Ind AS differs in certain respects significantly from International Financial Reporting Standards (“**IFRS**”) and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor have we provided a reconciliation of our consolidated financial statements to those of U.S. GAAP or IFRS. Accordingly, the degree to which the consolidated financial statements prepared in accordance with Indian GAAP and Ind AS included in this Preliminary 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 Preliminary Placement Document should accordingly be limited. We have conducted a preliminary review of the impact of Ind AS on our accounting policies, details of which are disclosed in “*Summary of Significant Differences Between IFRS, Indian GAAP and Ind AS*” on page 88.

In this Preliminary Placement Document, any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables, may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

Unless stated otherwise, information included in this Preliminary Placement Document regarding market position, growth rates and other industry data pertaining to our business consists of estimates based on data reports compiled by government bodies, professional organisations and analysts, data from other external sources and knowledge of the markets in which we compete. Unless stated otherwise, statistical information included in this Preliminary Placement Document pertaining to our business have been reproduced from trade, industry and government publications and websites. Our Company confirms that such information and data has been accurately reproduced, and that as far as it is aware and is able to ascertain from information published by third parties, no material facts have been omitted that would render the reproduced information inaccurate or misleading.

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

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends solely on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "**Risk Factors**" on page 42. Thus, neither our Company nor the Book Running Lead Managers can assure you of the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information.

As used in this Preliminary Placement Document, unless indicated otherwise, market data and estimates have been derived from the reports titled "Knight Frank India Real Estate – Residential and Office, January – June 2017", "Knight Frank Resident Investment Advisory Report 2016" and "Emergence of Oshiwara as Mumbai's Newest District Center, September 2017, JLL report".

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical facts constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminologies 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 expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our 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 Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary 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 our actual results, performance or achievements 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 that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause our actual results, performances and achievements to be materially different from any of the forward-looking statements include, among others:

- Any factor that affects the real estate market, especially in Mumbai;
- Inability to identify and acquire suitable land for project development;
- Uncertainties over land title;
- Inability to obtain necessary funding on acceptable terms;
- Our ability to respond to customer preferences; and
- Breach of agreements and understandings by third parties.

Additional factors that could cause our actual results, performance and achievements to differ materially include, but are not limited to, those discussed under the sections "**Risk Factors**", "**Industry Overview**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on pages 42, 106, 118 and 74, respectively.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs as well as the assumptions made by, and information currently available to, management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document and neither our Company nor the Book Running Lead Managers undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, our actual results of operations or financial conditions could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent 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 company incorporated under the laws of India. The Board of Directors of our Company comprises of six Directors, all of whom are Indian citizens. All of our Company's key managerial personnel are residents of India and a substantial portion of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce against them judgments obtained in courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended ("**Civil Code**").

Section 13 of the Civil Code provides that a foreign judgment shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or parties litigating under the same title except:

- (a) where the judgement has not been pronounced by a court of competent jurisdiction;
- (b) where the judgement has not been given on the merits of the case;
- (c) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognise the law of India in cases where such law is applicable;
- (d) where the proceedings in which the judgment was obtained were opposed to natural justice;
- (e) where the judgement has been obtained by fraud; or
- (f) where the judgement sustains a claim founded on a breach of any law then in force in India.

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 a reciprocating territory, it may be enforced in India by proceedings in execution as if the foreign judgment had been rendered by a district court in India. Under Section 14 of the Civil Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil 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 penalty and is not applicable to arbitration awards.

Each of the United Kingdom, Singapore and Hong Kong, amongst others, has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Code but the United States has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit based upon the foreign judgment and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

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 a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to execution, and any such amount may be subject to tax in accordance with applicable laws. Any judgment for payment of amounts denominated in a foreign currency would be converted into Rupees on the date of the judgment or award and not on the date of the 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 Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information with respect to the exchange rates between the Rupee and the U.S. dollar (₹ per US\$), for the periods indicated. The exchange rates are based on the reference rates released by RBI, which are available on the website of RBI. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

(₹ per US\$)				
	Period end	Average ⁽¹⁾	High ⁽²⁾	Low ⁽³⁾
Fiscal:				
2015	62.59	61.15	63.75	58.42
2016	66.33	65.46	68.78	62.16
2017	64.84	67.09	68.72	64.84
Quarter ended:				
December 31, 2016	67.95	67.46	68.72	66.43
March 31, 2017	64.84	67.01	68.23	64.84
June 30, 2017	64.74	64.46	65.04	64.00]
September 30, 2017	65.36	64.29	65.76	63.63
Month ended:				
April 30, 2017	64.22	64.51	65.04	64.00
May 31, 2017	64.55	64.42	64.99	64.02
June 30, 2017	64.74	64.44	64.74	64.26
July 31, 2017	64.08	64.46	64.82	64.08
August 31, 2017	64.02	63.97	64.24	63.63
September 30, 2017	65.36	64.44	65.76	63.87

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

⁽²⁾ Maximum of the official rate for each working day of the relevant period

⁽³⁾ Minimum of the official rate for each working day of the relevant period

Note: In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

On October 24, 2017, the exchange rate (RBI reference rate) was ₹ 64.93 to US\$ 1.00 (Source: www.rbi.org.in)

DEFINITIONS AND ABBREVIATIONS

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any statute or regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the sections “*Statement of Tax Benefits*” and “*Financial Statements*” beginning on pages 172 and 195, respectively, shall have the meaning given to such terms in such sections.

Company Related Terms

Term	Description
Articles of Association	Articles of association of our Company
Auditors / Statutory Auditors	Lodha & Co., Chartered Accountants, the statutory auditors of our Company
Board of Directors or Board	Board of Directors of our Company or any duly constituted committee thereof
Company / Issuer	Sunteck Realty Limited
Equity Shares	Equity shares of our Company of face value ₹ 1 each
ESOP 2013 / Sunteck Employees Stock Option Scheme	Sunteck Realty Limited - Employee Stock Option Scheme 2013
ESOP 2017	Sunteck Realty Limited - Employee Stock Option Scheme 2017
Memorandum of Association	Memorandum of association of our Company
Promoters	Kamal Khetan, Manisha Kamal Khetan, Akur Kamal Khetan, Anupma Kamal Khetan, Shanti Shrigopal Khetan, Matrabhav Trust, Astha Trust, Paripurna Trust, Satguru Infocorp Services Private Limited, Starlight Systems Private Limited and Samagra Wealthmax Private Limited
Promoter Group	Unless the context requires otherwise, the entities forming part of our promoter group in accordance with SEBI ICDR Regulations and which are disclosed by our Company to the Stock Exchanges from time to time
Registered and Corporate Office	The registered office of our Company located at 5 th Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai 400 057
Subsidiary(ies)	A subsidiary of the Company, as defined under the Companies Act, 2013. For a complete list of the Subsidiaries, see “ <i>Financial Statements</i> ” on page 195.
Our/Group/us/ we	Sunteck Realty Limited, Subsidiaries, joint ventures and associates, on a consolidated basis

Issue Related Terms

Term	Description
Allocated/ Allocation	The allocation of Equity Shares by our Company (in consultation with the Book Running Lead Managers) to successful Bidders on the basis of the Application Form submitted by such successful Bidders, and in compliance with Chapter VIII of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	The issue and allotment of Equity Shares pursuant to the Issue
Allottees	Successful Bidders to whom Equity Shares are Allotted pursuant to the Issue
Application Form	The form (including any revisions thereof) pursuant to which a

Term	Description
	Bidder shall submit a Bid for the Equity Shares in the Issue
Bid(s)	Indication of interest of a Bidder, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares to be issued pursuant to the Issue
Bid/Issue Closing Date	October 27, 2017, which is the last date up to which the Application Forms shall be accepted by our Company (or the Book Running Lead Managers, on behalf of our Company)
Bid/Issue Opening Date	October 24, 2017, the date on which the acceptance of the Application Forms shall have commenced by our Company (or the Book Running Lead Managers on behalf of our Company)
Bidder	Any prospective investor, being a QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
Bidding Period	The period between the Bid/Issue Opening Date and Bid/Issue Closing Date inclusive of both dates during which Bidders can submit their Bids including any revision and/or modifications thereof
Book Running Lead Mangers	Axis Capital Limited and Kotak Mahindra Capital Company 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
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e. on or about October 27, 2017
Cut-off Price	The Issue Price of the Equity Shares to be issued pursuant to the Issue which shall be finalised by our Company in consultation with the Book Running Lead Managers
Designated Date	The date of credit of Equity Shares to the demat accounts of successful Bidders
Escrow Agreement	Agreement dated October 24, 2017, entered into amongst our Company, the Escrow Bank and the Book Running Lead Managers for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	Axis Bank Limited
Escrow Bank Account	The account titled 'Sunteck Realty Limited – QIP Escrow Account' to be opened with the Escrow Bank, subject to the terms of the Escrow Agreement, into which the application monies payable by Bidders in connection with subscription to Equity Shares pursuant to the Issue shall be deposited
Floor Price	The floor price of ₹ 336.33, which has been calculated in accordance with Chapter VIII of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price.
Issue	The issue and Allotment of [●] Equity Shares each at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share, aggregating ₹ [●] lakhs pursuant to chapter VIII of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013
Issue Price	₹ [●] per Equity Share

Term	Description
Issue Size	The aggregate size of the Issue, which is up to ₹ [●] lakhs
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	10% of the Equity Shares proposed to be Allotted in the Issue, which is available for Allocation to Mutual Funds
Pay-in Date	The last date specified in the CAN for payment of application monies by the successful Bidders
Placement Agreement	Placement agreement dated October 24, 2017 entered into between our Company and the Book Running Lead Managers
Placement Document	The placement document to be issued by our Company in accordance with Chapter VIII of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 and the rules prescribed thereunder
Preliminary Placement Document	This preliminary placement document dated October 24, 2017, issued to QIBs in accordance with Chapter VIII of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 and the rules prescribed thereunder
Pricing Date	The date of determination of the number of Equity Shares to be placed through the Issue and the Issue Price for the same
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being private placement to Eligible QIBs under Chapter VIII of the SEBI ICDR Regulations and applicable sections of the Companies Act, 2013, read with applicable rules of the Companies (Prospectus and Allotment of Securities) Rules, 2014
Relevant Date	October 24, 2017 which is the date of the meeting of the Board of Directors of the Company or a duly authorized committee thereof decide to open the Issue

Business and Industry Related Terms

Term	Description
AAEC	Appreciable adverse effect on competition
Air Act 1981	The Air Prevention and Control of Pollution Act 1981
BSE	The Bombay Stock Exchange Ltd
CBD	Central Business District
CCI	The Competition Commission of India
Company Act 2013	The Company Act 2013
Competition Act	The Competition Act, 2002
Competition Commission of India Regulation, 2011	The Competition Commission of India Procedure for Transaction of Business Relating to Combinations Regulation, 2011
ECB	External commercial borrowing
Environmental Protection Act 1986	The Environmental Protection Act 1986
Glint	Glint Infraprojects Private Limited
GST	The India Good and Services Tax
ICDS	The Income Computation and Disclosure Standards

Term	Description
IFRS	The International Financial Reporting Standards
Income tax Act	The Indian Income tax Act
Ind-AS	The Indian Accounting Standards
Indian GAAP	The Indian Generally Accepted Accounting Principles
IT	Information systems
Land Acquisition Act	The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013
Land Bank	Area planned to be covered by the company's projects
MCA	The Ministry of Corporate Affairs, Government of India
MMRDA	The Mumbai Metropolitan Regional Development Authority
MoUs	Memorandum of understandings
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ [●] lakhs
NSE	The National Stock Exchange of India Ltd
PFIC	Passive foreign investment company
Promoters	Kamal Khetan, Manisha Kamal Khetan, Akur Kamal Khetan, Anupma Kamal Khetan, Shanti Shrigopal Khetan, Matrabhav Trust, Astha Trust, Paripurna Trust, Satguru Infocorp Services Private Limited, Starlight Systems Private Limited and Samagra Wealthmax Private Limited
Promoter Group	Unless the context requires otherwise, the entities forming part of our promoter group in accordance with SEBI ICDR Regulations and which are disclosed by our Company to the Stock Exchanges from time to time
QIB	Qualified institutional buyer
RBI	The Reserve Bank of India
RERA	The Real Estate Regulation and Development Act 2016
SBD	Suburban Business District
SEBI	The Securities and Exchange Board of India
SEBI ICDR Regulations	The Securities and Exchange Board of India Issue of Capital and Disclosure Requirements Regulation 2009
STT	The Securities transaction tax
U.S. GAAP	U.S. Generally Accepted Accounting Principles
Water Act 1974	The Water Prevention and Control of Pollution Act 1974

Conventional and General Terms/Abbreviations

Term	Description
₹ / Rupees / INR	Indian Rupees
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment year
BSE	BSE Limited
CAGR	Compounded annual growth rate
Calendar Year	Year ending on December 31 of the relevant year

Term	Description
Category III Foreign Portfolio Investors	An FPI registered as a category III foreign portfolio investor under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
Cenvat	Central Value Added Tax
CEO	Chief executive officer
CII	Confederation of Indian Industry
CIN	Corporate identity number
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as applicable
Companies Act, 1956	The Companies Act, 1956 and the rules made thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013 and the rules made thereunder to the extent in force pursuant to the notification of the Notified Sections
Competition Act	The Competition Act, 2002, as amended
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended
Depository Participant	A depository participant as defined under the Depositories Act
EGM	Extraordinary general meeting
Eligible FPIs	FPIs that are eligible to participate in the Issue and does not include qualified foreign investors or Category III Foreign Portfolio Investors (who are not eligible to participate in the Issue)
EPS	Earnings per share
ESOPs	Employee stock options
FDI	Foreign Direct Investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified under Circular No. D/o IPP F. No. 5(1)/2017-FC-1, effective from August 28, 2017, as amended from time to time
FEMA 20	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
Financial Year / Fiscal Year / Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FVCI	Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross domestic product
GoI / Government	Government of India
GST	Goods and Service Tax
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board

Term	Description
Ind AS	Indian accounting standards as notified by the MCA vide Companies (Indian Accounting Standards) Rule 2015 in its notification dated February 16, 2015
Indian GAAP	Generally accepted accounting principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
IT Act / Income Tax Act	The Income Tax Act, 1961, as amended
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
MoU	Memorandum of understanding
Notified Sections	Sections of Companies Act, 2013 that have been notified by the Government of India
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RoC	Registrar of Companies, Maharashtra at Mumbai
Rule 144A	Rule 144A under the Securities Act
SCR (SECC) Rules	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, notified by the SEBI
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	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
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEC	United States Securities and Exchange Commission
Securities Act	The U.S. Securities Act of 1933
Stock Exchanges	The BSE and the NSE
STT	Securities transaction tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
U.K.	United Kingdom
U.S. GAAP	Generally accepted accounting principles in the United States of America
US\$ / USD / U.S. dollar	United States Dollar, the legal currency of the United States of America
USA / U.S. / United States	The United States of America
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

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

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

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
1.	GENERAL INFORMATION	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	Cover page, 16, 198
b.	Date of incorporation of the company.	Cover page
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	118
d.	Brief particulars of the management of the company.	132-140
e.	Names, addresses, DIN and occupations of the directors.	132,133
f.	Management's perception of risk factors.	42
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:	
i)	Statutory dues;	184
ii)	Debentures and interest thereon;	184
iii)	Deposits and interest thereon; and	184
iv)	Loan from any bank or financial institution and interest thereon.	184
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.	194
2.	PARTICULARS OF THE OFFER	
a.	Date of passing of board resolution.	30
b.	Date of passing of resolution in the general meeting, authorizing the offer of securities.	30
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security.	Cover page
d.	Price at which the security is being offered including the premium, if any, along with justification of the price.	Cover page
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.	Cover page
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)	Mode of repayment.	Not applicable
h.	Proposed time schedule for which the offer letter is valid.	17
i.	Purposes and objects of the offer.	67
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects.	Not applicable
k.	Principle terms of assets charged as security, if applicable.	Not applicable
3.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC	
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	139
b.	Details of any litigation or legal action pending or taken by any	183

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
	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.	
c.	Remuneration of directors (during the current year and last three financial years).	135, 136
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided.	140
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.	188
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.	188
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.	184
4.	FINANCIAL POSITION OF THE COMPANY	
a.	The capital structure of the company in the following manner in a tabular form:	
(i)(a)	The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	69
(b)	Size of the present offer; and	69
(c)	Paid up capital:	69
(A)	After the offer; and	69
(B)	After conversion of convertible instruments (if applicable);	Not applicable
(d)	Share premium account (before and after the offer).	69
(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.	69
	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.	71
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter.	33, 36, 39
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid).	73
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.	32

Sr. No.	Disclosure Requirements	Relevant Page of this Preliminary Placement Document
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter.	195
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	195
5.	A DECLARATION BY THE DIRECTORS THAT	
a.	The company has complied with the provisions of the Act and the rules made thereunder.	197
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.	196
c.	The monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.	196
	<p>I am authorised by the Board of Directors of the company vide resolution number _____ dated _____ 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</p> <p>It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.</p> <p><i>Signed:</i> <i>Date:</i> <i>Place: Mumbai</i></p>	198

SUMMARY OF BUSINESS

We are engaged in the business of developing, designing and managing high-end and premium residential and commercial properties predominantly in the Mumbai Metropolitan Region (the “MMR”). As of June 30, 2017, we have completed the construction and development of five residential projects and three commercial complexes in locations such as in the Bandra-Kurla Complex, Airoli, Andheri, Vile Parle, Panjim (in Goa) and in Nagpur. While we continue our focus on the development of real estate projects in the MMR, we have selectively expanded our area of operations to Jaipur, Nagpur and Goa. We have established a successful track record of executing projects in the markets in which we operate and cater to customers across a spectrum of income segments. As of June 30, 2017, we had eight Completed Projects, with an aggregate Saleable Area of 1.925 million sq. ft. and leasable area of 0.15 million sq. ft. As of June 30, 2017, we had seven ongoing projects with an aggregate saleable area of 2.0549 million sq. ft., in which the Company’s effective stake of 91.14%. As of June 30, 2017, our portfolio additionally included one rented asset with a leasable area of approximately 0.15 million sq. ft. in which we have an effective stake in 0.075 million sq. ft. of the leasable area. For details of our completed projects and ongoing projects, see “*Business – Details of our Completed Projects*” and “*– ongoing Projects*” on pages 123 and 124.

Outside the MMR region, we operate our business through an asset-light model which is JV/JDA, in which the initial capital commitment is low and helps reduce the need for large amounts of capital to be tied-up in land banks. The asset-light model also allows us to reduce our dependency on debt financing. We partner with premium services providers. For example, JLL manages all three of our Bandra-Kurla Complex (“**BKC**”) projects – ‘Signature Island’, ‘Signia Isles’ and ‘Signia Peral’. We expect to leverage our business model, our premium positioning, the experience of our management team and our project execution skills to grow our business volumes and market share. For further details, see “*Business – Competitive Strengths*” on page 119.

Our projects are categorized and distinguished into four brands, with each brand identifying the nature of the project developed. As part of our residential portfolio, we develop high-end, luxury residences aimed at high net-worth individuals in India under our ‘Signature’ brand. These residences are located at prime city locations. Our flagship project under the ‘Signature’ brand, “Signature Island”, is located at Bandra-Kurla Complex, Mumbai. Under the ‘Signature’ brand, As of June 30, 2017, we had one completed project, with an aggregate saleable area of 0.6579 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, 51.7% and 8.5% of our revenues, respectively, was attributable to our Signature brand.

Under our ‘Signia’ brand, we develop super premium residences in select suburban micro markets. We have projects in Bandra-Kurla Complex, Borivali, Nagpur and Navi Mumbai. Under the Signia brand, As of June 30, 2017, we had four completed projects, with an aggregate saleable area of 1.0881 million sq. ft. and three ongoing residential projects, with an aggregate saleable area of approximately 0.6094 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, 40.2% and 80.6% of our revenues, respectively, was attributable to our ‘Signia’ brand.

We also develop our mixed use developments under the ‘Sunteck City’ brand. Our large-format developments include residential developments, commercial and retail real estate developments, as well as related amenities such as fine-dining and entertainment zones. As of June 30, 2017, we had two ongoing projects under the ‘Sunteck City’ brand, all of which are located in the ODC Goregaon (West), Mumbai.

We develop commercial projects under our ‘Sunteck’ brand. We have completed three projects under the ‘Sunteck’ brand, two of which are located in Mumbai and one is located in Goa. As of June 30, 2017, under the Sunteck brand, apart from above mentioned three projects, we have one ongoing project and two upcoming projects (Avenue 5 and Avenue 6) aggregating to a total saleable area of 0.191 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, a nil amount and 3.3% of our revenues, respectively, was attributable to our ‘Sunteck’ brand.

As of June 30, 2017, Fitch and CARE have both assigned A+ for Long-Term after considering our Company’s total consolidated debt and Fitch has also assigned our short-term consolidated debt with A1+. We have received several awards and recognitions including the following.

Sr. No.	Awards and Accolades for	Source	Year
1	Sunteck City Awarded for “Most innovative concept of the year”	Realty Plus	2017

2	Signature Island awarded as “Ultra Luxury-Lifestyle project of the year”	Realty Plus	2017
3	Sunteck realty featured in Fortune for “India’s top 500 midsize companies”	Fortune 500	2017
4	Sunteck City awarded as “Integrated township of the year”	Realty Plus	2016
5	Super luxury project of the year – Signature Island	NDTV Property Awards	2015
6	Integrated Township of the Year below 350 acres - Sunteck City	Realty Plus Excellence Awards	2015
7	Scroll of Honour and Pathfinder Award for the most Enterprising CXO – Mr. Kamal Khetan	Realty Plus Excellence Awards	2015
8	Real Estate Person of the Year and Young Entrepreneur of the Year the Mr. Kamal Khetan	Construction Week India Awards	2015
9	Luxury Project of the year – Signature Island and Young Achievers Award – Mr. Kamal Khetan	Lokmats National Award for excellence in Real Estate Infrastructure	2014
10	‘Best Property Development Organization Emerging Markets. • Highly Commended • Property Valuation • Market Disclosure	APREA (Asia Pacific Real Estate Association)	2013
11	Best Country Submission, India - Sunteck Realty	APREA (Asia Pacific Real Estate Association Limited)	2013
12	Best Marketing campaign of the year – Sunteck City	Realty Plus	2013
13	Project of the Year, Mumbai – Signature Island	Accommodation Times	2012

We are Real Estate (Regulation and Development) Act, 2016 (“RERA”) compliant. Our consolidated total income for the three months ended June 30, 2017 and Fiscals 2017, 2016 and 2015, was ₹ 13,545.05 lakhs, ₹ 96,036.03 lakhs, ₹ 26,125.06 lakhs and ₹ 31,687.06 lakhs respectively, and our total comprehensive income for the three months ended June 30, 2017 and Fiscals 2017 and 2016, was ₹ 3,987.01 lakhs, ₹ 22,020.40 lakhs and ₹ 2,061.88 lakhs, respectively and profit for Fiscal 2015 was ₹ 6,815.77 lakhs.

Competitive Strengths

We believe the following are our competitive strengths:

Ability to identify optimal locations

Based on our research and with the experience of our senior management team, we believe we have been able to identify optimal locations in an efficient and quick manner. This approach has allowed us to identify and acquire low cost land parcels, which we believe have significant potential for growth, and develop them into high-end real estate projects. For example, we benefited from our expertise in identifying locations when we acquired land parcels in BKC in 2006 for the ‘Signature Island’ when it was generally known as a commercial destination. Our research concluded that any CBD across the world, in residential context, commands a higher premium as compared to commercial, provided there is a limited supply of high-end residential developments. With BKC remaining a key financial hub in the MMR, our projects are designed to cater to the high-income group aspiring for luxury living residences with easy access to their work places. Similarly, we have focused on developing residential projects in the Suburban Business District (“SBD”) in ODC Goregaon (West), which will be planned and developed by MMRDA. Our rationale in developing projects in ODC Goregaon (West) was to

cater to residences who work at the back offices of various companies. As of June 30, 2017, approximately 74% and 41% of our completed/ongoing residential projects in BKC and SBD, ODC Goregaon (West), respectively, had been sold, which we believe demonstrates the demand of our projects at such locations. Airoli, Navi Mumbai is also a location we have ventured into ahead of a number of our competitors which we believed had potential for demand given Airoli has a lot of back-offices for IT companies such as DAKC, Patni, Siemens, Mind Space. We have purchased land through Government tenders, joint developments, outright purchases from private corporates and redevelopment of housing societies, which allows us to procure relatively clear title to land parcels at lower acquisition costs, which has further improved our profitability.

Differentiated branding and premium positioning

We have positioned our offerings in the ultra-luxury and luxury segments and have developed four brands that target different market segments across various types of residential and commercial projects. Our brands are: (a) 'Signature', which targets ultra-luxury residences aimed at high-net worth individuals in India and overseas; (b) 'Signia', which targets premium residences in select suburban micro markets; (c) 'Sunteck City', which targets mixed-use developments including luxury townships comprising of residential apartments, retail, commercial projects, entertainment zones and fine dining; and (d) 'Sunteck' to market our commercial developments. We believe that our 'Signature' and 'Signia' enjoy premium positioning and our various product offerings that target different income segment customers, which has enabled us to monetize our projects in an efficient and profitable manner. We believe our differentiated branding helps in attracting the appropriate set of customers. We believe our projects developed under these brands across different locations have commanded a premium as compared to other developments in the vicinity due to our premium positioning and branding. Our projects come with requisite amenities to meet the customers' needs and the projects are located at key/strategic locations.

Cash flow strength and low leverage business

We believe that our ability to generate consistent cash flows is attributable to our ability to maintain discipline while undertaking land acquisitions and prudence in utilizing surplus cash from operations in our ongoing projects. We believe that our prudent cash flow management and balance sheet strength has facilitated us to attract strategic partners which has ensured continued financial support to our projects.

Our ability to generate consistent cash flows from operations and equity infused by private equity investors have reduced our dependence on debt financing, which allows us to operate our business on a low leverage. For example, as of March 31, 2017, we had availed construction finance loans to part finance the construction of seven out of a total of 25 projects. As of March 31, 2017 and June 30, 2017, our net debt to equity ratio was 0.46 and 0.51, respectively. In Fiscals 2017, 2016 and 2015, our EBITDA margins were 37.41%, 17.18% and 48.86%, respectively. Based on our performance and low leverage, despite not having pledged any Promoter shares or given any corporate guarantees for credit enhancement, we have been able to maintain low interest rates for our borrowings. For example, backed by our credit rating of A+ from CARE and Fitch for our long-term debt, our lowest cost of borrowing as of June 30, 2017, was at 9.25% p.a. Our strong balance sheet and positive operating cash flows coupled with low levels of debt enable us to fund our strategic initiatives, pursue opportunities for growth, take advantage of a favorable business cycle or market opportunities and better manage unanticipated cash flow variations.

Asset-light model and development of projects through joint ventures and joint development agreements

In areas other than the MMR region, we focus on an asset-light business model, under which aims to have low initial capital commitment and helps reduce the need for substantive amounts of capital to be tied-up in land banks. The asset-light model also allows us to reduce our dependency on debt financing, which strengthens our balance sheet and reduces our leverage ratio. It also helps us generate good return on capital provided less capital is employed. Given that the asset-light model reduces operating costs, we believe we are able to maintain our focus on creating value through our business and analyse core risks and opportunities, which we manage efficiently to extract value in the process. We also acquire certain of our land through joint ventures or joint development agreements, which we believe allows us to undertake multiple projects at the same time and reduce the risks associated with the early stages of land development such as capital commitment towards land acquisition(s). We believe that this approach also reduces our capital commitment per project, thereby reducing our risk portfolio on land investment. We have made capital allocations towards our projects located in BKC and ODC Goregaon (West), such as our 'Signature Island', 'Signia Isles', 'Signia Pearl' and 'Sunteck City' whereas other projects are developed under the joint venture/joint development agreement model.

Experienced senior management team

Our Promoters and senior management team have significant experience in the Indian real estate industry. The experience of our senior management team helps us identify quality projects for developments that are capable of providing high returns and in assessing potential risks. Our Chairman and Managing Director, Mr. Kamal Khetan, has over two decades of experience in the real estate industry, Mr. Atul Poopal, ED., has over 35 years of experience in regulatory affairs, land acquisition and Mr. Sumesh Mishra and President and COO, has over ten years of experience. Mrs. Rachana Hingarajia, our CS and Non-Executive/Non-Independent women director, has over ten years of experience in compliance function. Our senior management team also comprises of Mr. Jitendra Mehta, our CFO, Mr. Alhad Pachchhapur, EVP – EPC, Mrs. Rupali Nimbalkar, Senior Vice President – Architecture, who have more than 20-30 years of work experience in the real estate sector. We continue to leverage on the experience of our management team and their understanding of the real estate market in India, particularly in the areas where we operate, to take advantage of current and future market opportunities. We believe that this experience gives us the ability to anticipate the trends and requirements of the real estate market, identify and acquire land in locations where we believe there is a demand, and design our properties in accordance with demanding customer trends.

Business Strategies

Entrance into affordable housing

We believe the Government’s ambitious program of “Housing for All by 2022” is likely to drive strong demand for homes over the next few years. The recent provisions to encourage affordable housing such as a 100% deduction on profits for developers, lower interest rates for the borrowers, and provision of a ‘infrastructure’ status (thereby increasing funding avenues for developers and providing access to capital at lower costs) underline this initiative. We believe that these measures are setting the stage for sustainable growth for organized and well-capitalized players in the real estate sector. We believe that the credit-linked subsidy scheme under the Prime Minister Awas Yojana will help reduce the interest rate on home loans and provide benefit on purchasing of new properties. The benefit conferred under this scheme is higher for lower ticket size properties. We have and will continue to have a clear focus on the MMR region. However, to ensure the long-term sustainable growth of our Company, we aspire to be present across all pricing spectrums within the MMR and are selectively evaluating opportunities in the mid-income value homes segment. We believe that by taking advantage of the benefits available under the affordable housing regulations, we will be able to maintain existing profitability levels.

Capitalization of lucrative and stressed land acquisition to maintain the financial discipline

Based on our research and with the experience of our senior management team, we believe we have been able to identify optimal locations in an efficient and timely manner. We have recently seen a number of developments in the Indian economy such as the demonetization, RERA implementation and the Government’s increased focus on affordable housing. We believe these have availed multiple opportunities for the organized real estate players such as our Company. Given our strong balance sheet position, such as the net debt to equity ratio of 0.46x in Fiscal 2017, we believe we are well placed to capitalize on the emerging stressed land acquisition opportunities.

Continue our focus on the development of real estate projects in the MMR and in certain city centric locations outside the MMR

We believe that the demand for residential property in the MMR will remain strong on account of factors such as limited availability of quality land, the continued growth of the economy in Mumbai and the rising number of population residing in Mumbai. We believe our projects in the MMR are well-located to gain the first mover advantage post the shift in the central business district from the south of Mumbai, primarily Nariman Point as well as BKC, to the secondary business districts such as ODC, Goregaon (West). Alongside, we remain focused on other micro-markets like Borivali, Andheri, Airoli, Vile Parle, Thane and Sion. We intend to take advantage of our knowledge and experience dealing with the regulations, customer mindset and economics of the MMR and continue to focus on the development of real estate projects in the MMR.

In addition, we have expanded and continue to expand beyond the MMR and have selectively acquired land and are developing projects in city centric locations in Jaipur, Nagpur and Goa, areas that we perceive to have a demand for our projects. In such new areas, we have targeted the premium segment residential consumers and corporates with whom we have existing relationships in the MMR. In selective locations which we believe are

underpriced and present us a growth potential, we may consider further investment opportunities. We are also looking to enter into the affordable housing segment for which we are selectively evaluating the opportunities. We intend to acquire projects and land capable of near term development.

Develop a sizeable rental portfolio generating steady income

While we continue to concentrate on the development of residential projects in the near and long-term, with a steady increase in demand for commercial space and gradual increase in rental rates, our strategy going forward is also to explore existing opportunities to enhance our rental portfolio. We have a commercial property (Sunteck Centre) on a lease model, strategically located in an area with what we believe to be a good demand for commercial space. For the three months ended June 30, 2017 and Fiscals 2017, 2016 and 2015, we generated rental income of ₹ 34.80 lakhs, ₹ 218.78 lakhs, ₹ 278.47 lakhs and ₹ 311.83 lakhs, respectively. We also expect that Sunteck City - Avenue 5 and Avenue 6 will increase our rental income once they are completed (expected in 2022). With our upcoming commercial projects at Bandra-Kurla Complex and ODC Goregaon (West), we intend to focus on developing a sizable rental portfolio which will help us generating steady cash flows from rental income.

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 Preliminary Placement Document, including the sections “*Risk Factors*”, “*Use of Proceeds*”, “*Placement*”, “*Issue Procedure*” and “*Description of the Equity Shares*” beginning on pages 42, 67, 155, 144 and 169, respectively.

Issuer	Sunteck Realty Limited
Issue Price	₹ [●] per Equity Share
Issue Size	Issue of [●] Equity Shares, aggregating to ₹ [●] lakhs A minimum of 10 % of the Issue Size i.e. up to [●] Equity Shares shall be available for Allocation to Mutual Funds only, and up to [●] Equity Shares shall be available for Allocation to all 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
Floor Price	₹ 336.33 per Equity Share. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price
Face value	₹ 1 per Equity Share
Minimum Issue Size	Minimum value of offer or invitation to subscribe to each QIB is ₹ 20,000 calculated at the face value of the Equity Shares
Date of Board Resolution	May 26, 2017
Date of shareholders’ Resolution	July 4, 2017
Eligible Investors	QIBs as defined in Regulation 2(1)(zd) of the SEBI ICDR Regulations to whom this Preliminary Placement Document and the Application Form is circulated and who are eligible to bid and participate in the Issue and QIBs not excluded pursuant to Regulation 86(1)(b) of the SEBI ICDR Regulations. See the sections “ <i>Issue Procedure</i> ”, “ <i>Selling Restrictions</i> ” and “ <i>Transfer Restrictions</i> ” beginning on pages 144, 157 and 163, respectively. The list of QIBs to whom this Preliminary Placement Document and Application Form is delivered shall be determined by the Book Running Lead Managers in consultation with our Company, at their sole discretion
Equity Shares issued and outstanding immediately prior to the Issue	12,59,85,470 Equity Shares
Equity Shares issued and outstanding immediately after the Issue	Immediately after the Issue, [●] Equity Shares will be issued and outstanding. The Board of Directors of the Company are scheduled to meet on October 27, 2017, to consider fund raising by way of preferential issue of Equity Shares to our Promoters for an amount not exceeding Rs. 15,100 lakhs. The price at which Equity Shares will be allotted under the preferential allotment shall be in accordance with Chapter VII of the ICDR Regulations, however, such price shall not be less than the price at which the Equity Shares are allotted pursuant to any qualified institutional placement that the Company may do pursuant to the resolution passed by the shareholders by way of postal ballot on July 4, 2017.
Listing	Our Company has obtained in-principle approval dated October 24, 2017, in terms of Regulation 28(1) of the Listing Regulations for listing of the Equity Shares pursuant to the Issue, from the Stock Exchanges. Our Company shall make application to each of the Stock Exchanges after allotment to obtain final listing and trading approvals for the Equity Shares

Lock-up	Please see the sub-section titled “ <i>Lock-up</i> ” of “ <i>Placement</i> ” on page 155 for a description of restrictions on our Promoters and Promoter Group in relation to Equity Shares	
Transferability Restrictions	The Equity Shares Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. See the section “ <i>Transfer Restrictions</i> ” beginning on page 163	
Use of Proceeds	The gross proceeds from the Issue are ₹ [●] lakhs. The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ [●] lakhs. See the section “ <i>Use of Proceeds</i> ” beginning on page 67 for additional information	
Risk Factors	See the section “ <i>Risk Factors</i> ” beginning on page 42 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares	
Pay-In Date	Last date specified in the CAN sent to the QIBs for payment of application money	
Closing	The Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about October 27, 2017	
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> with the existing Equity Shares of our Company, including rights in respect of dividends. The shareholders of our Company will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the Listing Regulations and other applicable laws and regulations. Shareholders of our Company may attend and vote in shareholders’ meetings on the basis of one vote for every Equity Share held	
Voting Rights	See the section titled “ <i>Description of Equity Shares</i> ” beginning on page 169	
Security Codes for the Equity Shares	ISIN	INE805D01034
	BSE Code	512179
	NSE Code	SUNTECK

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information derived from our audited consolidated financial statements as of and for the years ended March 31, 2017, 2016 and 2015 and the unaudited consolidated condensed balance sheet as at June 30, 2017, the unaudited consolidated condensed statement of profit and loss and the unaudited consolidated condensed statement of cash flow for the three months period ended June 30, 2016 and 2017, in each case prepared in accordance with the applicable accounting standards, Companies Act 2013, Companies Act 1956 and the requirements of SEBI Listing Regulations, as applicable, and presented in “Financial Statements” on page 195. The selected financial information presented below should be read in conjunction with “Management’s Discussion and Analysis of Our Financial Conditions and Results of Operations” and “Financial Statements” on pages 74 and 195, respectively.

Consolidated Balance Sheet

(Rs. In Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS			
Non - current assets			
Property, Plant and Equipment	1,390.76	1,537.95	1,717.12
Investment Property	2,618.34	2,648.30	2,678.26
Goodwill	3,184.01	3,191.34	3,184.01
Other Intangible Assets	18.61	23.15	25.48
Financial Assets			
(i) Investments			
- Investments in an Associate and Joint ventures	17,005.54	17,516.79	6,643.83
- Other Investments	9,730.98	9,220.70	8,261.19
(ii) Other financial assets	60.86	230.30	114.14
Current tax assets (Net)	637.26	674.77	558.03
Deferred tax assets (Net)	2,335.15	2,487.35	46.23
Other non-current assets	9.99	17.33	82.01
Current assets			
Inventories	2,80,172.48	3,12,956.43	2,90,174.36
Financial Assets			
(i) Investments			
- Investments in an Associate and Joint ventures	5,139.47	7,519.78	5,383.36
- Other Investments	292.96	-	-
(ii) Trade receivables	16,092.83	15,901.12	20,786.27
(iii) Cash and cash equivalents	5,954.65	6,569.25	10,242.84
(iv) Bank balances other than (iii) above	3,906.24	2,596.14	570.01
(v) Loans	8,145.39	14,766.42	19,674.05
(vi) Other financial assets	6,568.00	13,232.11	61,446.34
Other current assets	4,441.70	6,249.83	5,892.06
Total Assets	3,67,705.22	4,17,339.05	4,37,479.59
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	1,199.32	1,199.32	1,199.32
Other Equity	1,78,334.89	1,58,647.77	1,55,444.16
Non-controlling interests	7,057.40	5,839.10	7,147.51
LIABILITIES			
Non - current liabilities			
Financial liabilities			
(i) Borrowings	2,960.91	3,457.11	6.56
(ii) Other financial liabilities	162.16	283.76	256.09

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provisions	82.68	89.45	43.74
Deferred tax liabilities(Net)	-	71.24	6,409.51
Current liabilities			
Financial Liabilities			
(i) Borrowings	91,434.49	1,19,932.11	1,06,426.27
(ii) Trade payables	13,807.08	12,678.81	13,921.74
(iii) Other financial liabilities	2,077.31	3,486.21	9,654.41
Other current liabilities	65,899.33	1,01,612.58	1,34,985.00
Provisions	39.06	7,517.80	1,985.21
Current Tax Liabilities (Net)	4,650.59	2,523.79	0.07
Total Equity and Liabilities	3,67,705.22	4,17,339.05	4,37,479.59

Consolidated Statement of Profit and Loss

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015 - IGAAP
INCOME			
Revenue from operations	95,219.65	24,336.86	30,284.57
Other income	816.38	1,788.23	1,402.48
Total Income	96,036.03	26,125.08	31,687.05
EXPENSES			
Operating costs	56,557.85	19,546.06	14,179.13
Employee benefits expense	1,286.58	992.42	547.98
Finance costs	4,552.41	1,687.75	1761.93
Depreciation and amortisation expense	227.01	222.59	196.94
Other expenses	2,568.15	1,406.44	2164.08
Total Expenses	65,191.99	23,855.26	18,850.06
Profit before share of profits / (loss) of an associate and joint ventures	30,844.04	2,269.83	12,836.99
Add: Share of profit / (loss) of an associate and joint ventures accounted for using the equity method	(509.76)	(169.42)	-
Profit before tax	30,334.28	2,100.41	12,836.99
Tax expense			
Current tax	8,671.43	8,148.20	4705.14
Short taxation of earlier years	5.23	1.61	3.72
Deferred tax	81.20	(8,781.69)	(10.77)
MAT Credit	(37.60)	-	
Profit for the year (A)	21,614.02	2,732.28	8,138.90
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurments of defined benefit plans	9.37	12.26	
Equity Instruments through Other Comprehensive Income	12.54	(14.32)	
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of foreign operations	384.47	(668.34)	
Other comprehensive income for the year (B)	406.38	(670.40)	
Total comprehensive income for the year (A+B)	22,020.40	2,061.88	8,138.90
Profit attributable to:			
Equity holders of the parent	20,395.71	2,296.80	

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015 - IGAAP
Non - controlling interests	1,218.30	435.48	
Total comprehensive income attributable to:			
Equity holders of the parent	20,802.10	1,626.39	6,815.77
Non - controlling interests	1,218.30	435.48	1,323.14
Earnings per equity share of face value Rs. 2 each			
Basic	34.01	3.83	
Diluted	34.01	3.83	

Consolidated Cash Flow Statement

Particulars	(Rs. in lakhs)		
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015 - IGAAP
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit before share of profits / (loss) of an associate and joint ventures	30,844.04	2,269.83	12,836.99
Adjustments for:			
Depreciation and amortisation expenses	227.01	222.59	196.94
(Profit)/Loss on sale of investment property	329.39	-	(0.67)
(Gain) / Loss in fair value of financial assets through Statement of Profit & Loss	(229.59)	(1,067.10)	
Share-based payments to Employees	8.67	37.83	-
Income relating to previous years	184.52	-	-
Dividend income	(58.79)	(2.21)	(10.29)
Interest income	(502.44)	(709.20)	(1,340.15)
Finance costs	4,552.41	1,687.75	1,758.45
Foreign Currency Translation Reserve	384.47	(670.32)	161.13
Loss on sale of Fixed assets			5.39
Liabilities no Longer Required Written Back	-	-	(50.62)
Operating profit before working capital changes	35,739.69	1,769.17	13,557.17
Adjustments for:			
(Increase)/decrease in trade receivables	(191.71)	4,885.16	(9836.48)
(Increase)/decrease in other receivables	-	-	37,722.26
(Increase)/decrease in other financial assets, other non-current and current assets	7,155.32	45,939.98	
(Increase)/decrease in inventories	32,791.21	(22,765.06)	(41,904.28)
Increase/(decrease) in trade payables	1,128.26	(1,242.93)	
Increase/(decrease) in other financial liabilities, provisions and other current liabilities	(45,875.43)	(35,644.94)	(2769.63)
Cash flows (used in)/ generated from operating activities	30,747.34	(7,058.62)	(3230.96)
Less: Direct taxes paid (net of refunds)	6,474.99	5,742.95	(5,301.77)
Net cash flows (used in)/ generated from operating activities - [A]	24,272.33	(12,801.57)	(8,532.73)
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Property, Plant & Equipment and Intangible assets	(52.59)	(28.13)	
Investment in Equity Shares / Capital (Associates and Joint Ventures including LLP and Partnership Firms)	2,088.85	(13,178.80)	
Sale of Investment in Associates, Joint Ventures and Partnership firms	\$(0.00)	-	

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015 - IGAAP
Business (Acquisition) / Dilution	7.33	(6.49)	(17,799.63)
Loans repaid by related parties and body corporate	6,637.91	4,913.43	
Investment in Property	(1,540.99)	-	
Sale of Property	1,211.60	-	
Sale of Fixed Asset			33.83
Purchase of Investment			(6.69)
Purchase of Fixed Asset			(177.34)
Investment in Mutual Funds	(2,550.00)	(6,500.00)	
Redemption of Mutual Funds	2,550.00	6,500.00	
Dividend received	58.79	2.21	10.29
Interest received	410.38	647.79	2,147.44
Net cash (used in) / generated from investing activities - [B]	8,821.29	(7,650.00)	(15,792.09)
CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from Share Application money (Under ESOP)	78.26	-	
Proceeds from borrowings	29,466.10	40,784.45	92,944.38
Repayment of Borrowings	(58,459.91)	(23,828.06)	(38,077.65)
Other Borrowings			(10,892.37)
Repayment of share application money			(8,949)
Dividends paid (including tax on dividend)	(1,386.42)	(200.94)	(184.16)
Interest paid	(3,406.24)	22.53	(1,384.22)
Net cash (used in) / generated from financing activities - [C]	(33,708.21)	16,777.99	33,456.97
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES - [A+B+C]	(614.61)	(3,673.58)	9,132.15
Add: Cash and cash equivalents at the beginning of the year	6,569.25	10,242.84	1,216.21
Cash and cash equivalents at the end of the year	5,954.64	6,569.26	10,348.36

Condensed Consolidated balance Sheet

Particulars	(Rs. in lakhs)	
	As at 30th June, 2017	As at 31st March, 2017
ASSETS		
Non - current assets		
Property, Plant and Equipment	1,356.88	1,390.76
Investment Property	2,616.26	2,618.34
Goodwill on Consolidation	3,184.01	3,184.01
Other Intangible Assets	16.72	18.61
Financial Assets		
(i) Investments		
- Investments in an Associate and Joint ventures	16,986.72	17,005.54
- Other Investments	9,775.15	9,730.98
(ii) Other financial assets	61.60	60.86
Current tax assets (Net)	668.09	637.26
Deferred tax assets (Net)	2,409.51	2,335.15
Other non-current assets	14.91	9.99
Current assets		

Particulars	As at 30th June, 2017	As at 31st March, 2017
Inventories	2,83,806.74	2,80,172.48
Financial Assets		
(i) Investments		
- Investments in an Associate and Joint ventures	5,142.47	5,139.47
- Other Investments	3,993.88	292.96
(ii) Trade receivables	15,013.68	16,092.83
(iii) Cash and cash equivalents	5,100.51	5,954.65
(iv) Bank balances other than (iii) above	4,823.38	3,906.24
(v) Loans	11,118.07	8,145.39
(vi) Other financial assets	12,974.21	6,568.00
Other current assets	4,562.03	4,441.70
Total Assets	3,83,624.82	3,67,705.22
EQUITY AND LIABILITIES		
EQUITY		
Equity Share capital	1,199.85	1,199.32
Other Equity	1,81,855.85	1,78,334.89
Non-controlling interests	7,232.49	7,057.40
LIABILITIES		
Non - current liabilities		
Financial liabilities		
(i) Borrowings	2,964.99	2,960.91
(ii) Other financial liabilities	161.70	162.16
Provisions	101.70	82.68
Deferred tax liabilities(Net)	-	-
Current liabilities		
Financial Liabilities		
(i) Borrowings	1,00,696.60	91,434.49
(ii) Trade payables	16,346.01	13,807.08
(iii) Other financial liabilities	1,000.21	2,077.31
Other current liabilities	68,116.58	65,899.33
Provisions	38.97	39.06
Current Tax Liabilities (Net)	3,909.87	4,650.59
Total Equity and Liabilities	3,83,624.82	3,67,705.22

Condensed Consolidated Statement of Profit and Loss

(Rs. in lakhs)

Particulars	Quarter ended 30th June, 2017	Quarter ended 30th June, 2016
INCOME		
Revenue from operations	13,337.44	52,452.63
Other income	207.61	380.25
Total Income	13,545.05	52,832.88
EXPENSES		
Operating costs	5,668.48	40,130.18
Employee benefits expense	232.98	366.73
Finance costs	1,028.01	1,167.73
Depreciation and amortisation expense	36.45	49.66
Other expenses	362.38	452.97
Total Expenses	7,328.30	42,167.27
Profit before share of profits / (loss) of an associate	6,216.75	10,665.61

Particulars	Quarter ended 30th June, 2017	Quarter ended 30th June, 2016
and joint ventures		
Add: Share of profit / (loss) of an associate and joint ventures accounted for using the equity method	(18.81)	(368.55)
Profit before tax	6,197.94	10,297.06
Tax expense		
Current tax	2,308.48	3,802.25
Deferred tax	(75.11)	46.54
Profit for the year (A)	3,964.57	6,448.27
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		
Remeasurments of defined benefit plans	0.52	-
Equity Instruments through Other Comprehensive Income	0.55	-
Income tax relating to above items	0.92	-
Items that will be reclassified to profit or loss		
Exchange difference in translating the financial statements of foreign operations	20.45	20.15
Other comprehensive income for the year (B)	22.44	20.15
Total comprehensive income for the year (A+B)	3,987.01	6,468.42
Profit attributable to:		
Equity holders of the parent	3,496.46	6,012.20
Non - controlling interests	468.11	436.07
Total comprehensive income attributable to:		
Equity holders of the parent	3,518.90	6,032.35
Non - controlling interests	468.11	436.07
Earnings per equity share of face value Rs. 2 each		
Basic	2.91	5.01
Diluted	2.91	5.01

Condensed Consolidated Cash Flow Statement

Particulars	Quarter ended 30th June, 2017 (Rs. In Lakhs)	Quarter ended 30th June, 2016 (Rs. In Lakhs)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before share of profits / (loss) of an associate and joint ventures	6,216.75	10,665.60
Adjustments for:		
Depreciation and amortisation expenses	36.45	49.66
Gain / (Loss) in fair value of financial assets through Other Comprehensive Income	1.99	
(Gain) / Loss in fair value of financial assets through Statement of Profit & Loss	(43.62)	(244.33)
Share-based payments to Employees	2.07	6.29
Dividend income	(4.25)	
Interest income	(93.08)	(120.15)
Finance costs	1,028.01	1,167.73
Foreign Currency Translation Reserve	20.45	(300.54)
Operating profit before working capital changes	7,164.77	11,224.27
Adjustments for:		
(Increase)/decrease in trade receivables	1,079.15	2,999.40
(Increase)/decrease in other financial assets, other non-current	(1,993.76)	(47,808.56)

Particulars	Quarter ended 30th June, 2017 (Rs. In Lakhs)	Quarter ended 30th June, 2016 (Rs. In Lakhs)
and current assets		
(Increase)/decrease in inventories	(3,925.32)	28,389.90
Increase/(decrease) in trade payables	2,538.93	3,625.15
Increase/(decrease) in other financial liabilities, provisions and other current liabilities	2,208.60	7,611.97
Cash flows (used in)/ generated from operating activities	7,072.37	6,042.13
Less: Direct taxes paid (net of refunds)	(3,079.29)	(3,808.68)
Net cash flows (used in)/ generated from operating activities - [A]	3,993.07	2,233.45
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment and Intangible assets	(0.56)	(14.08)
Investment in Equity Shares / Capital (Associates and Joint Ventures including LLP and Partnership Firms)	(3.00)	(4.54)
Investment in Mutual Funds	(3,700.92)	
Investment towards Earnest Money deposit	(5,000.00)	
Loans given to / (repaid by) Subsidiaries, related parties and body corporate	(3,383.17)	3,683.32
Dividend received	4.25	
Interest received	47.98	10.53
Net cash (used in) / generated from investing activities - [B]	(12,035.43)	3,675.24
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from / (Repayment of) borrowings	9,123.46	(3,523.45)
Interest paid	(1,935.25)	(4,169.70)
Net cash (used in) / generated from financing activities - [C]	7,188.22	(7,693.14)
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES - [A+B+C]	(854.14)	(1,784.45)
Add: Cash and cash equivalents at the beginning of the Quarter	5,954.65	9,165.38
Cash and cash equivalents at the end of the Quarter	5,100.51	7,380.93

Standalone Balance Sheet

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS			
Non - current assets			
Property, Plant and Equipment	1,108.82	1,168.64	1,227.52
Investment Property	2,133.15	2,163.10	2,193.06
Intangible Assets	4.16	7.30	11.36
Financial Assets			
(i) Investments	42,113.46	52,672.34	44,133.62
(ii) Other financial assets	4.01	1,223.20	13.10
Current tax assets (Net)	289.20	199.89	88.48
Deferred tax assets (Net)	337.55	421.16	-
Other non-current assets	9.99	17.33	82.01
Current assets			
Inventories	17,395.69	16,040.68	17,581.92
Financial Assets			
(i) Investments	14,763.63	17,923.44	24,540.02
(ii) Trade receivables	3,452.05	3,772.65	1,934.97
(iii) Cash and cash equivalents	2,890.58	201.48	159.65
(iv) Bank balances other than (iii)	101.94	35.37	19.61

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
above			
(v) Loans	25,196.92	3,607.13	46.12
(vi) Other financial assets	1,288.18	4,632.45	688.94
Other current assets	1,009.45	456.91	368.87
Total Assets	1,12,098.79	1,04,543.07	93,089.25
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	1,259.32	1,259.32	1,259.32
Other Equity	84,426.58	69,847.76	69,700.04
LIABILITIES			
Non - current liabilities			
Financial liabilities			
(i) Borrowings	2,960.91	3,457.11	-
(ii) Other financial liabilities	93.68	283.76	124.50
Provisions	52.06	39.95	26.15
Deferred tax liabilities (Net)	-	-	323.07
Other non-current liabilities	-	-	28.43
Current Liabilities			
Financial Liabilities			
(i) Borrowings	19,136.87	20,212.94	11,868.53
(ii) Trade payables	1,249.95	2,466.72	2,010.50
(iii) Other financial liabilities	997.12	621.44	5,019.42
Other current liabilities	1,886.67	6,315.62	2,497.14
Provisions	35.62	38.45	232.15
Total Equity and Liabilities	1,12,098.79	1,04,543.07	93,089.25

Standalone Statement of Profit & Loss

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015 – I GAAP
INCOME			
Revenue From Operations	19,724.14	8,697.52	9,301.67
Other Income	1,843.72	408.46	892.53
Total Income	21,567.86	9,105.98	10194.20
EXPENSES			
Operating Costs	2,105.31	5,216.70	392.04
Employee benefits expense	704.99	638.40	500.15
Finance costs	1,371.85	582.02	833.73
Depreciation and amortisation expense	93.69	98.12	67.52
Other expenses	1,336.76	2,818.40	714.97
Total Expenses	5,612.60	9,353.63	2,508.41
Profit / (Loss) before tax	15,955.26	(247.65)	7,685.79
Tax expense :			
Current tax	35.92	222.44	208.59
Short / (Excess) taxation of earlier years	0.25	(9.32)	
Deferred tax	83.63	(747.15)	6.29
Profit for the year	15,835.46	286.38	7,470.91
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurements of net defined benefit plans	(3.50)	7.32	

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015 – I GAAP
- Equity Instruments through other comprehensive income	10.87	(14.43)	
- Income tax relating to above items	-	(2.42)	
Total Comprehensive Income for the year	15,842.83	276.84	7,470.91
Earnings per equity share of face value Rs. 2 each			
Basic	25.15	0.45	11.86
Diluted	25.15	0.45	11.86

Standalone Cash Flow Statement

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015 - IGAAP
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit / (Loss) before tax	15,955.26	(247.65)	7,685.79
Adjustments for:			
Depreciation and amortisation expenses	93.69	98.12	67.52
Loss on disposal of Property, Plant and Equipment	-	0.71	
Net (gain)/loss on sale of investments	(84.92)	-	119.41
(Gain) / Loss in fair value of financial assets through Statement of Profit & Loss	(773.41)	2,278.01	
Share-based payments to Employees	11.19	34.62	
Dividend income	(637.35)	(169.16)	(162.15)
Interest income	(304.97)	(176.95)	(653.77)
Finance costs	1,371.84	582.02	833.73
Sundry Balances Written back			(13.79)
Loss from Merged Entity			0.04
Operating profit before working capital changes	15,631.33	2,399.72	7,876.69
Adjustments for:			
(Increase)/decrease in trade receivables	320.60	(1,837.68)	(146.33)
(Increase)/decrease in other receivables			(586.18)
(Increase)/decrease in other financial assets, other non-current and current assets	3,945.44	(5,178.95)	
(Increase)/decrease in inventories	(1,352.48)	1,543.92	(4,103.29)
Increase/(decrease) in trade payables	(1,216.77)	456.22	
Increase/(decrease) in other financial liabilities, provisions and other current and non-current liabilities	(4,449.03)	(1,094.23)	(383.00)
Cash flows (used in)/ generated from operating activities	12,879.09	(3,711.00)	2,657.89
Less: Direct taxes paid (net of refunds)	89.58	326.95	234.64
Net cash flows (used in)/ generated from operating activities - [A]	12,789.51	(4,037.95)	2,423.25
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of property, plant & equipment and intangible assets	(3.29)	(7.90)	
Purchase of fixed assets			(6.02)
Investment in Equity shares / Capital (subsidiaries, associates, joint venture, including LLP and Partnership firms)	3,158.81	7,369.30	(10,957.69)
Sale of Investment in a subsidiary and an associate	1.00	1.00	4,223.91

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015 - IGAAP
(LLP)			
Investment in Debentures of a subsidiary and a joint venture	(519.81)	(12,356.90)	
Redemption of Debentures of a subsidiary and a joint venture	10,504.46	772.72	
Investment in Mutual Fund	(2,550.00)	(6,500.00)	(13,156.28)
Redemption of Mutual Fund	2,550.00	6,500.00	13,156.28
Dividend received	637.35	169.16	162.15
Interest received	527.09	1,398.25	175.23
Loans given to subsidiaries	(20,368.71)	(4,784.07)	
Loans and Advances (given to)/ received back(Net)			(18.05)
Purchase of Current Investments			
Sale of Current Investments			
Current account with LLP			1,178.80
Net cash (used in) / generated from investing activities - [B]	(6,063.10)	(7,438.44)	(7,599.27)
CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from Share Application money (Under ESOP)	78.26	-	
Proceeds from Borrowings	5,612.78	15,929.37	5,450
Repayment of Borrowings	(7,185.05)	(4,127.84)	(4,269.43)
Dividends paid (including tax on dividend)	(1,386.42)	(166.95)	(158.35)
Other Borrowings (Net)			936.94
Unsecured Loans taken (Net of borrowing)			4,568.45
Interest paid	(1,156.88)	(116.35)	(1222.61)
Net cash (used in) / generated from financing activities - [C]	(4,037.31)	11,518.23	5,305.00
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES - [A+B+C]	2,689.10	41.84	128.99
Add: Cash and cash equivalents at the beginning of the year	201.48	159.64	30.65
Cash and cash equivalents at the end of the year	2,890.58	201.48	159.64

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Preliminary Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. Additionally, the risks set out in this section may not be exhaustive and risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If any of the following risks, or other risks that are not currently known or which we currently deem immaterial or inapplicable to our business, occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline and all or part of your investment may be lost. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. In making an investment decision, prospective investors must rely on their own examinations of our business, financial statements and the industry in which we operate, as a whole, and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors regarding the consequences of investing in the Equity Shares.

This section should be read together with the sections “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 118 and 74, respectively, as well as the other financial and statistical information contained in this Preliminary Placement Document. This Preliminary Placement Document also contains forward-looking statements which involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. For further details, see “Forward-Looking Statements” on page 13.

Unless otherwise stated or the context requires otherwise, the financial information used in this section is derived from our Consolidated Financial Information.

Risks relating to our business

We are heavily dependent on the performance of, and conditions affecting, the real estate market, especially in Mumbai, and any factor that adversely affects the value of real estate in Mumbai could materially affect our business and results of operations.

A majority of our Completed Projects, Ongoing Projects and Forthcoming Projects are located in the MMR. As of June 30, 2017, 88.1%, 100.0% and 100.0% of our Completed Projects, Ongoing Projects and Forthcoming Projects, respectively, were located in the MMR. While we have undertaken projects in certain city centric locations outside Mumbai, such as in Nagpur, Goa and Jaipur, we plan to continue to focus on the development of projects predominantly in the MMR. Consequently, our business and financial performance have been, and will continue to be particularly prone to any fluctuation in the real estate market in Mumbai, which may be driven by various factors outside our control, including local and global economic conditions, changes in the supply and demand for properties comparable to those that we develop, and changes in applicable Governmental regulations. Further, the demand for our residential and commercial units may decrease if potential purchasers do not continue to consider Mumbai as an attractive place to live and invest. In addition, our ability to respond to changes in market conditions is limited as compared to certain other real estate developers because our business is not as diversified across other geographies in India. Any adverse impact on the performance of, and prevailing conditions affecting, the real estate market in Mumbai may negatively affect our business, financial condition and results of operations.

We may not be successful in identifying and acquiring suitable land for project development, which may negatively impact our business and hinder our growth.

Our ability to identify suitable land for project development is fundamental to our business and involves certain risks including our ability to identify appropriate land and acquire such land on commercially viable terms. We attempt to identify land at locations in which we foresee a potential for increase in demand for real estate projects rather than purchasing land for project development in prime locations, which allows us to increase our profit margins. While we have successfully identified suitable land in the past and have acquired them, directly or through joint development agreements, on commercially viable terms, we may not be as successful in identifying such land in the future or acquiring them on commercially viable terms, if at all, in the future, which could adversely affect our business and profit margins. Further, we need to take into account land use regulations, the availability and commitment from the respective state Government to provide off-site infrastructure, the

requirement for suitable rehabilitation of project affected persons, if any, the land's proximity to resources such as water and electricity, expectations of our customers in relation to the infrastructure and amenities to be provided. Any failure to provide suitable amenities and anticipate and respond to customer demand in a timely manner, if at all, could adversely affect our business, prospects, financial condition and results of operations.

We undertake our business under the “asset light model” which entails certain risks.

We undertake our business under the “asset light model”, pursuant to which we collaborate with third parties (which own title to the land), through a joint development agreement, to acquire development rights to such land or a part of the land. As a result, our balance sheet is kept “asset light”, which allows a relatively higher return on equity due to a lower degree of investment. In exchange for these development rights, we may be required to pay advances to land owners and may under certain circumstances be, forced to accept certain unfavorable conditions to the developments. If we are unable to complete the construction and development of the agreed project or commit a breach of any of our obligations against which have been granted such development rights, we may be unable to recover the advances we paid. Although we are generally able to make all operating decisions for the development of these projects, we are also required to make certain decisions in consultation with such third parties, which may limit our flexibility in making certain decisions (including those pertaining to development and marketing). Further, we cannot assure you that such third parties hold valid title or can establish clear ownership to such land or that they have obtained all necessary approvals and licenses with respect to such land or that the documents of title under which the owners or their predecessors have derived title to the land are duly stamped and registered as required under Indian law all of which may result in time consuming and expensive property litigation. See “*While acquiring joint development rights over land parcels or other properties, we may not be aware of legal uncertainties and defects with respect to title over land, which may have an adverse impact on our ability to develop and market projects developed over such land.*” Under Indian law, we may not be able to specifically enforce our development rights in the event of termination of the development agreement by the landowners. Further, such third parties may have business interests or goals that are inconsistent with ours, such that disputes may arise which could cause delays in completion, or the abandonment, of the project.

Additionally, we undertake certain projects through joint ventures, whereby we jointly develop projects with third parties, which allows our business to remain “asset light”. If our joint venture partners fail to perform their obligations in a satisfactory manner, the joint venture or partnership may be unable to successfully complete the intended project in the scheduled timetable, within budget, or at all. Under such circumstances, we may be required to make additional investments in the joint venture or partnership or become liable for its obligations, which could result in reduced profits and significant losses. Further, the inability of a partner to continue with a project due to financial or legal difficulties could result in our bearing of increased or sole responsibility and commitments for the relevant project.

While acquiring joint development rights over land parcels or other properties, we may not be aware of legal uncertainties and defects with respect to title over land, which may have an adverse impact on our ability to develop and market projects developed over such land.

In India, the documentation of land and the maintenance of revenue records have not been fully computerized and are generally maintained and updated manually, which, in certain cases, lead to inaccuracies due to human error. Title to a land parcel may be fragmented and one parcel of land may have multiple owners. Further, some land may have irregularities of title, ownership documents may be non-executed or conveyance deed may be non-registered or inadequately stamped and may also be subject to other encumbrances, which is often difficult to ascertain. Consequently, there are a lot of uncertainties typically associated with establishing the title to a land parcel in India. As part of our policy on acquisition of joint development rights or other properties, we retain lawyers to conduct due diligence and assessment exercises and/or provide us with title search reports prior to acquisition of development rights or other properties. However, such due diligence and investigation on title may not discover all uncertainties relating to a land parcel that we intend to acquire, which exposes real estate development companies in India to risks including claims, encumbrances, charges, disputes or legal proceedings associated with properties. Any such claims, encumbrances, charges, disputes or legal proceedings could distract our management's time and/or stall or delay projects to be located on such properties. Further, if any third party is able to successfully establish a claim on the land on which such properties are situated, we may not be able to develop these properties as planned. We also risk losing development rights that we have over such properties as well as our investments, which would have an adverse effect on our business, financial condition and results of operations.

Title insurance is not commercially available in India to guarantee title or development rights in respect of a land. A lack of title insurance, coupled with difficulties in verifying title to land, may increase our exposure to

third parties claiming title to the property or otherwise materially prejudice the development of the property which could in turn adversely affect our business, prospects, financial condition and results of operations. Further, we have not obtained in the past title opinions or search reports for the land on which some of our properties are located, such as our Sunteck Signia City Jaipur, Sunteck Crest, Sion, South Mumbai I& II, Signia Gardens, Gilbert Hill, Sunteck Dubai and Signia Pride. We plan to obtain title opinion or search reports, at a later stage, but there can be no assurance that a successful title opinions or search reports for such lands will be obtained if at all. For further details on these properties, please see the section titled “*Business – Our Portfolio*” on page 122.

Our business requires significant capital expenditure and if we are unable to obtain the necessary funds on acceptable or commercially viable terms, or at all, we may not be able to fund the development of our projects, and land acquisition in certain cases, which may adversely affect our business and results of operations.

The real estate business is capital intensive, which includes cost of acquisition of joint development rights, land acquisition, project development and other ancillary expenses. In order to fund our business, we rely on operating and financing cash flows such as loans from various banks and financial institutions. Our business and profitability is dependent on our ability to raise adequate financing on commercially viable terms in timely manner, which we may not be able to undertake on a consistent basis going forward. Further, our ability to finance our business through loans from banks and other financial institutions on acceptable terms, or at all, is subject to a number of risks, contingencies and other factors, some of which are beyond our control. If we fail to raise additional funds in such amounts and at such times as we require, we may be forced to reduce our capital expenditures and construction of real estate projects to a level that can be adequately supported by available funds and resources. This could delay the construction of the projects, which may result in our inability to meet certain obligations under our development agreements and may result in a partial or complete loss of investments in the projects. Additionally, the terms of the agreements governing such loans contain a number of financial, affirmative and other covenants which we may not be able to, fulfil. Failure to comply with all or any of such covenants, i.e., a breach of such agreements, may result in the financial institutions withdrawing or declining to provide us with further financing. See “– *Our lenders have imposed certain restrictive conditions on us under our financing arrangements, which may limit our ability to expand our business and our flexibility in planning for, or reacting to, changes in our business and industry*” on page 47.

Our business and future results of operations may be adversely affected if we incur any time or cost overruns while undertaking project development.

Our business and expansion plans are subject to risks arising out of time and cost overruns which exposes us to certain risks arising out of events such as increase in the cost of raw materials, salaries and wages, fluctuation in demand of real estate projects in the areas in which our Ongoing Projects are located, change in regulatory framework in which we operate, occurrence of any of which may lead to time and cost overruns. In the event that we incur significant time and cost overruns, our financial condition and results of operations may be adversely affected. Additionally, we may fail to achieve our expected economic benefits from such projects which could adversely affect our business, prospects, financial condition and results of operations.

We sometimes enter into MoUs, acquisition agreements and similar agreements with third parties to acquire land and projects, which entails certain risks.

We sometimes enter into MoUs, acquisition agreements and other similar agreements with third parties to acquire title with respect to certain land and/or buildings or parts thereof. Since a formal transfer of title with respect to such land or buildings or parts thereof is completed only after all requisite governmental consents and approvals have been obtained and all conditions precedent to such agreements have been complied with, we are subject to the risk that the landowners may transfer the land to other purchasers or that we may fail to acquire registration of title with respect to such land. We also make partial payments to third parties to acquire certain land or buildings, which we may be unable to recover under certain circumstances. Further, our inability to comply with our obligations under such MoUs or agreements may result in third parties’ termination of these MoUs or agreements and forfeiting any partial payments we have made and possibly also claiming damages from us. Our inability to acquire such land or buildings, or failure to recover the partial payment we made with respect to such land, could adversely affect our business, prospects, financial condition and results of operations.

We have and may continue to acquire buildings by entering into purchase agreements with the owners of individual flats or units of such buildings. In such cases, we may be unable to acquire each and every flat or unit, causing a delay in the redevelopment plan and result in an inefficient use of our resources, which could adversely affect our business prospectus, financial condition and result of operations.

The name of Kishore Vussonji, one of our Independent Directors, appears in the list of wilful defaulters issued by TransUnion CIBIL Limited (formerly Credit Information Bureau (India) Limited)

The name of Kishore Vussonji, one of our Independent Directors, appears in the list of wilful defaulters issued by TransUnion CIBIL Limited (formerly Credit Information Bureau (India) Limited) (“CIBIL”) in relation to a default of payment by Lloyds Finance Limited (“LFL”) of loan(s) taken by LFL from the State Bank of Mysore (now merged with State Bank of India (“SBI”)). As per the information available on CIBIL’s website, the said default appears for the period from March 31, 2002 till June 30, 2005. The outstanding amount as of June 30, 2005 was Rs. 890.00 lakhs. However, Kishore Vussonji, who was an independent director on the board of directors of LFL, resigned from its board in Fiscal 2000. For further details, see “Disclosures pertaining to wilful defaulters” on page 140.

Further, the names of Kamal Khetan and Ramakant Nayak appear on the website of CIBIL as Directors on board of companies against whom suits above ₹ one crore have been filed and outstanding as on October 17, 2017.

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

Our commercial real estate business plans to target leading Indian and multinational companies. Our growth and success depends on the provision of high quality office space to attract and retain clients who are willing and able to pay rent or purchase prices at suitable levels, and on our ability to anticipate the future needs and expansion plans of these clients. In addition, our prospective commercial customers may choose to acquire or develop their own commercial facilities, which may reduce the demand for our commercial properties from these customers. Should demand from our target customers for our commercial properties fall, we may not be able to sell or lease our developments at the prices we have budgeted for, if at all, which could adversely affect our business prospectus, financial

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

The changing lifestyle and growing disposable income of India's middle class has resulted in a substantial change in the nature of demands in the luxury segment. Increasingly, consumers are seeking better housing and better amenities in new residential developments. If we fail to anticipate and respond to consumer requirements, we could lose potential clients to our competitors, which in turn could adversely affect our business, prospects, financial condition and results of operations.

The real estate industry is intensely competitive and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.

We face significant competition from a number of real estate developers that operate in the same geographic regions in which we operate. Important considerations that impact customer decisions include pricing, reputation, location of the project and facilities offered by the developer. Certain of our competitors may be larger than us, better renowned, have more financial resources, expertise or benefit from a more experienced management team. Further, the premium placed in the real estate market on companies with experience may lead some of the new market entrants to accept lower margins in order to establish themselves. There can be no assurance that we will be able to continue to compete effectively with our competitors in the future, which may have an adverse effect on our business, results of operations, financial condition and cash flows.

Default on rental payments or cancellation of lease prior to the completion of the lease period by our customers may adversely affect our business and results of operations.

We incur significant infrastructure costs in the development of our projects including the establishment, construction and maintenance of services, which include but are not limited to telecommunications and the internet. These infrastructural costs, maintenance charges, taxes on the property and stamp duty are generally indirectly borne by the tenants through the payment of lease rentals. For Fiscal 2017 and the three months ended June 30, 2017, our revenue from lease rentals accounted for 0.82% and 1.02%, respectively, of our total revenues. If a tenant defaults on the payment of lease rentals or cancels the lease prior to the completion of the lease period or if we are otherwise unable to pass such costs to our tenants, our business, prospects, financial condition and results of operations could be adversely affected.

The demand for our residential projects depends on the availability of financing and tax benefits to potential customers.

A large majority of customers acquiring property avail themselves of financing. The interest rate at which our customers may borrow funds for the purchase of our properties affects the affordability of our real estate projects. Any increase in the interest rates payable on home loans would make home loans less attractive to our customers, which may adversely affect our business, future growth and results of operations. Further, any changes in the tax treatment with respect to the repayment of principal on housing loans and interest paid on housing loans may further affect the demand for residential real estate. There are various tax benefits under the Income Tax Act which are available to the purchasers of residential premises who utilize loans from banks or financial institutions. Any unfavorable changes in respect of tax benefits or interest rates could adversely affect the ability or willingness of our potential customers to purchase residential apartments. Consequently, the marketability and value of any properties in which we have invested will depend on many factors beyond our control and there is no assurance that there will be either a ready market for any of our properties (or properties jointly developed by us) or that such properties or any of our investments will be sold at a profit or in a timely manner, if at all. If we are unable to sell or lease our interest in a project, in time or at all, we may incur additional costs and our ability to invest in other developments may be adversely impacted.

Our Executive Directors, senior management and other qualified personnel are instrumental to our success and growth, and our success depends on our ability to continue to retain, attract and motivate such personnel.

Our Executive Directors and senior management personnel have many years of experience in the real estate industry and are difficult to replace. Any loss of any of our Executive Directors or senior management personnel and our inability to recruit suitable personnel as replacements could negatively impact our day-to-day operations, ability to engage in new projects and to develop, maintain and expand client relationships. We do not maintain “key man” insurance for our senior managers or other key personnel. For details of the industry experience of our Executive Directors and our senior management personnel, see “*Board of Directors and Senior Management*” on page 132.

We are also dependent on, in part, on our qualified personnel, such as engineers, architects, lawyers, accountants, and marketing and sales experts, to ensure effective business operations. Our continued and future success will therefore depend, in part, on our ability to continue to retain, attract and motivate such qualified personnel. Competition in India for such personnel is intense and our inability to attract or retain qualified personnel could adversely affect our ability to execute our existing projects in a timely and efficient manner.

The construction and development of our projects require the services of third parties, including service providers, suppliers and independent contractors, which entail certain risks.

For the purposes of construction and development of our projects, we engage third parties such as architects, engineers, contractors and suppliers of labor and materials. We do not have direct control over the day-to-day activities of such contractors and are reliant on such contractors performing these services in accordance with our expectations and the relevant construction contracts. The time of completion and quality of construction of the projects that we develop depends, in part, on the availability and skill of these third parties, as well as other contingencies affecting them, including labor and raw material shortages and industrial action such as strikes and lockouts. Any consequent delay in project execution could materially and adversely affect our business, prospects, financial condition, and results of operations. Additionally, if a contractor or supplier becomes insolvent, it may be impossible for us to recover compensation for any defective work undertaken or materials supplied, as applicable, by such third parties and we may incur losses as a result of funding the repair of the defective work or products or paying damages to persons who have suffered a loss as a result of such defective work products.

Further, customarily, we do not enter into formal long term supply contracts with such third parties. However, any unexpected issues in our relationship with any such third party may require us to source services or materials from alternate sources, which we may not be able to do in a timely manner or on commercially viable terms, if at all, which may adversely affect our business and results of operations.

We are subject to penalty clauses under the construction agreements entered into with certain of our customers for any delay in the completion and handover of the project.

Certain of the construction agreements that we enter into with our residential customers include a “penalty provision”, which allows customers to claim for a penalty in case of any delay in the completion and handover of

a project to the customers. Such penalty is typically payable by us at a fixed rate on a monthly basis. In large residential projects, the aggregate penalty payable to all the customers who have purchased apartments in a project, in the event of a delay, may adversely impact the overall profitability of the project and, therefore, adversely affect our results of operations. In the past, we have not incurred any such penalty clauses but as per RERA, in the event of a delay, there is no assurance that we will not have to incur penalty costs. In the event that we do not complete our projects on time or at all, in addition to our obligation to pay penalties, we may be liable to pay damages for a breach of contract, which may adversely affect our business, prospects, financial condition and results of operations.

We may be subject to various warranty and indemnity claims, and remedial and other costs relating to our projects.

With respect to our projects, we may be subject to claims resulting from defects arising from workmanship, procurement and/or construction services provided by us within the applicable defect liability periods under various project documents. Actual or claimed defects in construction quality could give rise to claims, liabilities, costs and expenses relating to loss of life, personal injury or damage to property. Our policy of covering these risks through contractual limitations of liability and insurance may not always be effective. A failure to meet quality standards could expose us to the risk of liability claims or customer claims for damages. In defending such claims, we could incur substantial costs and may be subjected to adverse publicity. Management resources could be diverted from the day-to-day operations of our business towards defending such claims. If we incur any such liabilities or costs or are required to pay damages or reimburse our customers, our business, results of operations and financial condition may be adversely affected.

Our lenders have imposed certain restrictive conditions on us under our financing arrangements, which may limit our ability to expand our business and our flexibility in planning for, or reacting to, changes in our business and industry.

Our business is capital intensive and typically, we incur significant indebtedness to finance our projects. As of March 31, 2017 and June 30, 2017, our total long term borrowings was ₹ 2,960.91 lakhs and ₹ 2,964.99 lakhs, respectively, and our total short term borrowings was ₹ 91,434.49 lakhs and ₹ 100,696.60 lakhs, respectively. We have entered into agreements with lenders in relation to the disbursement of such loans and borrowings. Some of these agreements contain requirements to maintain certain security margins, financial ratios and *inter alia* contain restrictive covenants relating to issuance of new shares, changes in capital structure, dilution of promoter's shareholding, making material changes to organizational documents, implementing any expansion scheme, incurring further indebtedness. Such provisions are standard in loan agreements with Indian lenders and are imposed on Indian borrowers, including our Company. Furthermore, some of our financing arrangements specify that upon the occurrence of an event of default, the lender shall have the right to, *inter alia*, cancel the outstanding facilities available for drawdown, declare the loan to be immediately due and payable with accrued interest and enforce rights over the security created. In case of our inability to comply with these financial or other covenants or our inability to obtain the consents necessary to proceed with the actions which we believe are necessary to operate and grow our business, for any reason, may in turn have a material adverse effect on our business and operations. Such inability may result in our lenders enforcing their rights relating to our breach of financial covenants, which may have a material adverse effect on our business, cash flows and financial conditions.

Further, our ability to incur further indebtedness and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions for real estate companies, economic and political conditions in the markets where we operate and our capacity to service debt. In the event we are unable to incur further indebtedness, our ability to finance our projects may be adversely affected, which would in turn adversely affect our business and results of operations.

Additionally, any downgrade of our credit ratings may increase our cost of borrowing and affect our ability to raise debt capital in future. Our non-convertible debentures and long term loan facilities have been rated "CARE A/Stable" and "CARE A+/Stable", respectively by CARE ratings. If CARE downgrades our ratings for any reason whatsoever, our cost of doing business may increase, thereby adversely affecting our business and results of operations.

If there is a change in tax regulations, it may increase our tax liabilities and adversely affect our financial results.

We currently enjoy various tax benefits and exemptions under Indian tax laws. These properties may not be able to continue to be eligible for the benefits of these sections if the tax authorities interpret them in a manner inconsistent with our interpretation or if some of these tax benefits are withdrawn. In addition, certain tax benefits we have claimed in the past may be denied and we may be required to pay the amounts in relation to the claimed tax benefits to the relevant tax authorities. This could adversely affect our business, prospects, financial condition and results of operations.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and adversely affect our business, prospects, results of operations and financial condition.

As a property owning and development company, we are subject to the property tax regime in each state where our properties are located. These taxes could increase in the future, and new types of property taxes may be established which would increase our overall development and other costs. Property conveyances in India are generally subject to stamp duty. If these duties increase, the cost of acquiring properties will rise, and sale values could also be affected. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse effect on our financial condition and results of operations.

Our joint venture partners may not perform their obligations satisfactorily.

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

We are also subject to the risk that our joint venture partners may compete against us, either directly or through other joint ventures, which could cause raise conflicts of interest. We cannot assure you that such conflicts of interest would be resolved either fairly or in our favor, or that such conflicts of interest on the part of our joint venture partners would not adversely affect our business, prospects, financial condition and results of operations.

We are subject to risks in relation to sales made prior to completion of our projects.

We finance our residential projects through pre-sales prior to completion, in line with industry practice, and also finance our developments through progressive payment plans based on the proportion of construction completed. Proceeds from the pre-sale of our projects are an important source of financing for development of our projects. In the event of a failure, or delay beyond the contractually specified period, in the delivery of our pre-sold projects to purchasers, we would be required to refund all proceeds received in connection with pre-sales of or progressive payment plan for such project and we may be liable for potential losses that purchasers may suffer as a result. Our financial resources may be limited in making the requisite refunds in time if at all. Any restriction on our ability to pre-sell our projects would extend the time period required for the recovery of our capital outlay and would result in the need to seek alternative means to finance the various stages of the development of our projects. There is no assurance that we will not experience significant delays in completion or delivery of a project. This, in turn, could adversely affect our business, prospects, financial condition and results of operations.

We may not be able to effectively manage the risks associated with international operations or with any potential expansion into new international markets.

We have incorporated two entities in Dubai, as step down subsidiaries, and Joint Venture Company in partnership with a local partner, which operate and manage our projects in Dubai. The business environment in Dubai tends to favor local nationals than foreigners and in the past, we have experienced certain issues with local landowners. Should we continue to experience issues related to doing business in Dubai, our operations in Dubai may be unsuccessful, which could hamper our growth strategy.

Further, certain geographical regions including emerging markets that we may target for growth and expansion in

future may present political and economic risks. Operations in these markets may, in many respects, be more challenging than Indian markets. Risks in such markets include restrictions on movement of funds or limitations on repatriation of funds, disruption to operations due to strikes, civil unrest or political interference, difficulty in receiving payment for costs incurred or goods delivered and the risk of expropriations of privately held assets. If we do not manage the risks associated with international sales and operations and with any expansion into new international markets, or we incur losses, which could adversely affect our business, prospects, financial condition and results of operations.

Any material adverse effect on our future earnings, financial condition, cash flows will affect our ability to pay dividends in the future.

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

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

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We have made renewal applications for certain approvals or licenses that have expired. If we fail to obtain necessary approvals we require to operate, or if there is any delay in obtaining these approvals, our business and financial condition may be adversely affected. Further, these permits, licenses and approvals are subject to several conditions, and there is no assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits, licenses or approvals. Any interruption of our operations caused by our statutory and regulatory permits, licenses and approvals could adversely affect our business, prospects, financial condition and results of operations.

Our insurance policies provide limited coverage, potentially leaving us uninsured against some business risks.

The occurrence of an event that is uninsurable or not fully insured could have a material adverse effect on our business, financial condition, results of operations or prospects. We maintain insurance on property and equipment in amounts we believe to be consistent with industry practices. We also require our contractors to maintain insurance policies covering accidents and health and safety. However, we may not be fully insured against certain business risks including for *force majeure* events.

Our insurance policies cover physical loss or damage to our property and equipment arising from a number of specified risks including burglary, fire and other perils. The proceeds of any insurance claim may be insufficient to cover our rebuilding costs as a result of inflation, changes in building regulations, environmental issues as well as other factors. We also remain liable for any debt or other financial obligation related to properties that are not fully insured against such obligations. Notwithstanding the insurance coverage that we carry, the occurrence of an accident that causes material losses in excess of limits specified under the relevant policy, or losses arising from events not covered by insurance policies, could adversely affect our business, prospects, financial condition and results of operations.

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

We may in the course of our business enter into transactions with related parties that include our Promoters and companies forming part of our Promoter Group. While we believe that all such transactions have been conducted on an arms-length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have adversely affect our business, prospects, financial condition and results of operations.

Our inability to manage growth could disrupt our business and reduce our profitability.

We continue to concentrate on development of residential projects in near and long-term, in the MMR and in other city centric locations in India. The growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training, and retention of high quality human resources, preserving our values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. If we are unable to manage our growth effectively, our business, prospects, financial condition and results of operations could be adversely affected.

If we do not comply with certain environmental regulations or if environmental problems are discovered in respect of certain of our projects, it may adversely affect our business, financial condition and results of operations.

The construction of projects are subject to extensive environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our businesses. Such laws and regulations include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981, the Water (Prevention and Control of Pollution) Act 1974 and other regulations promulgated by the Ministry of Environment and the Pollution Control Boards of the relevant states. Further, in accordance with such laws, we are required to conduct an environmental assessment on most of our projects before we receive a regulatory approval. In case such environmental assessments reveal material environmental risks, we may not receive the required regulatory approvals. Additionally, if environmental problems are discovered during or after completion of project development, we may have to incur substantial liabilities relating to the “clean-up” and other remedial measures, which may affect the value of such properties.

Environmental regulation in India is likely to become more stringent in the future. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with certainty at this point in time. The measures we implement in order to comply with these new laws and regulations may not be deemed sufficient by government entities and our compliance costs may significantly exceed our estimates. If we fail to meet environmental requirements, we may also be subject to administrative, civil or criminal proceedings by government entities that could result in substantial fines and penalties against us as well as revocation of approvals and permits and orders, which could all adversely affect our operations.

The Company is involved in various litigation matters. Any final judgment awarding material damages against the Company could have a material adverse impact on its future financial performance, stockholders' equity and the trading price of the Equity Shares.

The Company is involved in certain litigation matters in the ordinary course of its business. Although it is the Company's policy to make provisions for probable loss, the Company does not make provisions or disclosures in its financial statements where its assessment is that the risk is insignificant. The Company cannot guarantee that the judgments in any of the litigation in which the Company is involved would be favorable to it and if its assessment of the risk changes, its view on provisions will also change. Increased provisioning for such potential losses could have a material adverse effect on the Company's results of operations and financial condition. If the Company's provisioning is inadequate relative to actual losses on final judgment, such additional losses could have an adverse impact on the Company's business. For further information on litigation filed against the Company, see “*Legal Proceedings*” on page 183.

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 subjected to any litigation, it could delay a development project and/or have an adverse impact, financial or otherwise, on us. For more information, please see “*Legal Proceedings*” on page 183.

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 and (the “**Land Acquisition Act**”) has the right to

compulsorily acquire any land if such acquisition is for a "public purpose", after making providing compensation to the owner. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. Additionally, we may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act, due to limited jurisprudence on them in the event our interpretation differs from or contradicts with any judicial pronouncements or clarifications issued by the Government. In the future, we may face regulatory actions or we may be required to undertake remedial steps. Any such action in respect of any of the projects in which we are investing or may invest in the future may adversely affect our business, financial condition or results of operations.

Our business is subject to extensive regulation by the Government, state governments and local authorities, which require more time and cost to comply with.

The real estate industry in India is heavily regulated by the Government, state governments and local authorities. Property developers need to comply with a number of requirements mandated by Indian laws and regulations, including policies and procedures established by local authorities such as the requirement to pay stamp duty and register property documents. Legal requirements that real estate developers have to comply with include obtaining clearances from the pollution control boards, approvals from local airports and air force bases and state telecommunications authorities (in connection to the height of the construction), fire services as well as state police authorities, prior to commencement of construction. After obtaining such clearances and approvals, we are required to obtain planning permission from the relevant municipal authorities. The planning permission granted by local municipal authorities is usually subject to compliance with the terms and conditions of all licenses and permits granted in connection with the project. Further, there are also various land ceiling legislations that regulate the amount of land that can be held under single ownership. 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. Any non-compliance could lead to a cancellation of planning permission granted, and consequentially a cancellation of such project. Additionally, 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.

Our business is subject to the Real Estate (Regulation and Development) Act, 2016 (the "RERA"), which imposes additional obligations on real estate developers in India. Non-compliance with such obligations may adversely affect our business and results of operations.

The Government has notified the RERA in the official gazette on March 26, 2016. The RERA was introduced to regulate the real estate industry and ensuring, among others, imposition of certain responsibilities on real estate developers and accountability towards customers and protection of their interest. The RERA imposes certain obligations on real estate developers, such as our Company, including mandatory registration of real estate projects, prohibition on advertisements or accepting advances unless real estate projects are registered under RERA, maintenance of a separate escrow account for amounts realized from each real estate project and restrictions on withdrawal of amounts from such escrow accounts and taking customer approval for major changes in sanctions plan. In addition, we will have to comply with state specific legislations which may be enacted by the respective state government, where our Ongoing Projects are or future projects may be located, due to the introduction of RERA. Compliance with the provisions of RERA or such state specific legislations requires significant management and financial resources. Further, any non-compliance of the provisions of RERA or such state specific legislations may result in punishments (including fines and/or imprisonment) and revocation of registration of our Ongoing Projects which may have a material and adverse impact on our business, operations and financial condition.

Building permits and other consents in relation to the real estate assets may not be granted.

There can be no assurance that any building permits, consents or other approvals required from third parties including central, state and local governmental bodies, in connection with the construction and letting of existing or new development projects will be issued or granted at all, or in a timely manner to us. 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 fashion may affect our ability to execute or complete existing and/or new development projects, which will adversely affect our

business, prospects, financial condition and results of operations.

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

There are certain unanticipated or unforeseen risks that may arise in the course of property development due to adverse weather and geological conditions such as storm, hurricane, lightning, flood, landslide and earthquake. Additionally, our operations are subject to hazards inherent in providing architectural and construction services, such as the risk of equipment failure, impact from falling objects, collision, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage.

We may be affected by inadequate health and safety precautions in India.

In developing countries, such as India, health and safety standards on construction sites may not be applied as stringently as in industrialized countries. Construction companies in India remains, however, subject to various health and safety laws and regulations as well as laws and regulations governing our relationship with our employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labor and work permits. Accidents and, in particular, fatalities may have an adverse impact on our reputation and may result in fines and/or investigations by public authorities as well as litigation from injured workers or their dependants.

Corrupt practices or improper conduct may delay the development of a project and affect our results of operations.

The real estate development and construction industries are not immune to risks of corrupt practices. Such corruption may include bribery, deliberate poor workmanship or the deliberate supply of low quality materials. If we, or any other person involved in any of the projects is the victim of or involved in any such corruption, our ability to complete the relevant projects as planned may be disrupted thereby adversely affect our business, prospects, financial condition and results of operations.

We may suffer if we are unable to provide high quality property management services.

As part of our business, we may provide property management services by engaging third parties to our completed residential and commercial developments. These services include, among others, bookkeeping, security management, building maintenance and the operation of leisure facilities such as swimming pools and fitness centers. If owners of the projects that we have developed elect to discontinue our project management services, our property management business would be negatively impacted, which in turn could adversely affect the attractiveness of our developments.

Disassociation with our credible partners and associates may adversely affect our business and operations adversely.

We partner with certain reputable partners who have helped us create high-end products to deliver to our customers a luxurious living experience through our properties. However, we cannot assure you that we will be able to successfully maintain our relationships with our partners or find replacements in the future, which may adversely affect our business and operations adversely.

The land over which we have development rights or that we own may be affected by changes in approved land use policies.

If there are any changes in approved land use policies, some of the land on which we hold development rights or the land that we own may be re-characterized to their original use by the Government or relevant state or local authorities. It is possible that even in government-approved urban master plan areas, designation and characterization of land as commercial, residential or otherwise, may change. If, after applying for or obtaining approvals to develop such land, we are unable to use the land for the development for which the land was purchased, we may be required to modify, delay or abandon certain elements of that development, or the development in its entirety, which could have an adverse effect on the relevant project, and materially and adversely affect our business, prospects, financial condition and results of operations.

Our construction activities are affected by adverse weather conditions that may affect our cash flows and business operations.

Our construction activities are affected by adverse weather conditions, which may slow down the construction due to a suspension or curtailment of operations or delays in the delivery of materials. In particular, the monsoon season in the second quarter of each financial year has restricted the pace of development of our Ongoing Projects. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses but our project related activities may be delayed or reduced. Such delays or reductions in activities may have an adverse effect on our business, results of operations and financial condition.

Our performance is subject to seasonality and revenue may fluctuate significantly from period to period.

Our revenue is significantly dependent on the sale of our residential and commercial properties under development. Our revenue from these development activities may fluctuate significantly due to a variety of factors. Moreover, due to occasional lags in development timetables caused by unforeseen circumstances, we cannot predict with certainty when our real estate developments will be completed. Our results of operations may also fluctuate from period to period due to a combination of other factors beyond our control, including volatility in expenses such as costs to acquire land or development rights and construction costs. We may experience cash flow mismatches and difficulties in covering our operating costs, which may adversely affect our business, financial condition, results of operations and our ability to fund future projects.

As a result of one or more of these factors, we may record significantly higher turnover or profits during one accounting period and significantly lower turnover or profits during prior or subsequent accounting periods. Furthermore, the periods discussed in our financial statements included in this Preliminary Placement Document may not be comparable to each other or to other future periods, and our results of operations and cash flows may vary significantly from period to period, year to year, and over time.

We are involved in certain legal and regulatory proceedings. Any adverse development in these cases could have an adverse effect on us.

There are outstanding legal proceedings and disputes that are incidental to our business and operations. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. Such legal proceedings could divert management time and attention, and consume financial resources in their defence or prosecution.

We may, from time to time, be involved in legal proceedings and disputes with our predecessors in title and/or persons through or under whom we derive our rights. We may not have any rights or authority to defend legal proceedings against our predecessors in title and persons through or under whom we derive our rights on their behalf, thereby depriving us of our ability protect our interest. We may not be informed of legal proceedings against our predecessors in title or persons through or under whom we derive our rights be informed of legal proceedings being initiated subsequent to our entering into transactions and making payments or incurring substantial expenses.

An adverse judgment in any of these legal proceedings could adversely affect our business, prospects, financial condition and results of operations. See section titled “***Legal Proceedings***” on page 183.

Our funding requirements and deployment of the net proceeds may be subject to changes and delays.

Our funding requirements and the deployment of the net proceeds of the Issue is based on management estimates and has not been independently appraised by any institution or organization. We may have to revise our estimates from time to time in light of changes in external circumstances, costs, other financial condition or business strategies. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates and may cause an additional burden on our finance plans, as a result of which, our business, financial condition, results of operation and cash flows could be materially and adversely impacted. This may also result in the rescheduling of the expenditure programs and an increase or decrease in our proposed expenditure plans.

Post Issue, we will continue to remain under the control of our Promoters and our Promoter Group and they will continue to exercise significant control over us and their interests could conflict with the interests of other holders of the Equity Shares.

As of September 30, 2017, our Promoters, along with the Promoter Group, directly or indirectly, held 73.82% of the issued and paid-up share capital of our Company. This shareholding allows the Promoters to exercise significant influence over our business, major policy decisions and all matters requiring shareholders' approval. For example, such concentration of ownership may enable our Promoters to delay or prevent a change in control or capital structure of our Company or delay, defer or cause a merger consolidation or takeover, which may adversely affect the value of your investment in the Equity Shares. There can be no assurance that these or other potential conflicts of interest will be resolved in an impartial manner.

Some or all of our outstanding receivables against the purchasers may not be timely received in the future which may adversely affect our business prospects, financial conditions and results of operations.

Our customers, at times, default and/or delay in making timely payments to us for our products and services. The outstanding receivables may or may not be received in future, which may adversely affect our cash flow and result of operations.

We do not own certain of the trademarks that we use.

The brand and trademark names "Signature" and "Sunteck", are registered with Company as well as Glint Infraprojects Private Limited ("Glint"), "Sunteck City," and "Signia" that are used by our Company and Subsidiaries are owned by our Promoter group member, Glint. There can be no assurance that these brands and trademark names will not be adversely affected in the future by events that are beyond our control, including customer complaints and dissatisfaction or adverse publicity from any other source. We have right to use certain trademarks pursuant to a trademark license agreement with Glint. Under this agreement, Glint has right to terminate the agreement without giving any reason by giving a three month notice. We therefore, cannot assure you that we will continue to have the uninterrupted use and enjoyment of all brands and trademark names as we might have to forego the use of the trademark in future in the event, Glint is no more a part of the Promoter Group. We may also have to discontinue the use of trademark in the event Glint is unable to renew the trademarks owned by it upon their expiry. Any inability to use to these brands and trademark names, if not immediately and sufficiently remedied, can have an adverse effect on our business and results of operations.

Any delay in the implementation or failure in the operation of our information systems could disrupt our operations and cause an unanticipated increase in costs.

Any delay in the implementation or failure in the operation of our information systems ("IT") could result in material adverse consequences, including disruption of operations, loss of information and an unanticipated increase in costs. Further, these systems are potentially vulnerable to damage or interruption or failure from a variety of sources, which could result in a material adverse effect on our operations. A large-scale IT malfunction could disrupt our business or lead to disclosure of sensitive company information. Our ability to keep our business operating depends on the proper and efficient operation and functioning of various IT systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

Some of our historical corporate secretarial records relating to certain transfers of our Equity Shares are not traceable.

We are unable to locate certain historical corporate secretarial records, which include forms filed for the transfer of shares from October 15, 1981 until July 1, 1985 and annual returns filed from Fiscals 1982 to 1985. Accordingly, for information contained in this Preliminary Placement Document with respect to this period, we have relied on a certificate issued by a practicing company secretary who has conducted a search on the regulatory and secretarial forms of our Company with the RoC and also conduct online search on the Ministry of Corporate Affairs, Government of India (the "MCA"). There can be no assurance that we will not be subjected to any penalties by the relevant regulatory authority in this regard.

Statistical and industry data in this Preliminary Placement Document may be incomplete or unreliable.

Statistical and industry data used throughout this Preliminary Placement Document has been obtained from

various government and industry publications. We believe that the information contained in such publications has been obtained from sources that are reliable, but we have not independently verified the accuracy and completeness of such information and therefore, its reliability cannot be assured. We have reclassified certain market and industry data used from these sources for purposes of presentation. In addition, market and industry data relating to India, its economy or its industries may be produced on different bases from those used in other countries. As a result, data from other market sources may not be directly comparable. The extent to which the market and industry data presented in this Preliminary Placement Document is meaningful will depend upon the reader's familiarity with and understanding of the methodologies used in compiling such data. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Preliminary Placement Document. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors.

Our Ongoing Projects, Forthcoming Projects and Land Bank (area planned to be covered by our projects) are based on management estimates and may not be indicative of our future performance.

We disclose and discuss in this Preliminary Placement Document our Ongoing Projects, Forthcoming Projects and Land Bank including area planned to be covered by our projects, which as presented herein, are an estimate only. As there is no guarantee that these projects will be completed on time if at all, our actual portfolio and thus the final amount of income we derive from such projects, are not committed. The actual outcome of the projects may not be consistent with our estimates or projections. As a result of these limitations, our Ongoing Projects, Forthcoming Projects and Land Bank do not purport to represent what our actual realized portfolio or income will be over any future period and should not be considered in isolation. Such information is based on available information and certain assumptions and estimates that we believe are reasonable but may differ materially and therefore, undue reliance should not be placed.

The audit reports in respect of the Company's financial statements contain certain matters of emphasis which could have an impact on the Company's financial performance.

The audit report on the audited financials of the Company for Fiscal 2016 and 2017, included certain matters of emphasis relating to the basis for preparing the audited financial statements, and the accounting treatment. For further information, see "***Financial Statements***" on page 195. There can be no assurance that the Company's auditors will not qualify their opinion in the future and these matters will not have an impact on the Company's financial performance.

As of March 31, 2017, the Company had certain contingent liabilities which have not been provided for in its financial statements and could adversely affect its financial condition.

As of March 31, 2017, the Company had certain contingent liabilities not provided for, as disclosed in the notes to its audited financial statements for Fiscal 2017. See "***Financial Statements***" on page 195. If the Company's contingent liabilities are realized, this may have an adverse effect on the Company's future financial performance and the trading price of the Equity Shares. If these contingent liabilities materialize, fully or partly, the Company's financial condition could be materially and adversely affected.

We have experienced negative cash flows in relation to our operating and investing activities for Fiscal 2016 and 2015 as well as in relation to our financing activities for Fiscal 2017. Any negative cash flows in the future would have a material adverse effect on our business, financial condition and results of operations.

We had a negative cash flow from operating and investing activities of ₹ 12,801.57 lakhs and ₹ 7,650.00 lakhs for Fiscal 2016, respectively, and ₹ 8,532.73 lakhs and ₹ 15,792.09 lakhs for Fiscal 2015, respectively. Further, for Fiscal 2017, we had a negative cash flow from financing activities of ₹ 33,708.21 lakhs. If we experience any negative cash flows in the future, this could have a material adverse effect on our business, financial condition and results of operations. For further details, see the sections titled "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 195 and 74, respectively.

Deterioration in the performance of any of our subsidiaries, joint ventures and affiliates may adversely affect our results of operations.

We currently conduct a part of our operations through our subsidiaries, joint ventures and other consolidated entities, and these entities generate a substantial part of our operating income and cash flow. We have made and may continue to make capital commitments to our subsidiaries, joint ventures and affiliates, and if the business

or operations of any of these subsidiaries, joint ventures and affiliates deteriorates, the value of our investments may decline substantially. We are also subject to risks associated with joint ventures and affiliates wherein we retain only partial or joint control. Our partners may be unable, or unwilling, to fulfill their obligations, or the strategies of our joint ventures or affiliates may not be implemented successfully, which may significantly reduce the value of our investments, and, which may in turn have a material adverse effect on our reputation, business, financial position or results of operations.

Our Company, certain of our subsidiaries and our Promoter Group and associates have certain credit facilities that are repayable on demand and any unexpected demand of such facilities may adversely affect our business, financial condition and results of operations.

Our Company, certain of our subsidiaries and our Promoter Group and associates have availed certain credit facilities from banks and/or financial institutions that are repayable on demand. In the event that any such loans are called in for repayment, alternative sources of financing may not be available on commercially reasonable terms, or at all. Any such unexpected demand for repayment may materially and adversely affect our and our subsidiaries' respective business, liquidity, financial condition and results of operations.

Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution and may be revised from time to time.

The deployment of the Net Proceeds, as included in this Preliminary Placement Document is based on management estimates, quotations from suppliers and our current business plan and has not been appraised by any bank, financial institution or other independent institution. Our management will have discretion in the application of the Net Proceeds and investors will not have the opportunity, as part of their investment decision, to assess whether we are using the proceeds in a manner that they believe enhances our market value. In view of the competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and consequently, our programs for deployment of Net Proceeds may be rescheduled. Our schedule of implementation is exposed to various risks including time and cost overrun due to various reasons including those which may be beyond our control. In case any such event occurs that results in delaying our schedule of implementation, we may have to incur additional cost and we may not execute our business plan in line with current estimates. Such time and cost overrun could have a material adverse effect on our business, financial condition and results of operations.

We may also have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations, exchange rates or other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements which would be subject to compliance with applicable laws. In addition, the estimated dates of completion of various projects as described herein are based on management's current expectations and may change due to such factors. In addition, current quotations from suppliers are only valid for limited periods and we cannot assure you that we will be able to obtain new quotations from these or other suppliers on the same terms.

Our ability to invest in overseas subsidiaries and joint ventures may be constrained by Indian and foreign laws, which may adversely affect our growth strategy and business prospects.

Under Indian foreign investment laws, an Indian company is permitted to invest in its overseas joint ventures or subsidiaries up to 400.00% of its net worth (such net worth calculated as on the date of its last audited balance sheet). This limit also applies to any other form of financial commitment by the Indian company, including in terms of a loan, guarantee or counter guarantee. However, any financial commitment exceeding US\$ 1 billion (or its equivalent) in a fiscal would require prior approval of the RBI, even when the total financial commitment of the Indian company is within the eligible limit as mentioned above. Other restrictions include the restriction on an Indian company providing an "open ended" guarantee for an overseas entity (i.e., not specifying the amount and period of the guarantee, upfront). Investment or financial commitment not complying with the stipulated requirements is permitted with the RBI's prior approval. In addition, there are certain routine procedural and disclosure requirements in relation to any such overseas direct investment. Changes in laws or any other restrictions/approvals from RBI may delay investments or constrain our ability to make any such overseas direct investment.

Our ability to raise debt capital from banks and financial institutions outside India may be constrained by Indian law, which may adversely affect our financial condition, results of operations and prospects.

Pursuant to regulations issued by the RBI, debt capital raising through external commercial borrowings (“ECB”) are subject to various restrictions including, limits up to which amounts can be raised by an Indian company in a fiscal, prescription of minimum average maturity, restrictions on end uses for ECB, limits on all-in-cost and so forth. ECBs not complying with requirements specified by the RBI require prior approval of RBI. In addition, there are certain routine procedural and disclosure requirements in relation to any such ECB. Further, raising funding in the international capital markets also requires compliance with the capital markets laws of such countries. Applicable restrictions on ECB may constrain our ability to raise cost effective funding for our business activities including, implementing asset purchases, refinancing existing indebtedness, or financing acquisitions and other strategic transactions in the future, which may adversely affect our business, financial condition, results of operations and prospects.

Certain of our quoted investments may be subject to market risk and we have not made any provisions for a decline of the value of such investments.

We have made certain quoted investments. As at March 31, 2017, the fair value of these investments was ₹ 5.87 lakhs. We may continue to invest in such quoted assets. The value of these investments depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations and the RBI’s monetary policies. We have not made any provision for any decline value of these investments. Any decline in the value of these investments could adversely affect our business, financial condition and results of operations.

Risks relating to investing in India

Companies in India (based on notified thresholds), including our Company, are required to prepare financial statements under Ind-AS (which is India’s convergence to IFRS). The transition to Ind-AS in India is recent and such transition may have an impact on our Company. Indian corporate and other disclosure and accounting standards differ from those observed in other jurisdictions such as U.S. GAAP and IFRS. Further, all income tax assessments in India will also be required to follow the Income Computation Disclosure Standards.

We have historically prepared our annual and interim financial statements under Indian GAAP prior to April 1, 2016. Public companies in India, including us, will now be required to prepare annual and interim financial statements under Ind-AS in accordance with the roadmap announced on January 2, 2015 by the MCA, in consultation with the National Advisory Committee on Accounting Standards for the conversion of Ind-AS with IFRS. On February 16, 2015, the MCA notified the public of the Companies (Indian Accounting Standards) Rules, 2015, which have come into effect from April 1, 2016. We have adopted Ind-AS with effect from April 1, 2016 and we published our Consolidated Financial Statements for Fiscal 2017 under Ind-AS.

Our Consolidated Financial Statements for Fiscals 2015 and 2016 included in this Preliminary Placement Document have been prepared in accordance with Indian GAAP, while Consolidated Financial Statement for Fiscal 2017 (and its comparatives for Fiscal 2016) as well as the Limited Review Financial Statements as of and for the first quarter ended June 30, 2017] has been prepared in accordance with Ind-AS. Accounting principles under Ind-AS vary in many respects from accounting principles under Indian GAAP, and therefore, our Consolidated Financial Statement for Fiscal 2017 is not comparable to the Consolidated Financial Statements for Fiscals 2016 and 2015 or any of our historical financial statements prepared under Indian GAAP. However, in this Preliminary Placement Document, we have included a reconciliation of the financial statements for Fiscal 2016, which has also been prepared in accordance with Ind-AS as the comparable financial statement to the Consolidated Financial Statement for Fiscal 2017. We have also included in this Preliminary Placement Document the “***Summary of Significant Differences Between IFRS, Indian GAAP and Ind AS***” on page 88, which sets out qualitative differences between Indian GAAP, Ind-AS and IFRS that are, or in the future may become, applicable to our financial statements. Such comparative statements have been included for illustrative purposes only and does not imply that all such differences apply, or will apply, to the manner in which our financial statements are prepared and presented under Ind-AS or otherwise. There is not yet a significant body of established practice on which to draw informed judgments regarding its implementation and application.

Additionally, Ind-AS differs in certain respects from IFRS and U.S. GAAP. As a result, our financial statements and reported earnings may be significantly different from those which would be reported under U.S. GAAP or IFRS, which may be material to your consideration of the financial information prepared and presented in accordance with Indian GAAP contained in this Preliminary Placement Document. Accordingly, the degree to which the financial information included in this Preliminary Placement Document will provide meaningful

information is entirely dependent on the reader's level of familiarity with Indian accounting practices. You should rely on your own examination of our Company, the terms of the Issue and the financial information contained in this Preliminary Placement Document.

In our ongoing transition to Ind-AS reporting, for which we have completed the audit for one reporting year, our accounting policies may continue to change in the future as further circulars and clarifications on the implementation of Ind-AS are released and implemented by us. There can be no assurance that our continued implementation of Ind-AS will not adversely affect our reported results of operations or financial condition and any failure to successfully implement Ind-AS could adversely affect our business, financial condition and results of operations. In addition, in our continued transition to Ind-AS reporting, we may encounter difficulties in the on-going process of implementing and enhancing our management information systems.

Furthermore, the Government has issued a set of Income Computation and Disclosure Standards ("ICDS") that will be applied in computing taxable income and payment of income taxes thereon, effective from April 1, 2016. ICDS apply to all taxpayers following an accrual system of accounting for the purpose of computation of income under the heads of "Profits and gains of business/profession" and "Income from other sources". This is the first time such specific standards have been issued for income taxes in India, and the impact of the ICDS on our tax incidence is uncertain.

Political instability or changes in the Government could adversely affect economic conditions in India generally and our business.

The Government has traditionally exercised, and continues to exercise, a significant influence over many aspects of India's economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, taxation, social and civil unrest and other political, economic or social developments in or affecting India. The Indian economy may also be affected by key government regulation. For example, Pursuant to notifications dated November 8, 2016 issued by each of the Ministry of Finance of the Government and the Reserve Bank of India, currency notes in denominations of ₹500 and ₹1,000 ceased to be legal tender. While new currency notes in denominations of ₹500 and ₹2,000 have been introduced, the immediate impact of these measures has been a decrease in cash liquidity among the public in India. The long term effects of these measures on the Indian economy, on the markets for various commodities and services, and our operations in particular, are currently unclear. Any slowdown in the Indian economy or reduction in demand for real estate in India as a result of the currency demonetization measures may adversely affect our business, results of operations, financial condition and prospects.

Since 1991, Governments have pursued policies of economic liberalization and financial sector reforms. The current Government came into power in May 2014 and has announced its general intention to continue India's current economic liberalization and deregulation policies. However, the rate of economic liberalization could change and there can be no assurance that such policies will be continued. A change in the Government or in the Government's future policies could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have an adverse effect on the market for our Equity Shares. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

The new taxation system in India could adversely affect our business and the trading price of the Equity Shares.

The Government implemented a GST regime with effect from July 1, 2017 that combines multiple taxes and levies by the central and state governments into a unified tax structure. There is, however, lack of clarity on certain aspects of GST, and there is no assurance that such issues will not adversely affect our business going forward. Further, compliance with the GST at its initial stage may negatively impact our business. In addition, under the GST regime, we are obliged to pass on any benefits accruing to us as result of the transition to GST to the consumer thereby limiting our benefits. Further, in order for us to avail input credit under GST, the entire

value chain has to be GST compliant, including us. While we are and will continue to adhere to the GST rules and regulation, there can be no assurance that our suppliers and dealers will do so. Any such failure may result in increased cost on account of non-compliance with the GST and may adversely affect our business and results of operations. As the taxation system in India will see significant changes, its consequent effects cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

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

A decline in India's foreign exchange reserves could impact the valuation of the Rupee and result in reduced liquidity and higher interest rates, which could adversely affect our future financial condition. There can be no assurance that India's foreign exchange reserves will not decrease again in the future. Further, decline in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our business, financial condition and results of operations.

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

The Competition Act, 2002 (the "Competition Act") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to separate such practices. The Competition Act regulates practices having an appreciable adverse effect on competition ("AAEC") in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of subscribers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

The Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

The Indian economy has had sustained periods of high interest rates and inflation.

India has experienced high levels of inflation since 1980, with inflation peaking at an annual rate of 14.1% in 1991. Notwithstanding recent reductions in the inflation rate, based on the wholesale price index, which was 6.0% in the Fiscal 2014, 2.0% in the Fiscal 2015 and -2.5% in the Fiscal 2016 (*Source: Reserve Bank of India*), we tend to experience inflation-driven increases in certain of our costs, such as salaries and related allowances, that are linked to general price levels in India. However, we may not be able to increase the tariffs that we charge for our services 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.

Fluctuation in the exchange rate between the Indian Rupee and other foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

Our Equity Shares are quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares may reduce the proceeds received by Equity Shareholders. The exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

There are provisions in Indian law that may discourage a third party from attempting to take control over us, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to the investor. Under the takeover regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change in control of our Company. See “*The Securities Market of India – Takeover Regulations*” on page 168.

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

Any adverse revisions to India’s credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favorable terms, if at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

Communal disturbances, riots, terrorist attacks and other acts of violence or strike involving India or other countries could adversely affect the financial markets, result in loss of client confidence, and adversely affect our business, financial condition and results of operations.

India has experienced communal disturbances, terrorist attacks in past. Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India’s economy and our business and may adversely affect the Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our business and profitability.

Also, India or other countries may enter into armed conflict or war with other countries or extend pre-existing hostilities. Any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares.

Risks relating to our Equity Shares and the trading market

Investors may have difficulty enforcing judgments against us or our management.

We are incorporated under the laws of India and majority of our Directors and all our key managerial personnel reside in India. A majority of our assets, and the assets of our Directors and officers, are also located in India. As a result, you may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities. 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 practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount

recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws. See “*Enforcement of Civil Liabilities*” on page 14.

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

Our Memorandum and Articles of Association and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, Directors’ fiduciary duties and liabilities, quorum requirements and shareholders’ rights may differ from those that would apply to a corporate entity 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 one of our shareholders than as a shareholder of a corporate entity in another jurisdiction.

Investors will be subject to market risks until the Equity Shares credited to the investor’s demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor’s demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor’s demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

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

Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the issue of Equity Shares in the Issue, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the Stock Exchanges and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of our Equity Shares.

Furthermore, Stock Exchanges may impose restrictions on the movements in trading price of our equity shares. Stock exchanges are not required to inform us of such restrictions and they may change without our knowledge. In the event such restrictions are imposed, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

The trading price of our Equity Shares may be subject to volatility and you may not be able to sell your Equity Shares at or above the Issue Price.

The price of our Equity Shares on the Stock Exchanges may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and global securities market or in the Rupee’s value relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in our industry;
- adverse media reports about us or our industry;
- significant developments in India’s economic liberalization and deregulation policies;
- significant developments in India’s fiscal and environmental regulations; and
- changes in central banks’ monetary policies of developed economies, affecting the global liquidity scenario.

There can be no assurance that an active trading market for our Equity Shares will be sustained after this Issue,

or that the price at which our Equity Shares have historically traded will correspond to the price at which the Equity Shares are offered in this Issue or the price at which our Equity Shares will trade in the market subsequent to this Issue. The price of the Equity Share may be volatile and may decline post listing.

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

The Equity Shares is subject to a daily circuit breaker imposed on the shares of listed companies by the Stock Exchanges in India, which does not allow transactions when there is volatility beyond a certain limit 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 circuit breaker is set by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may change the percentage limit of the circuit breaker from time to time. 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.

Future issuances or sales of our Equity Shares could affect the trading price of the Equity Shares.

The future issuance of Equity Shares by our Company or the disposal of Equity Shares by any of our major shareholders, or the perception that such issuance or sales may occur, may affect the trading price of the Equity Shares. There can be no assurance that we will not issue Equity Shares in future or that a major shareholder will not dispose of, pledge or otherwise encumber Equity Shares held by them.

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

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realized on the sale of our Equity Shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if securities transaction tax, or STT, has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of our Equity Shares.

There is no guarantee that the Equity Shares allotted pursuant to this Issue will be listed in a timely manner or at all, and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, permission for listing of our Equity Shares will not be granted until after our Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a delay (or even failure if the Equity Shares are found ineligible for whatever reason) in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares that you may have been allotted pursuant to this Issue.

As is the case with stock exchanges in other countries, the Stock Exchanges have, in the past, experienced problems, including temporary closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including our Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which our Equity Shares will trade in future.

If the Company were determined to be a passive foreign investment company, the determination would result in certain potentially adverse US federal income tax consequences to US holders of Equity Shares.

Generally, a corporation organized or incorporated outside the United States is a passive foreign investment company (“PFIC”) in any taxable year in which, after taking into account the income and assets of certain subsidiaries, either (a) at least 75% of its gross income is classified as “passive income” or (b) at least 50% of the average quarterly value of its assets is attributable to assets that produce or are held for the production of passive income. Based on the present nature of its activities and the present composition of its assets and sources of income and the expected use of the proceeds from the Issue (as described under “Use of Proceeds”), the Company does not expect that it should be treated as a PFIC for the current taxable year or in the foreseeable future. However, the PFIC determination is made annually, and the Company’s status could change depending, among other things, upon changes in the composition and relative values of the Company’s assets and the market value of the Equity Shares. In addition, the analysis depends, in part, on the application of complex US federal income tax rules that are subject to differing interpretations, including the treatment of rental income of our Company and its subsidiaries. Accordingly, no assurances can be given that the Company will not be a PFIC in the current or any future taxable year. If the Company were a PFIC in any taxable year, US Holders may suffer adverse tax consequences. For more information, see “*US Federal Income Taxation—Passive Foreign Investment Company Rules*” on page 180.

MARKET PRICE INFORMATION

The Equity Shares have been listed and are available for trading on the BSE and the NSE. As on the date of this Preliminary Placement Document, 125,98,5470 Equity Shares have been issued and are fully paid up.

On October 23, 2017 the closing price of the Equity Shares on the BSE and the NSE was Rs. 378.35 and Rs. 379.90 per Equity Share, respectively. Because the Equity Shares are actively traded on the BSE and the NSE, the market price and other information for each of the BSE and the NSE has been given separately.

- (i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the BSE and the NSE on the dates on which such high and low prices were recorded for Fiscals ended March 31, 2015, March 31, 2016 and March 31, 2017:

BSE

Fiscal	High (₹)	Date of High	Number of Equity Shares traded on the date of high	Total Turnover of Equity shares traded on the date of high (₹ in lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total Turnover of Equity shares traded on the date of low (₹ in lakhs)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in lakhs)	Average price for the year (₹)
2015	369.80	June 12, 2014	19,812	72.20	213.00	January 20, 2015	86,168	181.82	5,758,792	17,359.35	301.62
2016	307.15	July 17, 2015	21,942	67.08	186.90	February 26, 2016	7,083	13.39	3,862,642	9,511.86	242.53
2017	383.10	March 30, 2017	77,874	295.35	178.10	November 22, 2016	31,059	54.96	14,339,913	37,454.57	242.76

(Source: www.bseindia.com)

NSE

Fiscal	High (₹)	Date of High	Number of Equity Shares traded on the date of high	Total Turnover of Equity shares traded on the date of high (₹ in lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total Turnover of Equity shares traded on the date of low (₹ in lakhs)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in lakhs)	Average price for the year (₹)
2015	368.85	June 12, 2014	44,049	160.98	214.65	January 20, 2015	284,436	600.58	12,407,983	37,299.11	301.44
2016	307.55	July 17, 2015	89,995	275.80	187.45	February 26, 2016	39,976	75.35	9,109,542	22,388.98	242.29
2017	379.95	March 30, 2017	327,818	1,238.34	177.95	November 22, 2016	45,364	80.92	35,035,958	95,753.57	243.22

(Source: www.nseindia.com)

Notes:

- High, low and average prices are based on the daily closing prices.
- In case of two days with the same high or low price, the date with the higher volume has been considered.

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

BSE

Month Year	High (₹)	Date of High	Number of Equity Shares traded on the date of high	Total Turnover of Equity shares traded on the date of high (₹ in lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total Turnover of Equity shares traded on the on date of low (₹ in lakhs)	Total Volume of Equity Shares traded in the month (in Number)	Total Turnover of Equity Shares traded in the month (₹ in lakhs)	Average price for the year (₹)
April 2017	445.30	April 28, 2017	24,719	109.22	382.55	April 3, 2017	31,533	120.24	614,830	2,561.10	419.07
May 2017	471.85	May 4, 2017	33,210	156.87	430.90	May 12, 2017	25,870	112.46	878,644	3,993.76	450.77
June 2017	487.25	June 30, 2017	71,875	353.02	443.90	June 23, 2017	43,084	192.05	882,837	4,110.78	464.01
July 2017	493.05	July 3, 2017	44,425	220.60	230.55	July 28, 2017	50,018	116.15	787,260	3,140.69	421.85
August 2017	259.65	August 23, 2017	76,803	198.39	222.20	August 1, 2017	69,838	157.46	2,696,787	6,748.63	251.42
September 2017	332.35	September 21, 2017	65,197	216.02	256.00	September 1, 2017	46,794	120.13	1,205,061	3,668.84	305.33

(Source: www.bseindia.com)

NSE

Month Year	High (₹)	Date of High	Number of Equity Shares traded on the date of high	Total Turnover of Equity shares traded on the date of high (₹ in lakhs)	Low (₹)	Date of low	Number of Equity Shares traded on the date of low	Total Turnover of Equity shares traded on the on date of low (₹ in lakhs)	Total Volume of Equity Shares traded in the month (in number)	Total Turnover of Equity Shares traded in the month (₹ in lakhs)	Average price for the year (₹)
April 2017	448.00	April 28, 2017	85,839	380.65	382.20	April 3, 2017	91,509	348.68	2,779,359	11,558.20	420.01
May 2017	471.50	May 4, 2017	93,641	442.44	432.05	May 12, 2017	78,013	338.96	3,053,997	13,884.02	450.80
June 2017	487.65	June 30, 2017	225,775	1,106.22	439.95	June 23, 2017	116,538	518.65	4,281,968	19,901.50	463.18
July 2017	491.35	July 3, 2017	130,012	647.30	230.40	July 28, 2017	114,407	265.83	2,202,467	9,187.41	421.61
August 2017	260.45	August 23, 2017	147,965	382.64	221.60	August 1, 2017	128,646	289.87	9,255,452	23,066.57	251.08
September 2017	330.50	September 20, 2017	110,291	363.87	254.75	September 1, 2017	77,722	199.24	3,733,873	11,366.16	305.70

(Source: www.nseindia.com)

Notes:

1. High, low and average prices are based on the daily closing prices.
2. In case two days with the same high or low price, the date with the higher volume has been considered.

- (iii) The following table set forth the details of the number of Equity Shares traded and the volume of business transacted during the last six months and the Fiscals ending March 31, 2015, March 31, 2016 and March 31, 2017 on the BSE and the NSE:

Period	Number of Equity Shares Traded		Turnover (₹ in lakhs)	
	BSE	NSE	BSE	NSE
Year ending 2015	5,758,792	12,407,983	17,359.35	37,299.11
Year ending 2016	3,862,642	9,109,542	9,511.86	22,388.98
Year ending 2017	14,339,913	35,035,958	37,454.57	95,753.57
April 2017	614,830	2,779,359	2,561.10	11,558.20
May 2017	878,644	3,053,997	3,993.76	13,884.02
June 2017	882,837	4,281,968	4,110.78	19,901.50
July 2017	787,260	2,202,467	3,140.69	9,187.41
August 2017	2,696,787	9,255,452	6,748.63	23,066.57
September 2017	1,205,061	3,733,873	3,668.84	11,366.16

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

- (iv) The following table sets forth the market price on the BSE and NSE on May 29, 2017 i.e., the first working day following the approval of the Board of Directors for the Issue:

BSE						NSE					
Open	High	Low	Close	Number of Equity Shares traded	Turnover (₹ in lakhs)	Open	High	Low	Close	Number of Equity Shares traded	Turnover (₹ in lakhs)
462.20	533.00	458.00	466.30	91,400	431.13	450.00	487.90	450.00	467.60	4,01,321	1,883.64

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

USE OF PROCEEDS

The gross proceeds from the Issue will be approximately ₹ [●] lakhs.

The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ [●] lakhs (the “**Net Proceeds**”).

Subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds towards financing the construction and development costs of our Ongoing Projects and Forthcoming Projects, and towards general corporate purposes. Pending deployment of funds for above stated purposes, we will temporarily park issue proceeds in our re-drawable overdraft and loan accounts.

The balance estimated construction and development costs of our Ongoing Projects and Forthcoming Projects as on June 30, 2017 is approximately ₹ 38,900 lakhs, a breakup of which is as follows:

(in ₹ lakhs)

Use of proceeds	Estimated Cost
Fees, commissions and expenses of the Issue	[●]
General Corporate purposes	[●]
Ongoing projects	16,000
Forthcoming projects	22,900
Gross proceeds	[●]

We intend to deploy a portion of the Net Proceeds towards financing the construction and development costs of our Ongoing Projects and Forthcoming Projects, depending upon the business requirement and completion date of each project. For details of our Ongoing Projects and Forthcoming Projects, see “***Our Business – Details of our Ongoing Projects***” and “***Our Business – Details of our Forthcoming Projects***” on page 123 and 124, respectively.

The deployment of Net Proceeds will depend on various factors including the stage of construction and the completion date of our projects. For details of the stage of completion of Ongoing Projects and Forthcoming Projects, see “***Our Business – Details of our Ongoing Projects***” and “***Our Business – Details of our Forthcoming Projects***” on page 123 and 124, respectively.

Our fund requirements and deployment of the Net Proceeds is based on internal management estimates and are based on current conditions and are subject to change in light of external circumstances or costs, or in other financial condition, business or strategy.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation (on a consolidated basis) as at March 31, 2017 on an actual basis as adjusted to give effect to the receipt of the gross proceeds from the Issue.

This table should be read together with the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 74 and our Company's Audited Consolidated Financial Statements and the related notes thereto contained in the section "*Financial Statements*" beginning on page 195.

(in ₹ lakhs)

	As of March 31, 2017		As of June 30, 2017	
	based on consolidated financial statements		based on unaudited condensed consolidated interim financial statements	
	Unadjusted	As adjusted for the Issue*	Unadjusted	As adjusted for the Issue*
Shareholders' funds				
Capital	1,199.32	[●]	1,199.85	[●]
Reserves and surplus	1,78,524.37	[●]	1,82,104.57	[●]
Total shareholders' funds (A)	1,79,723.69	[●]	1,83,304.42	[●]
Loan funds				
Long term debt		[●]		[●]
Secured	2,960.91	[●]	2,964.99	[●]
Unsecured	-	[●]	-	[●]
Current Maturities of long term debt	-	[●]	-	[●]
Total long term debt (B)	2960.91	[●]	2,964.99	[●]
Short term debt		[●]		[●]
Secured	74,740.16	[●]	75,971.89	[●]
Unsecured	16,694.33	[●]	24,724.71	[●]
Total short term debt (C)	91,434.49	[●]	1,00,696.60	[●]
Total debt (D = B+C)	94,395.40	[●]	1,03,661.59	[●]
Total capitalization (A+D)	2,74,119.09	[●]	2,86,966.01	[●]
Debt / equity ratio:				
(Total long term borrowings/total Shareholders fund)	0.02	[●]	0.02	[●]
Debt / equity ratio:				
(Total borrowings/total Shareholders' fund)	0.53	[●]	0.57	[●]

*Share capital, reserves, surplus (adjusted) and post-issue capitalisation can be determined only on the conclusion of the Issue.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Preliminary Placement Document is set forth below:

(In ₹lakhs, except share data)

		Aggregate value at face value
A	AUTHORIZED SHARE CAPITAL	
	18,86,00,000 Equity Shares of ₹ 1 each	1,886.00
	12,60,000 Preference Shares of ₹ 10 each	12.60
B	ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE	
	12,59,85,470 Equity Shares	1,259.85
D	PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT	
	[●] Equity Shares aggregating to ₹ [●] lakhs ⁽¹⁾	[●]
E	PAID-UP CAPITAL AFTER THE ISSUE	
	[●] Equity Shares	[●]
F	SECURITIES PREMIUM ACCOUNT	
	Before the Issue	32,223.17
	After the Issue	[●]

⁽¹⁾ The Issue was authorized by the Board of Directors on May 26, 2017 and the shareholders pursuant to their resolution dated July 4, 2017.

Equity Share capital history of our Company

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

Date of Allotment	Nature of Consideration	Nature of Allotment	Number of Equity Shares Allotted	Face value (₹)	Issue price per Equity Share (₹)	Cumulative number of Shares
October 1, 1981	Cash	Subscribers to Memorandum of Association	2	100	100	2
October 15, 1981	Other than Cash ⁽¹⁾	Pursuant to agreement dated October 15, 1981	200	100	100	202
December 7, 1981	Cash	Preferential Allotment	798	100	100	1,000
March 28, 1983	Cash	Preferential Allotment	2,500	100	100	3,500
November 5, 1984	Sub-division of equity shares of face value ₹ 100 each into Equity Shares of face value ₹ 10 each, pursuant to the resolution of the board dated November 5, 1984					35,000
July 1, 1985	Cash	Preferential Allotment	62,500	10	10	97,500
July 1, 1985	Cash	Preferential Allotment	1,50,000	10	10	2,47,500
June 23, 2006	Cash	Preferential Allotment	25,00,000	10	25	27,47,500
November 27, 2007	Cash	Preferential Allotment	10,000	10	1,167	27,57,500
March 31, 2008	Other than Cash ⁽²⁾	Allotment pursuant to conversion of warrants	21,00,000	10	85	48,57,500

Date of Allotment	Nature of Consideration	Nature of Allotment	Number of Equity Shares Allotted	Face value (₹)	Issue price per Equity Share (₹)	Cumulative number of Shares
July 17, 2008	Other than Cash ⁽³⁾	Allotment pursuant to conversion of warrants	4,00,000	10	85	52,57,500
December 19, 2008	Other than Cash ⁽⁴⁾	Allotment pursuant to scheme of amalgamation	35,51,391	10	10	88,08,891
December 24, 2008	Other than Cash ⁽⁵⁾	Allotment pursuant to scheme of amalgamation	20,01,109	10	10	1,08,10,000
December 24, 2008	Other than Cash ⁽⁶⁾	Allotment pursuant to conversion of optionally convertible redeemable preference shares (“OCRPS”)	11,90,000	10	-	1,20,00,000
July 30, 2009	Subdivision of equity shares of face value ₹ 10 each into Equity Shares of face value ₹ 2 each pursuant to board resolution dated July 30, 2009					6,00,00,000
November 30, 2009	Cash	Qualified institutions placement	29,66,207	2	534.15	6,29,66,207
December 19, 2014	-	Cancelled pursuant to scheme of arrangement between Sanchit Derivatives Private Limited and Sunteck Realty Limited vide order dated December 19, 2014	88,63,845	2	NA	5,41,02,362
February 12, 2015	Other than Cash ⁽⁷⁾	Allotment pursuant to scheme of arrangement between Sanchit Derivatives Private Limited and Sunteck Realty Limited vide order dated December 19, 2014	88,63,845	2	NA	6,29,66,207
April 21, 2017	Cash	Allotment pursuant to ESOP Scheme	26,528	2	295	6,29,92,735
July 12, 2017	Subdivision of 6,29,92,735 equity shares of face value ₹ 2 each into 125,985,470 Equity Shares of face value ₹ 1 each pursuant to special resolution passed by the shareholders through postal ballot on July 12, 2017.					12,59,85,470

- (1) The Equity shares were allotted to Rohit Shah, Sumil Seksaria and Shivkumar Rajgarhia, pursuant to agreement dated October 15, 1981 entered into between the Company and the Jean Manufacturing Company
- (2) Allotment of 21,00,000 equity shares pursuant to the conversion of 21,00,000 warrants issued on 29th November 2006 into Equity Shares
- (3) Allotment of 4,00,000 equity shares pursuant to conversion of 4,00,000 warrants, issued on November 29, 2006 into Equity Shares allotted to Satguru Capital & Finance Private Limited
- (4) Equity Shares allotted to the shareholders of Satguru Corporate Services Private Limited under the scheme of amalgamation of Satguru Corporate Services Private Limited with our Company pursuant to approval by the Bombay High Court vide its order dated November 24, 2008.
- (5) Equity Shares allotted to the shareholders of Amrut Consultancy Private Limited under the scheme of amalgamation of Amrut Consultancy Private Limited with our Company pursuant to approval by the Bombay High Court, vide its order dated December 12, 2008.
- (6) Allotment of 11,90,000 equity shares pursuant to conversion of 11,90,000 OCRPS into Equity Shares. The OCRPS were issued by our Company on November 27, 2007 at issue price of ₹ 1,167 per OCRPS.
- (7) Equity Shares allotted to the shareholders of Sanchit Derivatives Private Limited under the scheme of amalgamation of Sanchit Derivatives Private Limited with our Company pursuant to approval by the Bombay High Court, vide its order dated December 19, 2014.

Equity Shares allotted in the last year in the last one year

Except 26,528 Equity Shares allotted on April 21, 2017 by our Company pursuant to the ESOP 2013, our Company has not made any allotments in the last one year.

Equity Shares allotted for consideration other than cash in the last one year.

In the last one year preceding the date of this Preliminary Placement Document, our Company has not allotted any Equity Shares for consideration other than cash.

Employee Stock Option Scheme - 2013

Our Company had established the Employee Stock Option Scheme (“**ESOP 2013**”) with effect from March 28, 2013, pursuant to a special resolution dated March 15, 2013 passed by the shareholders of our Company by way of a postal ballot. Pursuant to the terms of ESOP 2013, our Company may grant employee stock options exercisable into not more than 600,000 Equity Shares. The eligibility and number of options to be granted to an employee is determined on the basis of the criteria laid down in the ESOP 2013, subject to the approval of the compensation committee of the Board of Directors. Further, the employee stock options under ESOP 2013 are not granted to a promoter or a member of the promoter group; and a director of the Company, whether whole-time or not, who directly or indirectly holds more than 10% of the outstanding issued, subscribed and paid-up shares of the Company (either by himself or through his relatives or through any body corporate). The ESOP 2013 shall continue to be in force until: (i) its termination by the Board; or (ii) the date on which all of the options available for issuance under the ESOP 2013 have been issued and exercised, whichever is later. ESOP 2013 is in compliance with the SEBI (Share based employee benefits) Regulations, 2014, as amended.

As on the date of this Preliminary Placement Document, following are the details of the options under the Employee Stock Option Scheme 2013:

Particulars	Number of options
Options granted	3,53,851
Options vested	1,38,249
Options exercised	26,528
Options lapsed	42,930
Exercise Price	295
Options forfeited	2,14,734
Options vested and exercisable	68,791

Employee Stock Option Scheme - 2017

Our Company had established the Employee Stock Option Scheme (“**ESOP 2017**”) with effect from October 5, 2017, pursuant to a special resolution dated September 26, 2017 passed by the shareholders of our Company. Pursuant to the terms of ESOP 2017, our Company may grant employee stock options exercisable into not more than 12,59,855 Equity Shares. The eligibility and number of options to be granted to an employee is determined on the basis of the criteria laid down in the ESOP 2017, subject to the approval of the compensation committee of the Board of Directors. Further, the employee stock options under ESOP 2017 are not granted to a promoter or a member of the promoter group; and a director of the Company, whether whole-time or not, who directly or indirectly holds more than 10% of the outstanding issued, subscribed and paid-up shares of the Company (either by himself or through his relatives or through any body corporate). The ESOP 2017 shall continue to be in force until: (i) its termination by the Board; or (ii) the date on which all of the options available for issuance under the ESOP 2017 have been issued and exercised, whichever is later. ESOP 2017 is in compliance with the SEBI (Share based employee benefits) Regulations, 2014, as amended.

As on the date of this Preliminary Placement Document, following are the details of the options under the Employee Stock Option Scheme 2017:

Particulars	Number of options
Options granted	4,36,555
Options vested	Nil
Options exercised	225
Options lapsed	Nil

Particulars	Number of options
Exercise Price	Nil
Options forfeited	Nil
Options vested and exercisable	Nil

DIVIDENDS

The declaration and payment of dividends by our Company is governed by the applicable provisions of the Companies Act and our Articles of Association. Our Board has approved and adopted a formal dividend distribution policy on May 26, 2017, in accordance with Regulation 43A of the Listing Regulations (“**Dividend Policy**”).

The Dividend Policy regulates the process of dividend declaration and its pay-out by our Company is in accordance with the provisions of Companies Act, 2013 read with the applicable Rules framed there under, as may be in force for the time being.

According to the Dividend Policy, The declaration of dividends will depend on a number of internal and external factors, including but not limited to the stability of earnings, cash flow position from operations, liquidity and return ratios, future capital expenditure, working capital requirements, inorganic growth plans, economic environment, cost of external financing, inflation rates etc. It also recommends that the dividend for any Fiscal shall normally be paid out of our Company’s profits for that year. If circumstances require, our Board may also declare dividend out of accumulated profits of any previous Fiscals in accordance with provisions of the Companies Act 2013 and rules framed thereunder, as applicable.

For further information, see “*Description of the Equity Shares*” on page 169.

The details of the dividend paid by our Company on the Equity Shares for the Fiscals 2015, 2016 and 2017 are:

Particulars	Financial year ending		
	March 31, 2017	March 31, 2016	March 31, 2015 (Refer note 1 below)
Face value of Equity Shares (Rs. per share) – Refer note 2 below	1.00	1.00	1.00
Interim Dividend (Rs. in lakhs)	-	-	-
Final Dividend Paid (Rs. in lakhs)	1,889.78	1259.32	166.95
Total Dividend (Rs. in lakhs)	1,889.78	1259.32	166.95
Dividend per share (in Rs.) – Refer note 2 below	1.50	1.00	0.50
Dividend Rate (%)	150%	100%	50%
Dividend Distribution Tax on above dividend (Rs. in lakhs)	384.72	256.37	33.99

Note:

- 1) Dividend relating to this year is declared on equity shares held by the persons/ entities other than Promoters.
- 2) Pursuant to the approval of the Shareholders vide resolution dated July 12, 2017 passed through postal ballot, the Equity Shares of face value Rs. 2 were sub-divided into 2 Equity Shares of Rs. 1 each. Accordingly, per share data as reported above has been calculated after considering the said sub-division of shares.

The amounts paid as dividends in the past are not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future.

The Equity Shares to be issued pursuant to the Issue shall qualify for dividend and interim dividend, if any, that is declared for the Fiscal in which such Equity Shares have been allotted. Also see “*Statement of Tax Benefits*” and “*Risk Factors*” on pages 172 and 42, respectively. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

For a summary of certain Indian consequences of dividend distributions to shareholders, see the section “*Statement of Tax Benefits*” beginning on page 172.

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

The following section has been prepared on the basis of our Reformatted Consolidated Financial Statements. Our Consolidated Financial Statements for the financial year 2016-17 has been prepared as per Ind-as and financials of FY 2015-16, prepared under Indian GAAP, has been reformatted which only includes the conversion of financial information appearing in the consolidated financial statements. The Reformatted Consolidated Financial Statements have been compiled on the basis of our (i) audited consolidated financial statements for Fiscals 2017 and 2016, which have been prepared in accordance with Ind AS and (ii) audited consolidated financial statements for Fiscal 2015, which have been prepared in accordance with Indian GAAP. Therefore, the financial statements for Fiscal 2016 presented in “- Results of operations for Fiscal 2017 and 2016” and as presented in “- Results of operations for Fiscal 2016 and 2015” are different. For further details of such differences, see “- Summary of Significant Differences between IFRS, Indian GAAP and Ind AS” on page 88. We also encourage you to read the following discussion in conjunction with the sections titled “Selected Financial Information” and “Summary of Significant Differences among Indian GAAP and Ind-AS”, as well as with our financial statements and the related notes thereto included elsewhere in this Preliminary Placement Document. The following discussion also includes forward-looking statements which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. For a discussion of some of those risks and uncertainties, please see “Forward-Looking Statements” and “Risk Factors”. Our financial year ends on March 31. Accordingly, all references to a particular Fiscal are to the 12-month period ended on March 31 of that year.

Overview

We are engaged in the business of developing, designing and managing high-end and premium residential and commercial properties predominantly in the Mumbai Metropolitan Region (the “MMR”). As of June 30, 2017, we have completed the construction and development of five residential projects and three commercial complexes in locations such as in the Bandra-Kurla Complex, Airoli, Andheri, Vile Parle, Panjim (in Goa) and in Nagpur. While we continue our focus on the development of real estate projects in the MMR, we have selectively expanded our area of operations to Jaipur, Nagpur and Goa. We have established a successful track record of executing projects in the markets in which we operate and cater to customers across a spectrum of income segments. As of June 30, 2017, we had eight Completed Projects, with an aggregate Saleable Area of 1.925 million sq. ft. and leasable area of 0.15 million sq. ft. As of June 30, 2017, we had seven ongoing projects with an aggregate saleable area of 2.0549 million sq. ft., in which the Company's effective stake of 91.14%. As of June 30, 2017, our portfolio additionally included one rented asset with a leasable area of approximately 0.15 million sq. ft. in which we have an effective stake in 0.075 million sq. ft. of the leasable area. For details of our completed projects and ongoing projects, see “**Business – Details of our Completed Projects**” and “**– ongoing Projects**” on page 123.

Outside the MMR region, we operate our business through an asset-light model which is JV/JDA, in which the initial capital commitment is low and helps reduce the need for large amounts of capital to be tied-up in land banks. The asset-light model also allows us to reduce our dependency on debt financing. We partner with premium services providers. For example, JLL manages all three of our Bandra-Kurla Complex (“BKC”) projects – ‘Signature Island’, ‘Signia Isles’ and ‘Signia Peral’. We expect to leverage our business model, our premium positioning, the experience of our management team and our project execution skills to grow our business volumes and market share. For further details, see “**Business – Competitive Strengths**” on page 119.

Our projects are categorized and distinguished into four brands, with each brand identifying the nature of the project developed. As part of our residential portfolio, we develop high-end, luxury residences aimed at high net-worth individuals in India under our ‘Signature’ brand. These residences are located at prime city locations. Our flagship project under the ‘Signature’ brand, “Signature Island”, is located at Bandra-Kurla Complex, Mumbai. Under the ‘Signature’ brand, As of June 30, 2017, we had one completed project, with an aggregate saleable area of 0.6579 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, 51.7% and 8.5% of our revenues, respectively, was attributable to our Signature brand.

Under our ‘Signia’ brand, we develop super premium residences in select suburban micro markets. We have projects in Bandra-Kurla Complex, Borivali, Nagpur and Navi Mumbai. Under the Signia brand, As of June 30, 2017, we had four completed projects, with an aggregate saleable area of 1.0881 million sq. ft. and three ongoing residential projects, with an aggregate saleable area of approximately 0.6094 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, 47.2% and 80.6% of our revenues, respectively, was

attributable to our ‘Signia’ brand.

We also develop our mixed use developments under the ‘Sunteck City’ brand. Our large-format developments include residential developments, commercial and retail real estate developments, as well as related amenities such as fine-dining and entertainment zones. As of June 30, 2017, we had two ongoing projects under the ‘Sunteck City’ brand, all of which are located in the ODC Goregaon (West), Mumbai.

We develop commercial projects under our ‘Sunteck’ brand. We have completed three projects under the ‘Sunteck’ brand, two of which are located in Mumbai and one is located in Goa. As of June 30, 2017, under the Sunteck brand, apart from above mentioned three projects, we have one ongoing project and two upcoming projects (Avenue 5 and Avenue 6) aggregating to a total saleable area of 0.191 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, a nil amount and 3.3% of our revenues, respectively, was attributable to our ‘Sunteck’ brand.

As of June 30, 2017, Fitch and CARE have both assigned A+ for Long-Term after considering our Company’s total consolidated debt and Fitch has also assigned our short-term consolidated debt with A1+. We have received several awards and recognitions including the following.

Sr. No.	Awards and Accolades for	Source	Year
1	Sunteck City Awarded for “Most innovative concept of the year”	Realty Plus	2017
2	Signature Island awarded as “Ultra Luxury-Lifestyle project of the year”	Realty Plus	2017
3	Sunteck realty featured in Fortune for “India’s top 500 midsize companies”	Fortune 500	2017
4	Sunteck City awarded as “Integrated township of the year”	Realty Plus	2016
5	Super luxury project of the year – Signature Island	NDTV Property Awards	2015
6	Integrated Township of the Year below 350 acres - Sunteck City	Realty Plus Excellence Awards	2015
7	Scroll of Honour and Pathfinder Award for the most Enterprising CXO – Mr. Kamal Khetan	Realty Plus Excellence Awards	2015
8	Real Estate Person of the Year and Young Entrepreneur of the Year the Mr. Kamal Khetan	Construction Week India Awards	2015
9	Luxury Project of the year – Signature Island and Young Achievers Award – Mr. Kamal Khetan	Lokmats National Award for excellence in Real Estate Infrastructure	2014
10	‘Best Property Development Organization Emerging Markets. • Highly Commended • Property Valuation • Market Disclosure	APREA (Asia Pacific Real Estate Association)	2013
11	Best Country Submission, India - Sunteck Realty	APREA (Asia Pacific Real Estate Association Limited)	2013
12	Best Marketing campaign of the year – Sunteck City	Realty Plus	2013
13	Project of the Year, Mumbai – Signature Island	Accommodation Times	2012

We are Real Estate (Regulation and Development) Act, 2016 (“RERA”) compliant. Our consolidated total income for the three months ended June 30, 2017 and Fiscals 2017, 2016 and 2015, was ₹ 13,545.05 lakhs, ₹ 96,036.03 lakhs, ₹ 26,125.06 lakhs and ₹ 31,687.06 lakhs respectively, and our total comprehensive income for the three months ended June 30, 2017 and Fiscals 2017 and 2016, was ₹ 3,987.01 lakhs, ₹ 22,020.40 lakhs and

₹ 2,061.88 lakhs, respectively and profit for Fiscal 2015 was ₹ 6,815.77 lakhs.

Significant factors affecting our results of operations

We believe that the following are the significant factors that affect our results of operations:

Ability to acquire suitable land at commercially viable costs

Our ability to identify and acquire suitable and well-established land for the development of commercial and residential units is a significant factor in our growth prospects. In the past, we have been able to identify suitable land at Bandra-Kurla Complex, Goregaon, Airoli, Borivali, Andheri, and so forth, which we were able to successfully acquire and develop. Our results of operations may be affected by our ability to identify and successfully acquire such land in the future. Any change in government regulations can possibly restrict our ability to acquire land on commercially viable terms, if at all. Superior resources available to certain of our competitors may also increase in the acquisition cost caused by aggressive bidding for the land parcel in an area we intend to develop our projects.

The cost of land acquisition is a significant factor that affects real estate developers. We acquire land from governmental authorities and private parties. The cost of land acquisition, which includes amounts paid for freehold rights, leasehold rights, cost of registration and stamp duty, represents a substantial part of our operating expenses. For the three months ended June 30, 2017 and Fiscals 2017, 2016 and 2015, cost of land acquisition accounted for in the profit and loss statement was 25.04%, 38.15%, 34.91% and 27.12%, respectively, of our consolidated total cost. Additionally, such costs include those incurred in relation to complying with regulatory formalities, such as fees paid for change of land use. Such costs are subject to periodic increases. Further, any delays in acquiring a clean title over land, conversion of land for development purposes and procuring requisite regulatory approvals may impact the project development schedule and associated costs. Cost of land used in a specific project is included in the cost of construction and development of such project. Such costs of land, together with costs of construction and development, are expensed for projects as and when certain threshold is achieved as per the percentage completion method of accounting.

Costs of construction and development, as well as pricing of our projects

We incur significant costs while constructing our projects, which includes land conversion costs, municipal sanction fee and other charges for obtaining building permissions, labor costs, costs of materials used in construction or development of property, costs of moving plant, equipment and materials to and from the project sites, costs of hiring plant and equipment and cost of design and technical assistance that is directly related to the project. For the three months ended June 30, 2017 and Fiscals 2017, 2016 and 2015, cost of construction accounted for in the profit and loss statement was 77.35%, 86.76%, 81.94% and 75.22% of our consolidated total cost. We procure construction materials from suppliers with whom we may not enter into long term agreements, in which case we work on the basis of purchase orders and the cost of such materials is adjusted from time to time. Further, the timing and quality of the construction of projects depend on the availability and skill of contractors, their manpower and consultants, as well as any contingencies affecting them, including labor and raw material shortages and industrial actions such as strikes and lockouts. Our ability to develop a project within the intended timeframe, at the intended cost and to our quality specifications is dependent on our contractors.

The sales prices of each of our projects depend primarily on the location, number, square footage and mix of properties we sell during each Fiscal as well as on prevailing market supply and demand conditions at the time at which we complete development of our projects. Therefore, the prices we charge for our residential and commercial units are affected by various factors outside of our control, including prevailing economic, income and demographic conditions, 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.

The condition and performance of the real estate sector in Mumbai and general economic conditions

General economic conditions affect the real estate market in India because in most cases, residential and commercial units are purchased during times of relative economic prosperity or during times when there exists a general belief in the market that the economy is under a recovery process. Further, economic growth and stability increases the average price of properties and rental rates. Adverse market conditions have the opposite

effect on the real estate industry. The market may be affected by various factors outside of our control, including local and global economic conditions, changes in the supply and demand for properties comparable to those we develop, and changes in the applicable Governmental regulations.

Further, our operations are predominantly concentrated in Mumbai, India and the condition and performance of the real estate sector in Mumbai has a significant impact on our business and results of operations. Demand for our residential and commercial units may decrease if potential purchasers do not continue to consider Mumbai as an attractive place to live and invest in real estate. These and other factors may contribute to fluctuations in real estate prices and the availability of land in Mumbai at viable prices. Further, our ability to respond to changes in market conditions is relatively limited as compared to other real estate developers as we are currently not diversified into multiple geographical segments. Such factors may affect our results of operations in the short and long term.

Regulations affecting the real estate industry and regulatory approvals

Uncertainty with respect to the regulations applicable to the real estate industry in India has an impact on the industry and, which as a result, could have an adverse effect on our ability to procure land, construct our projects and enjoy the tax benefits that real estate companies are entitled to. Additionally, the Land Acquisition Act was passed in 2014 by the Indian Parliament to govern processes in relation to land acquisition in India. The Land Acquisition Act incorporates additional restrictions on land acquisition (for instance, restrictions on the acquisition of certain types of agricultural land) and includes provisions relating to the compensation, rehabilitation and resettlement of affected persons. The Land Acquisition Act could therefore restrict our ability to acquire land or development rights over land, which may adversely affect our business.

Our operations, the acquisition of land and land development rights, and the implementation of our projects require us to obtain regulatory approvals and licenses and to comply with the land conversion rules and regulations of a variety of regulatory authorities. We are also subject to local laws relating to real estate development activities. Any delay in obtaining these approvals may affect our business and result of operations. In addition, one of the major constituents of project cost is cost incurred in form of taxes, cess, fees, charges and premiums payable to get government sanctions/ approvals. Any change in policy in respect of the above by the Government may adversely affect the potential return on land as well as increase the cost of the project.

Critical Accounting Policies

Please see Note 1 to our Reformatted Consolidated Financial Statements for a discussion of our significant accounting policies for the Fiscals 2017, 2016 and 2015.

Description of the line items of the statement of profit and losses

Revenue

Our income comprises of revenue from operations and other income.

Revenue from operations comprises of revenue received from the sale of residential and commercial units as well as from sale of services. Sale of services comprises primarily of rent received from properties owned by us, fees received for maintenance services and fees received for other services.

Other income comprises primarily of interest income received on fixed deposit placed with banks, loans and advances made, long term investments and on interest on delayed payment received from customer against the demand due. Other income also comprises of dividend income, which includes dividend received from current and long term investment as well as net gains made on sale of long term investments. Net sundry balances written back also forms a part of other income.

Expenses

Our expenses comprises of the following:

- Operating expenses, which comprises of the cost of land, development and construction of projects, purchase of construction materials and other expenses such as commission and brokerage expenses;

- Employee benefit expense, which includes the salaries and wages paid to our employees and workmen, our contribution to provident and other funds and staff welfare expenses;
- Finance costs, which includes interest paid by us on our borrowings as well as other borrowing costs;
- Depreciation and amortization, which are adjustments to our profit and loss statements made due to depreciation of certain fixed and movable assets; and
- Other expenses, such as rental expenses, electricity costs, legal and other professional fees, advertising expenses, business promotion expenses and other miscellaneous expenses.

Results of operations for the quarter ended June 30, 2017 and 2016

The following table sets forth selected information from our results of operations as a percentage of total income for the quarter ended June 30, 2017 and 2016, which have been prepared in accordance with Ind AS:

Particulars	Quarter ended June 30,			
	2017		2016	
	(₹ in lakhs)	% of total income	(₹ in lakhs)	% of total income
Income:				
Revenue from operations	13,337.44	98.47	52,452.63	99.28
Other income	207.61	1.53	380.25	0.72
Total income	13,545.05		52,832.88	
Expenses:				
Operating costs	5,668.48	41.85	37,748.05	71.45
Employee benefits expense	232.98	1.72	366.73	0.69
Finance costs	1,028.01	7.59	1,167.73	2.21
Depreciation and amortisation expense	36.45	0.27	49.66	0.09
Other expenses	362.38	2.68	2,835.10	5.37
Total expenses	7,328.30	54.10	42,167.27	79.81
Profit before share of profits / (loss) of an associate and joint ventures	6216.75	45.90	10,665.61	20.19
Add: Share of profit / (loss) of an associate and joint ventures accounted for using the equity method	(18.81)	(0.14)	(368.55)	(0.70)
Profit before tax	6,197.93		10,297.06	
Tax expenses				
Current tax	2,308.48	17.04	3,848.80	7.28
Deferred tax	(75.11)	(0.55)	-	-
Profit for the year	3,964.57	29.27	6,448.26	12.21

Revenue from operations

Our revenue from operations decreased by 74.57% to ₹ 13,337.44 lakhs in the quarter ended June 30, 2017 from ₹52,452.63 lakhs in the quarter ended June 30, 2016, primarily due to the recognition of revenue derived from our Signia Pearl project in June 30, 2016.

Other income

Other income decreased by 45.40% to ₹ 207.61 lakhs in the quarter ended June 30, 2017 from ₹ 380.25 lakhs in the quarter ended June 30, 2016, primarily due to Ind AS Fair Valuation Gain/(loss) on Optionally Convertible Debentures.

Operating costs

Our operating costs decreased by 84.98% to ₹ 5,668.48 lakhs in the quarter ended June 30, 2017 from ₹ 37,748.05 lakhs in the quarter ended June 30, 2016, primarily due the recognition of the costs of construction for our Signia pearl project for the first time in June 30, 2016.

Employee benefit expense

Our employee benefit expense decreased by 36.47% to ₹ 232.98 lakhs in the quarter ended June 30, 2017 from ₹ 366.73 lakhs in the quarter ended June 30, 2016, primarily due to managerial remuneration paid the which is calculated based on the profit during the period as per Companies Act 2013 (certain fixed part of which is paid during the quarter while provisioning is made based on percentage of profits estimated which was higher than the actual amount paid during in the quarter ended June 30, 2017.

Finance costs

Finance costs decreased by 11.97% to ₹ 1,028.01 lakhs in the quarter ended June 30, 2017 from ₹ 1,167.73 lakhs in the quarter ended June 30, 2016, primarily due to reduction in interest rate of loan which was caused by a reduction in bank base rates and RBI's interest rates. We also reduced our loan amount in our effort to reduce our net debt to equity ratio.

Depreciation and amortization expense

Depreciation and amortization expenses decreased by 26.61% to ₹ 36.45 lakhs in the quarter ended June 30, 2017 from ₹ 49.66 lakhs in the quarter ended June 30, 2016, primarily due to the completion of the life cycle of certain of our assets during the three months ended June 30, 2016.

Other expenses

Other expenses decreased by 87.22% to ₹362.38 lakhs in the quarter ended June 30, 2017 from ₹ 2,835.10 lakhs in the quarter ended June 30, 2016, primarily due to a reduction in commission and brokerage, primarily due the recognition of the commission and brokerage costs of our Signia pearl project for the first time in June 30, 2016.

Tax expenses

Current tax expenses decreased by 40.02% to ₹2,308.48 lakhs in the quarter ended June 30, 2017 from ₹ 3,848.80 lakhs in the quarter ended June 30, 2016 primarily due to the recognition of revenue derived from our Signia Pearl project in June 30, 2016.

Deferred tax credit was ₹75.11 lakhs in the quarter ended June 30, 2017 as compared to a deferred tax credit in a nil amount in the quarter ended June 30, 2017. This was primarily due to the creation of deferred tax asset at the Company level, which was a result of the higher advanced tax paid in the prior period.

Profit for the year

Due to the reasons mentioned above, our profit decreased by 38.52% to ₹ 3,964.57 lakhs in the quarter ended June 30, 2017 from ₹ 6,448.26 lakhs in the quarter ended June 30, 2016.

Results of operations for Fiscals 2017 and 2016

The following table sets forth selected information from our results of operations as a percentage of total income for Fiscal 2017 and Fiscal 2016, which have been prepared in accordance with Ind AS:

Particulars	Fiscal			
	2017		2016	
	(₹ in lakhs)	% of total income	(₹ in lakhs)	% of total income
Income:				
Revenue from operations	95,219.65	99.15	24,336.86	93.16
Other income		0.85		6.84

Particulars	Fiscal			
	2017		2016	
	(₹ in lakhs)	% of total income	(₹ in lakhs)	% of total income
	816.38		1,788.23	
Total income	96,036.03	100.00	26,125.08	100.00
Expenses:				
Operating costs	56,557.85	58.89	19,546.06	74.82
Employee benefits expense	1,286.58	1.34	992.42	3.80
Finance costs	4,552.41	4.74	1,687.75	6.46
Depreciation and amortisation expense	227.01	0.24	222.59	0.85
Other expenses	2,568.15	2.67	1,406.44	5.38
Total expenses	65,191.99	67.88	23,855.26	91.31
Profit before share of profits / (loss) of an associate and joint ventures	30,844.04	32.12	2,269.83	8.69
Add: Share of profit / (loss) of an associate and joint ventures accounted for using the equity method	(509.76)	(0.53)	(169.42)	(0.65)
Profit before tax	30,334.28	31.59	2,100.41	8.04
Tax expenses				
Current tax	8,671.43	9.03	8,148.20	31.19
Short taxation of earlier years	5.23	0.01	1.61	0.01
Deferred tax	81.20	0.08	(8,781.69)	(33.61)
MAT credit	(37.60)	(0.04)	-	(0.00)
Profit for the year	21,614.02	22.51	2,732.28	10.46

Fiscal 2017 compared to Fiscal 2016

Revenue from operations

Our revenue from operations increased by 291.26% to ₹ 95,219.65 lakhs in Fiscal 2017 from ₹ 24,336.86 lakhs in Fiscal 2016, primarily due to the recognition of revenue derived from our Signia Pearl project as per threshold decided under percentage completion method of accounting and the reinstatement of the Fiscal 2016 numbers resulting from the change of accounting policy from a project completion method to percentage completion method as required under Ind AS.

Other income

Other income decreased by 54.35% to ₹ 816.38 lakhs in Fiscal 2017 from ₹ 1,788.23 lakhs in Fiscal 2016. Such decrease was primarily due to the reduction in the gain on fair valuation of debentures as per the adoption of Ind AS in Fiscal 2017, which requires the recognition of the debentures to be measured at fair value (other than investments in subsidiaries and joint ventures) whereas under IGAAP, investments in debentures were classified as long-term investments (which was carried at cost less provision for other than temporary decline in the value of such investments) or current investments, based on the intended holding period and realizability.

Operating costs

Our operating costs increased by 189.36% to ₹ 56,557.85 lakhs in Fiscal 2017 from ₹ 19,546.06 lakhs in Fiscal 2016, due to the allocation of the cost of our Signia Pearl project in the profit and loss account, as per the adoption of percentage completion method under Ind AS.

Employee benefit expense

Our employee benefit expense increased by 29.64% to ₹ 1,286.58 lakhs in Fiscal 2017 from ₹ 992.42 lakhs in Fiscal 2016, primarily due to increase in salaries and wages paid to employees and workmen. Such increase was primarily due to an increase in the number of employees and increase in the salaries and wages due to yearly

revisions.

Finance costs

Finance costs increased by 169.73% to ₹ 4,552.41 lakhs in Fiscal 2017 from ₹ 1,687.75 lakhs in Fiscal 2016. Such increase was due to a first time allocation of the finance cost incurred in connection with our Signia Pearl project.

Depreciation and amortization expense

Depreciation and amortization expenses increased marginally by 1.99% to ₹ 227.01 lakhs in Fiscal 2017 from ₹ 222.59 lakhs in Fiscal 2016, primarily due to assets acquired and depreciated during the year.

Other expenses

Other expenses increased by 82.60% to ₹ 2,568.15 lakhs in Fiscal 2017 from ₹ 1,406.44 lakhs in Fiscal 2016. Such increase was primarily due to increase in legal and professional expenses, rates and taxes and loss on sale of investment property, which was in line with the expansion of our business.

Tax expenses

Current tax expenses increased by 6.42% to ₹ 8,671.43 lakhs in Fiscal 2017 from ₹ 8,148.20 lakhs in Fiscal 2016, primarily due to the increase in revenue recognition of projects in Fiscal 2017.

Short taxation for earlier years was ₹ 5.23 lakhs in Fiscal 2017 as compared to ₹ 1.61 lakhs in Fiscal 2016, which was primarily due to the excess provision of taxation in earlier years.

Deferred tax paid was ₹ 81.20 lakhs in Fiscal 2017 as compared to a deferred tax credit of ₹ 8,781.69 lakhs in Fiscal 2016. This was primarily due the application of Ind AS where we recognized the deferred tax on new temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base which was not required under IGAAP.

Profit for the year

Due to the reasons mentioned above, our profit increased by 691.06% to ₹ 21,614.02 lakhs in Fiscal 2017 from ₹ 2,732.28 lakhs in Fiscal 2016.

Results of operations for Fiscal 2016 and 2015

The following table sets forth selected information from our results of operations as a percentage of total income for Fiscal 2016 and Fiscal 2015, which have been prepared in accordance with Indian GAAP. We have prepared our financial statements for Fiscal 2016 under Ind AS (as a comparable statement to the financial statements for Fiscal 2017) as well as in accordance with Indian GAAP. Therefore, the financial statements for Fiscal 2016 presented in the table above (“–Results of operations for Fiscal 2017 and 2016”) and in the table below are accordingly different. For details of such differences, see “*Summary of Significant Differences Between IFRS, Indian GAAP and Ind AS*” on page 88.

Fiscal 2016 compared to Fiscal 2015

Particulars	Fiscal			
	2016		2015	
	(₹ in lakhs)	% of total income	(₹ in lakhs)	% of total income
Income:				
Revenue from operations	78,649.31	99.04	30,284.57	95.57
Other Income	758.65	0.96	1,402.48	4.43
Total revenue	79,407.96	100.00	31,687.05	100.00
Expenses:				
Operating Expenses	49,519.18	62.36	14,179.13	44.75
Employee Benefits Expense	763.87	0.96	547.98	1.73

Particulars	Fiscal			
	2016		2015	
	(₹ in lakhs)	% of total income	(₹ in lakhs)	% of total income
Finance Costs	1,429.85	1.80	1,761.93	5.56
Depreciation and Amortisation Expense	208.95	0.26	196.94	0.62
Other Expenses	3,365.29	4.24	2,164.08	6.83
Total expenses	55,287.15	69.62	18,850.06	59.49
Profit before tax	24,120.82	30.38	12,836.99	40.51
Tax expenses				
Current tax	8,201.24	10.33	4,705.13	14.85
Taxation of earlier years	3.01	0.00	3.72	0.01
Deferred tax	(15.21)	(0.02)	(10.77)	(0.03)
MAT credit				
Profit before minority interest	15,931.77	20.06	8,138.91	25.69
Less: minority interest	(1,007.26)	(1.27)	(1,323.14)	(4.18)
Add: Share of profit/ (loss) from an associate	1,352.05	1.70	-	-
Profit for the year	16,276.55	20.50	6,815.77	21.51

Revenue from operations

Our revenue from operations increased by 159.70% to ₹ 78,649.31 lakhs in Fiscal 2016 from ₹ 30,284.57 lakhs in Fiscal 2015, primarily due to increase in sales of our residential units from our Signia Isles project, revenue from which was recognized for the first time as required under Ind AS. Such sales increased to ₹ 77,330.15 lakhs in Fiscal 2016 from ₹ 28,196.17 lakhs in Fiscal 2015.

Other income

Other income decreased by 45.91% to ₹ 758.65 lakhs in Fiscal 2016 from ₹ 1,402.48 lakhs in Fiscal 2015. Such decrease was primarily due to (i) a decrease in interest income received on loans and advances, which decreased to ₹ 167.60 lakhs in Fiscal 2016 from ₹ 425.38 lakhs in Fiscal 2015, which was a result of taking back of a loan the Company had extended to Starlight Systems (I) LLP and Nivedita Mercantile & Financing Ltd. on which the Company had earned interest income was earned, (ii) a decrease in interest income from fixed deposits placed with banks to ₹ 66.80 lakhs in Fiscal 2016 from ₹ 91.91 lakhs in Fiscal 2015, which was mainly due to a decrease in our deposits as a result of increased use of funds in the ordinary course of business, (iii) a decrease in interest income on long term investments to ₹ 47.60 lakhs in Fiscal 2016 from ₹ 264.33 lakhs in Fiscal 2015, which was mainly due to the acquisition of Advait Infraprojects Pvt Ltd in which the Company had previously made an investment and (iv) a decrease in interest income from other investments to ₹ 463.76 lakhs in Fiscal 2016 from ₹ 558.53 lakhs in Fiscal 2015, mainly due to the receipt of interest income received on a one-time income tax refund in Fiscal 2015.

Operating expenses

Our operating expenses increased by 249.24% to ₹ 49,519.18 lakhs in Fiscal 2016 from ₹ 14,179.13 lakhs in Fiscal 2015, due to the revenue recognition of our “Isles” project under the project completion method in which we transferred the cost of construction from work in progress to profit and loss account.

Employee benefit expense

Our employee benefit expenditure increased by 39.40% to ₹ 763.87 lakhs in Fiscal 2016 from ₹ 547.98 lakhs in Fiscal 2015, primarily due to increase in salaries and wages paid to employees and workmen. Such increase was primarily due to an increase in the number of employees and increase in the salaries and wages due to yearly revisions.

Finance costs

Finance costs decreased by 18.85% to ₹ 1,429.85 lakhs in Fiscal 2016 from ₹ 1,761.93 lakhs in Fiscal 2015, which was primarily due to a decrease in the interest expenses to ₹ 402.39 lakhs in Fiscal 2016 from ₹ 1,281.81

lakhs in Fiscal 2015, which was partially offset by an increase in other borrowing costs to ₹ 1,027.47 lakhs in Fiscal 2016 from ₹ 480.12 lakhs in Fiscal 2015. The decrease in interest expenses was primarily due to the repayment of loan as well as reduction in the rate of interest which was offset by other borrowing cost which increased due to the inclusion of Advaith Infraprojects Private Limited as our subsidiary in Fiscal 2016.

Depreciation and amortization expense

Depreciation and amortization expenses increased by 6.10% to ₹ 208.95 lakhs in Fiscal 2016 from ₹ 196.94 lakhs in Fiscal 2015.

Other expenses

Other expenses increased by 55.51% to ₹ 3,365.29 lakhs in Fiscal 2016 from ₹ 2,164.08 lakhs in Fiscal 2015. Such increase was primarily due to (i) increase in commission and brokerage expenses to ₹ 1,711.65 lakhs in Fiscal 2016 from ₹ 764.48 lakhs in Fiscal 2015, which was mainly due to a first-time revenue recognition of our “Isles” project as per the project completion method in which we transferred the commission and brokerage expenses from work-in-progress to the profit and loss account, (ii) increase in legal and professional fees to ₹ 309.65 lakhs in Fiscal 2016 from Rs.205.34 lakhs in Fiscal 2015, which was mainly due to the growth of business, (iii) increase of advertising expenses to ₹ 295.71 lakhs in Fiscal 2016 from ₹ 95.16 lakhs in Fiscal 2015, which was mainly due to launch of our new projects and (iv) increase of miscellaneous expenses to ₹ 264.56 lakhs in Fiscal 2016 from ₹ 203.34 lakhs in Fiscal 2015. Such increases were partially offset by a decrease of rental expenses to ₹ 242.47 lakhs in Fiscal 2016 from ₹ 268.12 lakhs in Fiscal 2015 and decreases in rates and taxes to ₹ 116.67 lakhs in Fiscal 2016 from ₹ 159.81 lakhs in Fiscal 2015, due to decrease in the rental income received.

Tax expenses

Current tax expenses increased by 74.30% to ₹ 8,201.24 lakhs in Fiscal 2016 from ₹ 4,705.13 lakhs in Fiscal 2015, primarily due to the recognition of revenue derived from our Signia Isles project which was completed in Fiscal 2016.

Deferred tax credit was ₹ 15.21 lakhs in Fiscal 2016 as compared to a deferred tax credit of ₹ 10.77 lakhs in Fiscal 2015. This was primarily due to the revenue recognition of our “Isles” project.

Profit for the year

Due to the reasons mentioned above, our profit increased by 138.81% to ₹ 16,276.55 lakhs in Fiscal 2016 from ₹ 6,815.77 lakhs in Fiscal 2015.

Reconciliation of Fiscal 2016 prepared under Indian GAAP and Ind AS

Sr. No	Particulars	Amount in Lakhs
	Net Profit as per GAAP for FY-16	17,283.81
	Less: Share of JV as per IGAAP due equity method of accounting as per IND AS	(2,996.32)
A	Net Profit as per GAAP for FY-16 (excluding Share of JV)	14,287.50
	Adjustments :	
	Fair Value of Investments	1,067.10
	Deferred Tax on IND AS Adjustment	8,767.73
	Revenue from operations	(20,174.70)
	Others	306.12
	Share of Profit from an Associates	(1,521.47)
	Other comprehensive Income/ (Loss) (net of Tax)	(670.40)
B	Total IND AS Adjustment	(12,225.62)
	Net Profit as per IND AS (A-B)	2,061.88

Discussion on the statement of cash flows

The following table sets forth the statement of our consolidated cash flows for the quarter ended June 30, 2017

and 2016, which have been prepared in accordance with Ind AS:

(₹ in lakhs)

	Quarter ended June 30,	
	2017	2016
Net cash generated/(used in) operating activities	3,993.07	2,233.45
Net cash generated/(used in) investing activities	(12,035.43)	3,675.24
Net cash generated from/(used in) financing activities	7,188.22	(7,693.14)

The following table sets forth the statement of our consolidated cash flows for Fiscals 2017 and 2016, which have been prepared in accordance with Ind AS:

(₹ in lakhs)

	Fiscals	
	2017	2016
Net cash generated/(used in) operating activities	24,272.33	(12,801.57)
Net cash generated/(used in) investing activities	8,821.29	(7,650.00)
Net cash generated from/(used in) financing activities	(33,708.21)	16,777.99

The following table sets the statement of our consolidated cash flows for Fiscal 2016 and Fiscal 2015, which have been prepared in accordance with Indian GAAP. We have prepared our financial statements for Fiscal 2016 under Ind AS (as a comparable statement to the financial statements for Fiscal 2017) as well as in accordance with Indian GAAP. Therefore, the statement of cash flows for Fiscal 2016 presented in the table above and in the table below are accordingly different.

(₹ in lakhs)

	Fiscals	
	2016	2015
Net cash generated/(used in) operating activities	(13,906.47)	(8,532.73)
Net cash generated/(used in) investing activities	(4,155.86)	(15,792.09)
Net cash generated from/(used in) financing activities	14,322.73	33,456.97

Discussion on cash flows used in operating activities

Net cash used in operating activities was ₹ 3,993.07 lakhs in the quarter ended June 30, 2017, and comprised of profit before share of profits of an associate and joint ventures of ₹ 6,216.75 lakhs, as adjusted for certain non-cash items, depreciation and amortization of ₹ 36.45 lakhs, finance cost of ₹ 1,028.01 lakhs and foreign currency translation reserve of ₹ 20.45 lakhs and gain in fair value of financial assets through other comprehensive income of ₹ 1.99 lakhs., and share based payments to employees of 2.07 lakhs, which were offset by an interest income of ₹ 93.08 lakhs and dividend income 4.25 lakhs and gain in fair value of financial assets through statement of profit and loss of ₹ 43.62 lakhs. Changes in working capital primarily comprised of an increase in other financial liabilities, provisions and other current liabilities of ₹ 2,208.60 lakhs, increase in inventories of ₹ 3,925.32 lakhs, increase in other financial assets, other non-current and current assets of ₹ 1,993.76 lakhs and increase in trade payables of ₹ 2,538.93 lakhs and decrease in trade receivable of ₹ 1,079.15 lakhs. The cash flow was also adjusted for direct taxes paid (net of refunds) of ₹ 3,079.29 lakhs.

Net cash from operating activities was ₹ 24,272.33 lakhs in Fiscal 2017, and comprised of profit before tax of ₹ 30,844.04 lakhs, as adjusted for a number of non-cash items, primarily depreciation and amortization of ₹ 227.01 lakhs, loss on sale of investment property of ₹ 329.39 lakhs, income relating to previous years of ₹ 184.52 lakhs, finance cost of ₹ 4,552.41 lakhs and foreign currency translation reserve of ₹ 384.47 lakhs, which were offset by interest income of ₹ 502.44 lakhs and gain in fair value of financial assets through statement of profit and loss of ₹ 229.59 lakhs. Changes in working capital primarily comprised of decrease in other financial liabilities, provisions and other current liabilities of ₹ 45,875.43 lakhs, decrease in inventories of ₹ 32,791.21 lakhs, decrease in other financial assets, other non-current and current assets of ₹ 7,155.32 lakhs and increase in trade payables of ₹ 1,128.26 lakhs. The cash flow was also adjusted for direct taxes paid (net of refunds) of ₹ 6,474.99 lakhs.

Net cash used in operating activities was ₹ 13,906.47 lakhs in Fiscal 2016, and comprised of profit before tax of ₹ 24,120.82 lakhs, as adjusted for a number of non-cash items, primarily depreciation and amortization of ₹ 208.95 lakhs and finance cost of ₹ 1,429.85 lakhs which were offset by interest income received of ₹ 745.76 lakhs. Changes in working capital primarily included increase in inventories of ₹ 32,460.61 lakhs, decrease in

trade receivables by ₹ 4,984.29 lakhs and decrease in trade payables, other liabilities and provisions of ₹ 6,105.53 lakhs.

Net cash used in operating activities was ₹ 8,532.73 lakhs in Fiscal 2015, and comprised of profit before tax of ₹ 12,836.99 lakhs, as adjusted for a number of non-cash items, primarily depreciation and amortization of ₹ 196.94 lakhs and finance cost of ₹ 1,758.45 lakhs, which were offset by interest income received of ₹ 1,340.15 lakhs, changes in foreign currency translation reserve of ₹ 161.13 lakhs and liabilities no longer required that were written back of ₹ 50.62 lakhs. Changes in working capital primarily included increase in inventories of ₹ 41,904.28 lakhs, increase in trade receivables by ₹ 9,836.48 lakhs, decrease in other receivables by ₹ 37,722.26 lakhs and decrease in trade payables, other liabilities and provisions of ₹ 2,769.63 lakhs.

Discussion on cash flows from/ used in investing activities

For the quarter ended June 30, 2017, net cash used in investing activities was ₹12,035.43 lakhs, which primarily comprised of loans given to Subsidiaries, related parties and body corporate of 3,383.17 lakhs, investment in mutual funds of 3,700.92 lakhs, investment towards earnest money deposit of 5,000.00 lakhs which were partially off-set by interest received in the amount of 47.98 lakhs.

For Fiscal 2017, net cash generated from investing activities was ₹8,821.29 lakhs, which primarily comprised of investment in equity shares / capital (associates and joint ventures including LLP and partnership firms) of ₹ 2,088.85 lakhs, loans repaid by related parties and body corporates of ₹ 6,637.91 lakhs, proceeds received from the sale of property of ₹ 1,211.60 lakhs and amounts received from redemption of mutual funds of ₹ 2,550.00 lakhs, which were partially off-set by cost of investment in property of ₹ 1,540.99 lakhs and investment in mutual fund of ₹ 2,550.00 lakhs.

For Fiscal 2016, net cash used in investing activities was ₹ 4,155.86 lakhs, which primarily comprised of cash used in acquisition of non-convertible debentures for ₹ 4,721.57 lakhs and purchase of fixed assets for ₹ 137.07 lakhs, which were partially offset by interest on investments and loans & advances in the amount of ₹ 717.50 lakhs.

For Fiscal 2015, net cash used in investing activities was ₹ 15,792.09 lakhs, which primarily comprised of cash used in the merger of Satguru Corpoarte Services Private Limited and Somani & Co. for ₹ 17,799.63 lakhs and purchase of fixed assets for ₹ 177.34 lakhs, which were partially offset by interest on investments and loans & advances of ₹ 2,147.44 lakhs.

Discussion on cash flows from financing activities

For the quarter ended June 30, 2017, net cash used in financing activities was ₹ 7,188.22 lakhs, which primarily comprised of interest paid of 1,935.25 lakhs, which were partially offset by proceeds borrowings in the amount of 9,123.46 lakhs.

For Fiscal 2017, net cash used in financing activities was ₹ 33,708.21 lakhs, which primarily comprised of cash used in repayment of borrowings of ₹58,459.91, which was partially offset by proceeds received from borrowings of ₹ 29,466.10 lakhs.

For Fiscal 2016, net cash from financing activities was ₹ 14,322.73 lakhs, which primarily comprised of cash received from secured loans taken of ₹ 47,544.70 lakhs and other borrowings (net) of ₹ 11,552.16 lakhs, which were partially offset by secured loans repaid of ₹ 41,123.91 lakhs and finance cost paid of ₹ 3,448.94 lakhs.

For Fiscal 2015, net cash from financing activities was ₹ 33,456.97 lakhs, which primarily comprised of cash received from secured loans taken of ₹ 92,944.38 lakhs, which was partially offset by secured loans repaid of ₹ 38,077.65 lakhs, repayment of other borrowings (net) of ₹ 10,892.37 lakhs, dividend (including dividend distribution tax) paid of ₹ 8,949.00 lakhs and finance cost paid of ₹ 1,384.22 lakhs.

Business segments

As we are primarily engaged in one business segment of “real estate/ real estate development and related activities” and a substantial part of our activities are carried out in India, there are no separate reportable product or geographical segments.

Indebtedness

The following table summarizes our combined outstanding indebtedness as of March 31, 2017:

Particulars	Amount (₹ in lakhs)
Long term borrowings	2,960.91
Short term borrowings	91,434.49

Contingent liabilities and commitments

Our contingent liabilities and commitments as of March 31, 2017 are as follows:

Particulars	As of March, 31 2017 (₹ in lakhs)
Disputed Income Tax matters	2443.21

We have reviewed all our pending litigations and proceedings and disclosed the contingent liabilities, wherever applicable, in our financial statements. We do not reasonably expect the outcome of these proceedings to have a material impact on our financial statements.

Interest coverage ratio

(Rs. in lakhs)

Particulars	As of March 31,		
	2017	2016	2015
Interest Expenses	4,552.41	1,687.75	1,761.93
Cash profit after tax plus finance cost	26,393.43	4,642.62	10,097.78
Interest Coverage Ratio	5.80	2.75	5.73

As per the table above, the interest coverage ratio, is defined as Cash profit after tax plus finance cost.

Liquidity and Capital Resources

We have relied upon retained earnings, equity financing by our shareholders, short and long term borrowings from banks for our operating activities, capital expenditures for construction of new projects, the repayment of borrowings and debt service obligations. We also avail several working capital and non-fund based limits, which we believe provides us with sufficient liquidity for our operations.

Capital expenditures

Our major project costs have been made primarily to fund the acquisition of land, development rights and construction costs. Our project costs were ₹23,773.90 lakhs, ₹42,328.13 lakhs, ₹171,479.12 lakhs and ₹9302.74 lakhs in Fiscals 2017, 2016, 2015 and the quarter ended June 30, 2017.

Off-Balance Sheet Arrangements

As of the date of this Preliminary Placement Document, we had no off-balance sheet arrangements.

Seasonality

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

Transactions with related parties

We have entered into, and from time to time, will enter into, transactions with our related parties. For further details with respect to related party transactions, please see "Financial Statements".

Future Relationships between costs and income

Other than as described in the sections titled "Risk Factors", "Our Business" and "Management's Discussion

and Analysis of Financial Condition and Results of Operations” on pages 42, 118 and 74, respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

Quantitative and Qualitative Disclosure about Market Risk

Interest Rate Risk

We are exposed to market risk with respect to changes in interest rates related to our borrowings. Interest rate risk exists with respect to debt taken by us that bears interest at floating rates tied to certain benchmark rates as well as borrowings where the interest rate is reset based on changes in interest rates set by the RBI. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations and cash flows

Commodity Price Risk

We are exposed to market risk with respect to the prices of raw material and components used in our projects. These commodities include steel, tiles, cement and wood. The costs for these raw materials and components fluctuate based on commodity prices. The costs of components sourced from outside manufacturers may also fluctuate based on their availability from suppliers. In the ordinary course of business, we purchase such raw materials and components on the basis of purchase order. We source materials from multiple suppliers and engage multiple contractors so that we are not dependent on any one supplier or contractor.

Credit Risk

We periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable to manage the credit risk.

In addition, our Company’s financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with our Company. Where loans or receivables have been written off, our Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in the profit or loss statement.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN IFRS, INDIAN GAAP AND IND AS

We have prepared our financial statements for Fiscals 2015 and 2016 in accordance with Indian GAAP and the financial statements for Fiscal 2017 and the three months ended June 30, 2017 in accordance with Ind AS. The financial statements for Fiscal 2016, which has been presented as a comparative to the financial statements for Fiscal 2017 has also be audited in accordance with Ind AS. As a result, the financial statements for Fiscal 2016 prepared under Indian GAAP and Ind AS are, to a significant extent, different. A qualitative analysis of such differences, as specifically applicable to us, are discussed in this section. We have also prepared a quantitative reconciliation of the financial statements for Fiscal 2016, due to the first time adoption of Ind AS. For details, see “*Financial Statements*” and “*Management Discussion and Analysis of Financial Condition and Results of Operations - Reconciliation of Fiscal 2016 prepared under Indian GAAP and Ind AS*” on pages 195 and 83, respectively.

Further, certain differences between Indian GAAP, Ind AS and IFRS are also summarized in this section, which might be material to the financial information herein. We have not prepared a complete reconciliation of our financial statements between Indian GAAP, IFRS and Ind AS and have not quantified such differences. Accordingly, no assurance is provided that the following summary of differences between Indian GAAP, IFRS and Ind AS is complete. In making an investment decision, investors must rely upon their own examination of us, the terms of the Placement and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between Indian GAAP, IFRS and Ind AS, and how those differences might affect the financial information herein.

Qualitative differences between Indian GAAP and Ind AS, as specifically applicable to us due to the first time adoption of Ind AS

Ind AS optional exemptions

Cumulative translation differences

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with Ind AS 21 from the date a subsidiary or equity method investee was formed or acquired. We have elected to reset cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, we have elected to measure all of its property, plant and equipment, intangible assets and investment property at our previous GAAP carrying value.

Joint ventures

Ind AS 101 provides an exemption for changing from proportionate consolidation to the equity method. As per the exemption, when changing from proportionate consolidation to the equity method, an entity should recognise its investment in the joint venture at transition date to Ind AS. That initial investment should be measured as the aggregate of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any goodwill arising from acquisition. The balance of the investment in joint venture at the date of transition to Ind AS, determined in accordance with the above is regarded as the deemed cost of the investment at initial recognition. We have elected to apply this exemption for our joint venture.

Ind AS mandatory exceptions

Estimates

An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. We have made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

1. Investment in equity instruments carried at FVPL or FVOCI;
2. Investment in debt instruments carried at FVPL

Non-controlling interest

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, we have applied the above requirement prospectively.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Notes to first-time adoption:

Fair valuation of investments

Under the previous GAAP, investments in equity instruments and debentures were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value (other than investments in subsidiaries and joint ventures).

Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.

Foreign currency translation reserve

We have elected to reset the balance appearing in the foreign currency translation reserve to zero as at April 1, 2015. Accordingly, translation reserve balance under previous GAAP has been transferred to retained earnings.

Borrowings

Under previous GAAP, transaction costs were charged to profit or loss as and when incurred with a corresponding adjustment to inventories. IND AS 109 these transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. However, under IND AS, such dividends are recognised when

the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and Dividend distribution tax included under provisions has been reversed with corresponding adjustment to retained earnings.

Employee stock option expense

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. However, under IND AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. The amount recognised in share option outstanding account has been considered as investment in joint venture as shown under other current assets.

Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable and receivable in cash on completion of the lease term) are recorded at their transaction value. Under IND AS, all financial liabilities and financial assets are required to be recognised at fair value. Accordingly, we has fair valued these security deposits under IND AS. Difference between the fair value and transaction value of the security deposits has been recognised as prepaid rent or unearned rent income as per requirement.

Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

Other Comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as “Other comprehensive income” includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

Revenue Recognition

Under IND AS, method of Revenue recognition is required to be “Percentage of completion method” from the earlier followed “completed units method”. Consequent to the change in the method, cost of construction, commission & brokerage, unbilled revenue and prepaid expense have been changed accordingly.

Interest free loan given to joint ventures

Under Ind As the interest free loan given needs to be shown at fair value. The resulting impact increases the trade receivables and profit and loss as at March 31, 2016.

Reconciliation of Cash Flow Statement

The IND AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, IND AS adoption has no impact on the net cash flow for the year ended March 31, 2016 as compared with the previous GAAP.

General qualitative differences between IFRS, Indian GAAP and Ind AS

	Indian GAAP	IFRS	Ind AS
Revenue definition	Revenue is the gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities. Revenue is measured by the charges made to customers for goods supplied and	Revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants.	Similar to IFRS As per Schedule III of the Companies Act 2013; revenue from operations shall be disclosed as under: a) Sale of products b) Sale of services

	Indian GAAP	IFRS	Ind AS
	services rendered to them and by the charges and rewards arising from the use of resources by them. Revenue is disclosed net of excise duty.	Amounts collected on behalf of third parties such as sales and service taxes and value added taxes are excluded from revenues.	c) Other operating revenue Less: d) Excise duty
Revenue measurement	Revenue is recognised at the nominal amount of consideration receivable.	Fair value of revenue from sale of goods and services when the inflow of cash and cash equivalents is deferred is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of consideration is recognised as interest revenue using the effective interest method.	Similar to IFRS
Revenue recognition	Revenue from sale of goods is recognized when (i) the seller of goods has transferred to the buyer the property in the goods for a price or all significant risks and rewards of ownership have been transferred to the buyer and the seller retains no effective control of the goods transferred to a degree usually associated with ownership; and (ii) no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.	Revenue from the sale of goods shall be recognised when all the following conditions have been satisfied: (i) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods; (ii) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; (iii) the amount of revenue can be measured reliably;	Similar to IFRS
	In a transaction involving the rendering of services, performance should be measured either under the completed service contract method or under the proportionate completion method, whichever relates the revenue to the work accomplished. Such performance should be regarded as being achieved when no significant uncertainty exists regarding the amount of the consideration that will be	(i) it is probable that the economic benefits associated with the transaction will flow to the entity; and (ii) the costs incurred or to be incurred in respect of the transaction can be measured reliably. (iii) In case of rendering of services; where revenue is recognised by reference to the transaction's stage of completion at the balance sheet date.	

	Indian GAAP	IFRS	Ind AS
	derived from rendering the service		
Revenue – contract costs	Capitalization of contract cost is not permitted	IFRS 15 contains criteria for determining when to capitalize costs associated with obtaining and fulfilling a contract	Similar to IFRS
Multiple elements contracts	There is no specific guidance.	To present the substance of a transaction appropriately, it may be necessary to apply the recognition criteria to the separately identifiable component of a single transaction.	Similar to IFRS
Accounting Treatment for Changes in Accounting Policies	The effect of a material change in accounting policies must be recorded in the income statement of the period in which the change is made, subject to certain limited exemptions. No restatement of past years' figures is required. If a change is made to a company's accounting policies that has no material effect on the financial statements for the current period but which is reasonably expected to have a material effect in later periods, the fact of such change should be appropriately disclosed in the period in which the change is adopted. Up to March 31, 2016, changes in the method of depreciation for existing assets is considered as a change in accounting policy and the cumulative effect thereof is accounted. For accounting period beginning April 1, 2016; any change in the method of depreciation will be accounted for as change in accounting estimate in accordance with AS-5.	Retrospective application of changes in accounting policies is done by adjusting the opening balance of the affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy were always applied. If retrospective application is impracticable for a particular prior period, or for a period before those presented, the circumstances that led to the existence of that condition and a description of how and from when the change in accounting policy has been applied needs to be stated.	Similar to IFRS
Consolidation and Investment in Subsidiaries	Reporting date differences between the parent and the subsidiary cannot be more than six months. Adjustments should be made for effects of significant	The difference between the reporting date of the subsidiary and that of the parent shall be no more than three months. Uniform accounting policies	Similar to IFRS Uniform accounting policies to be followed unless impracticable to do so

	Indian GAAP	IFRS	Ind AS
	<p>transactions occurring between two dates.</p> <p>Consolidated financial statements should be prepared using uniform accounting policies. If not practicable, the proportions of the items accounted for using the different accounting policies should be disclosed.</p>	<p>should be followed. No exception is provided</p>	
Control	<p>Control exists if: the ownership, directly or indirectly through subsidiary(ies), of more than onehalf of the voting power of an enterprise; or control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other enterprise so as to obtain economic benefits from its activities</p>	<p>Investor controls an investee if the investor has following: Power over the investee Exposure, or rights, to variable returns from its investment with the investee.</p> <p>The ability to use power over the investee to affect the amount of investor's return.</p>	Similar to IFRS
Consolidation- Investment in Associates and Joint Ventures	<p>Significant influence is the power to participate in the financial and/ or operating policy decisions of the investee but not control over those policies</p>	<p>Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies</p>	Similar to IFRS
	<p>Joint Control: It is the contractually agreed sharing of control over an economic activity</p>	<p>Joint control: The contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control</p>	Similar to IFRS
	<p>Potential voting rights are not considered in assessing significant influence</p>	<p>The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by another entity, are considered when assessing significant influence</p>	Similar to IFRS
	<p>In consolidated financial statements, interest in jointly controlled entities is to be accounted for using proportionate consolidation</p>	<p>A joint venture applies the equity method, as described in IAS 28.</p>	Similar to IFRS.
Impairment of assets	<p>Goodwill and other intangibles are tested for impairment only when there is an indication that</p>	<p>Goodwill, intangible assets not yet available for use and indefinite life intangible assets are required to be tested for</p>	Similar to IFRS

	Indian GAAP	IFRS	Ind AS
	they may be impaired	impairment at least on an annual basis or earlier if there is an impairment indication	
Financial instruments	No specific guidance	All financial instruments are initially measured at fair value plus or minus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Trade receivables that do not have a significant financing component should initially be measured at transaction price as defined in IFRS 15.	Similar to IFRS
	An enterprise should assess the provision for doubtful debts at each period end which, in practice, is based on relevant information such as past experience, actual financial position and cash flow of debtors. Different methods are used for making provision for bad debts including ageing analysis, individual assessment of recoverability. Impairment losses recognized in profit or loss for equity investments are reversed through profit or loss.	Impairment model in IFRS 9 is based on expected credit losses and it applies equally to debt instruments measured at amortized cost FVTOCI (the loss allowance is recognized in Other Comprehensive Income and not reduced from carrying amount of financial asset), lease receivables, contract assets within scope of IFRS 15 and certain written loan commitments and financial guarantee contracts. Expected credit losses (with the exception of purchased or original credit impaired financial assets) are required to be measured through a loss allowance at an amount equal to a) 12 months expected credit losses b) lifetime expected credit losses if credit risk has increased significantly since initial recognition of financial instrument. Trade receivables or contract assets within the scope of IFRS 15, loss allowance is measured at lifetime expected credit losses. For lease receivables within scope of IAS 17, an entity can elect to always measure loss allowances at an amount equal to lifetime expected credit losses.	Similar to IFRS
	Transaction costs incurred in connection with long term borrowings are charged to statement of	The transaction costs are amortised to profit or loss using the effective interest method	Similar to IFRS

	Indian GAAP	IFRS	Ind AS
	profit and loss as no future economic benefits are envisaged.		
Property, Plant and Equipment	For accounting periods beginning April 1, 2016; Company has an option to select either 'Cost Model' or 'Revaluation Model' for an entire class of assets. Under Cost Model, an asset is carried at cost less accumulated depreciation and accumulated impairment losses. Under the Revaluation Model, an asset is carried at the revalued amount, which is the fair value less any subsequent accumulated depreciation and subsequent accumulated impairment losses. For periods up to March 31, 2016, historical cost is used. Revaluations are permitted, however, no requirement on frequency of revaluation.	If an entity adopts the revaluation model, revaluations are required to be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. IFRS mandates entire class of assets to be revalued.	Similar to IFRS
Intangible assets	No guidance on determining the cost of intangible asset when acquired with a group of other assets.	If an intangible asset is acquired with a group of other assets (but not those acquired in a business combination), the cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill	Similar to IFRS
	Measured only at cost	Measured at cost or revalued amounts	Similar to IFRS
Deferred Taxation	Deferred tax is generally recognised for all timing differences. Timing differences are the differences between taxable income and accounting income for a period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the enacted or the substantially enacted tax rate.	Deferred income taxes are recognised for all taxable temporary differences between accounting and tax base of assets and liabilities except to the extent they arise from (a) initial recognition of goodwill or (b) the initial recognition of asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither the accounting nor the tax profit.	Similar to IFRS
	A deferred tax asset	Deferred tax asset is recognised	Similar to IFRS

	Indian GAAP	IFRS	Ind AS
	should be recognised and carried forward 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 realised. Deferred tax assets on unabsorbed depreciation and carried forward losses under tax laws should be recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.	for carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and tax credits can be utilised.	
	Deferred tax assets and liabilities should be disclosed under a separate heading in the balance sheet of the enterprise, separately from current assets and current liabilities.	Current tax and deferred tax is recognised outside profit or loss if the tax relates to items that are recognised in the same or a different period, outside profit or loss. Therefore the tax on items recognised in other comprehensive income, or directly in equity, is also recorded in other comprehensive income or in equity, as appropriate.	
	No exemptions are available for providing for deferred tax.		
Foreign Exchange Differences	All exchange difference relating to monetary assets and liabilities are required to be charged to profit and loss account with an option in respect of long term monetary items in relation to acquisition of fixed assets, where the exchange difference can be adjusted to the carrying value of such fixed assets or for other long term monetary items, in which case the exchange difference is transferred to “Foreign Currency Monetary Item Translation Difference Account” to be amortised by 31 March 2020 or settlement of such assets/liabilities,	Exchange differences arising on translation or settlement of foreign currency monetary items are recognised in profit or loss in the period in which they arise, except when hedge accounting is applied.	Similar to IFRS. However an entity may continue the policy adopted for exchange differences arising from translation of long-term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first IND AS financial reporting period as per previous GAAP.

	Indian GAAP	IFRS	Ind AS
	whichever is earlier.		
First time adoption	There is no specific standard dealing with the preparation of the first Indian GAAP financial statements. Thus, full retrospective application of Indian GAAP is required	IFRS 1 gives detailed guidance on preparation of the first IFRS financial statements. To help overcome a number of practical challenges for a first-time adopter, there are certain mandatory exemptions/voluntary exemptions from the full retrospective application.	Ind AS 101 gives detailed guidance on preparation of the first Ind AS financial statements. To help overcome a number of practical challenges for a first-time adopter, there are certain mandatory exemptions/voluntary exemptions from the full retrospective application. Ind AS 101 gives few additional voluntary exemptions as compared to IFRS. For example, it gives an exemption whereby an entity can continue using its Indian GAAP carrying value of all its property, plant and equipment as deemed cost at transition date, provided that there is no change in functional currency. It also gives an exemption whereby a company can continue using its accounting policy under previous GAAP for capitalisation/deferral of exchange differences arising on long term foreign currency monetary items recognised in financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.
Presentation of financial statements	Financial statements in relation to a company, includes: 1. Balance sheet as at the end of the financial year; 2. Profit or loss account for the financial year; 3. Cash flow statement for the financial year; 4. Explanatory notes	A complete set of financial statements under IFRS comprises: (i) Statement of financial position as at the end of the financial year; (ii) Statement of profit or loss and other comprehensive income for the financial year – Either as single statement or two separate statements;	Similar to IFRS

	Indian GAAP	IFRS	Ind AS
	annexed to, or forming part of, any document referred to above	(iii) Statement of changes in equity; (iv) Statement of cash flows for the financial year; and (v) Notes comprising significant accounting policies and other explanatory information	
Comparative figures	Comparative figures are presented for one year as per the requirements of schedule III.	Comparative figures are presented for minimum one year. However, when a change in accounting policy has been applied retrospectively or items in financial statements have been restated/reclassified which has an impact beyond the comparative period, a statement of financial position is required as at the beginning of the earliest comparative period	Comparative figures are presented for minimum one year. However, when a change in accounting policy has been applied retrospectively or items in financial statements have been restated/reclassified which has an impact beyond the comparative period, a balance sheet is required as at the beginning of the earliest comparative period.
Formats for Presentation of financial statement	Schedule III of the Companies Act 2013 prescribes the minimum requirement for disclosure on the face of the balance sheet and profit and loss account and notes.	IAS 1 does not prescribe any rigid format for presentation of financial statement.	Ind AS 1 does not prescribe any rigid format for presentation of financial statement.
	AS 3 provides guidance on the line items to be presented in the statement of cash flows.	However, it specifies the position, statement of profit or loss and other comprehensive income and statement of changes inequity. IAS 7 provides guidance on the line items to be presented in the cash flow Statement	However, it specifies the line items to be presented in the balance sheet, statement of profit and loss and statement of changes in equity. Ind AS 7 provides guidance on the line items to be presented in cash flow statement. In addition to above, Ind AS compliant Schedule III of the Companies Act 2013 prescribes the format for presentation of balance sheet and statement of profit and loss which companies need to follow.
Presentation of income statement	Schedule III of the Companies Act 2013 requires an analysis of expenses by nature	An analysis of expenses is presented using a classification based either on the nature of expenses or their function whichever provides information that is reliable and more	Entities should present an analysis of expenses recognized in profit or loss using a classification based only on the nature of expense

	Indian GAAP	IFRS	Ind AS
		relevant.	
		If presented by function, specific disclosure by nature are provided in the notes. When items of income or expense are material, their nature and amount are separately disclosed.	Ind AS compliant Schedule III of the Companies Act 2013 also requires an analysis of expenses by nature.
Statement of other comprehensive income	No concept of other comprehensive income prevails	<p>Among other items, the components of other comprehensive income includes:</p> <ol style="list-style-type: none"> 1. Changes in the revaluation surplus; 2. Foreign exchange translation differences; 3. Re-measurements of post-employment benefit obligations; 4. Gains or losses arising on fair valuation of financial assets; 5. Effective portion of gains or losses on hedging instruments in cash flow hedge; 	Similar to IFRS
		<ol style="list-style-type: none"> 6. Share of other comprehensive income of investments accounted for using the equity method; 7. Foreign currency exchange gains and losses arising on translation of net investment in a foreign operation. <p>These components are grouped into those that, in accordance with other IFRSs (a) will not be reclassified subsequently to profit or loss, and (b) will be reclassified subsequently to profit or loss when specific conditions are met.</p>	
Presentation of profit or loss attributable to non-controlling interests	Profit or loss attributable to the minority interests is disclosed as deduction from the profit or loss for the period as an item of income or expense	Profit or loss attributable to non-controlling interest and equity holders of the parent are disclosed in the statement of profit or loss and other comprehensive income as allocations of profit or loss and total comprehensive income for the period	Similar to IFRS

	Indian GAAP	IFRS	Ind AS
Extraordinary items	Extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period.	Presentation of any items of income or expense as extraordinary is prohibited	Similar to IFRS
Correction of prior period items	These are reported as a prior period adjustment in the current year results. Comparative information of the earlier years is not restated	Material prior period errors are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts for the prior period(s) presented in which the error occurred, or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.	Similar to IFRS
Disclosure of critical judgements and capital disclosures	There is no such requirement in AS 1 or Schedule III.	IAS 1 requires disclosure of critical judgements made by the management in applying accounting policies and key sources of estimation uncertainty that have a significant risk of causing a material	Similar to IFRS
		adjustment to the carrying amounts of assets and liabilities within the next financial year. It also requires disclosure of information that enables the users of financial statements to evaluate an entity's objectives, policies and processes for managing capital.	
Measurement of investments	Under Indian GAAP, current investments are measured at lower of cost or market value. Accordingly unrealised increase in the value is not recognised in Income statement, only the unrealised diminution in the value is recognized. Long term investments are measured at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long term investments	Under IAS 39, the investments are categorised as financial assets and can be classified in following four categories based on the conditions mentioned therein: (i) Fair value through profit or loss; (ii) Held to maturity; (iii) Loans and receivables; (iv) Available for sale	Under Ind AS 109, the investments are categorized as financial assets and can be classified in the following three categories based on the conditions mentioned therein: 1. Amortised cost; 2. Fair value through profit or loss; 3. Fair value through other comprehensive income
Functional currency	Under Indian GAAP, there is no concept of	IAS 21 requires the assessment of functional currency basis the	Similar to IFRS

	Indian GAAP	IFRS	Ind AS
	functional currency. Generally, the books and records are maintained in the currency of the country in which the company is incorporated.	conditions specified therein. Functional currency is defined as the currency of the primary economic environment in which the entity operates. The functional currency could be different from the currency of the country in which the company is incorporated.	
Employee benefits	Actuarial gains/ losses for net defined benefit liability (asset) are recognised in profit and loss	IAS 19, Employee Benefits requires the impact of re-measurement in net defined benefit liability (asset) to be recognized in other comprehensive income (OCI). Re-measurement of net defined benefit liability (asset) comprises actuarial gains or losses, return on plan assets (excluding interest on net asset/liability). Further, the amount recognised in OCI is not reclassified to the Statement of Profit and Loss.	Similar to IFRS.
	Market yield at the balance sheet date on government bonds are used as discount rates	Discount rate is determined by reference to market yields at the end of reporting period on high quality corporate bonds. In	Discount rate is determined by reference to market yield on market yields at the end of reporting period on government bonds. However,
		countries where there is no deep market in such bonds, the market yield on government bonds denominated in that currency should be used	subsidiaries, associates, joint ventures and branches domiciled outside India should use rate determined by reference to market yields on high quality corporate bonds at the end of reporting period. In case such subsidiaries, associates, joint ventures and branches are domiciled in countries where there is no deep market in such bonds, market yield at the end of reporting period on government bonds of that country should be used. The currency and term of government bonds or corporate bonds should be consistent with the currency and estimated term of post-employment benefits.
Common control	Under Indian GAAP, none of the standards	IFRS 3 does not prescribe any specific method for accounting	Ind AS 103 mandates the recording of common

	Indian GAAP	IFRS	Ind AS
business combinations	differentiate between common control and other business combinations. However, AS 14 requires the pooling of interest method to be applied to an “amalgamation in the nature of merger,” which is an amalgamation that satisfies five prescribed conditions. Under the pooling of interest method prescribed in AS 14, no goodwill or capital reserve is recognized in the financial statements. Also, if consideration paid through issuance of securities, AS 14 requires such securities to be recognized at fair value.	of common control business combinations. Hence, either pooling or acquisition method may be possible.	control transactions using pooling of interest method
	Excess of consideration over the value of net assets of transferor company acquired by the transferee company is recognized as goodwill in the financial statement of transferee company. If the amount of consideration is lower than value of net assets acquired, the difference is recognized as capital reserve.	Goodwill is measured as the difference between: Aggregate of <ul style="list-style-type: none"> a) the acquisition-date fair value of the consideration transferred b) amount of non- controlling interest c) in a business combination achieved in stages, the acquisition date fair value of the acquirer’s previously held equity interest in the acquire and d) net of acquisition date fair values of the identifiable assets acquired and the liabilities assumed. 	Similar to IFRS. However, any gain on bargain purchase is recognized in other comprehensive income and accumulated in equity as capital reserve. If there is no clear evidence of the underlying reason for classification of the business combination as a bargain purchase, the resultant gain is recognized directly in equity as capital reserve.
		If the above difference is negative, resultant gain is recognized as bargain purchase in profit and loss.	
	If two or more investments are made over a period of time, the equity of the subsidiary at date of investment is generally determined on a step by step basis.	For business combinations achieved in stages, if the acquirer increase an existing equity interest so as to achieve control of the acquire, the previously held equity interest is remeasured at acquisition date fair value and any resulting gain or loss is recognised in profit & loss.	Similar to IFRS
Dividend adjustment	As per requirements of AS 4, dividends proposed or declared after the balance sheet date but before approval of the	Liability for dividends declared to holders of equity instruments is recognized in the period when declared. It is a non- adjusting event.	Similar to IFRS

	Indian GAAP	IFRS	Ind AS
	financial statements are recorded as a provision in the balance sheet.		
Government Grant	<p>Two broad approaches may be followed – the capital approach or the income approach.</p> <p>Government grants in the nature of promoters' contribution i.e. they are given with reference to the total investment in an undertaking or by way of contribution towards its total capital outlay and no repayment is ordinarily expected, are credited directly to shareholders' funds.</p> <p>Grants related to revenue are recognised in the statement of profit and loss on a systematic and rational basis over the periods necessary to match them with the related costs.</p> <p>Grants related to depreciable assets are either treated as deferred income and transferred to the statement of profit and loss in proportion to depreciation, or deducted from the cost of the asset.</p>	<p>Government grants are recognised as income to match them with expenses in respect of the related costs for which they are intended to compensate on a systematic basis.</p> <p>Government grants are not directly credited to shareholders' interests.</p> <p>Grants related to assets are presented in the balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of asset</p>	Grants related to assets, including non-monetary grants at fair value should be presented in the balance sheet only by setting up the grant as deferred income
Inventories	No specific guidance in AS-2 for reversal of write down inventories. However, reversals may be permitted as AS-5 requires this to be disclosed as a separate line item in the statement of profit and loss.	Write down of inventory is reversed if circumstances that previously caused inventories to be written down below cost no longer exist or where there is a clear evidence of increase in net realizable value because of change in economic conditions. The amount of reversal is limited to amount of original write down	Similar to IFRS
	Inventories to be classified as per the requirements of Schedule III as: Raw material Work in progress Finished goods Stock in trade Stores and spares Loose tools Others	No specific classification requirements	Inventories to be classified as per the requirements of Schedule III.

	Indian GAAP	IFRS	Ind AS
Borrowing costs	A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use or sale. A period of twelve months is considered a substantial period unless a shorter or longer period can be justified	Similar to Indian GAAP. However, unlike Indian GAAP, there is no bright line for the term 'substantial period.	Similar to IFRS
	No such scope exception similar to Ind AS	Borrowing costs need not be capitalized in respect of i) qualifying assets measured at fair value (e.g. biological assets) ii) inventories that are manufactured, or otherwise produced, in large quantities on a repetitive basis. This is an option.	Similar to IFRS
Provisions	A provision shall be recognised when all of the following conditions are met: (i) an enterprise has a present obligation as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation	A provision is recognised only when a past event has created a legal or constructive obligation, an outflow of resources is probable, and the amount of the obligation can be estimated reliably. A constructive obligation is an obligation that derives from an entity's actions where, by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.	Similar to IFRS
	Discounting of liabilities is not permitted and provisions are carried at their full values except for decommissioning/ restructuring liabilities w.e.f. April 1, 2016	When the effect of time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation. The discount rate is a pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the liability	Similar to IFRS
Segment reporting	AS 17 requires an entity to two sets of segments (business and geographical), using a risk and rewards approach, with the enterprise's system of internal financial reporting to key management personnel	Operating segments are identified based on financial information that is regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in accessing performance	Similar to IFRS

	Indian GAAP	IFRS	Ind AS
	serving only as the starting point for identification of such segments.		

INDUSTRY OVERVIEW

The following information includes extracts from publicly available information, data and statistics derived from official sources and other sources we believe to be reliable, but which has not been independently verified by us. We accept responsibility for accurately reproducing such information, data and statistics, but accept no further responsibility in respect of such information, data and statistics. Such information, data and statistics may be approximations or may use rounded numbers. Information, data and statistics can be obtained from the websites of certain specific organizations quoted below.

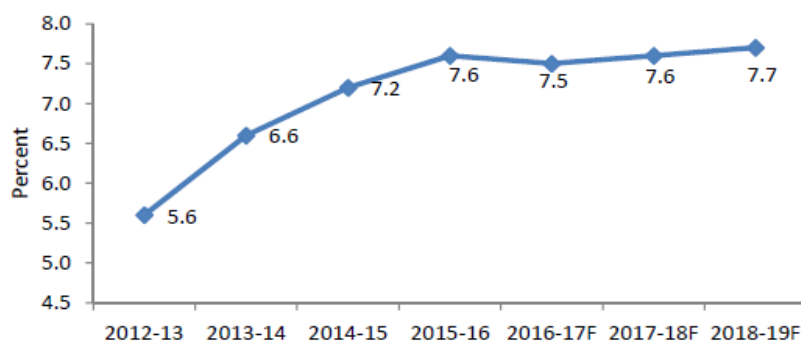
Global economic overview

Global economic growth for 2016 is estimated at 3.2%, primarily reflecting, amongst other things, stronger activity in India following national accounts revisions. Economic activity in both advanced economies and emerging and developing economies is forecasted to have accelerated in 2017, to 2% and 4.6% respectively, with global growth projected to be 3.5%. The growth forecast for 2018 is 1.9% for advanced economies and 4.8% for emerging and developing economies. High-frequency indicators for the second quarter provide signs of continued strengthening of global activity. Specifically, growth in global trade and industrial production remained well above 2015–16 rates despite retreating from the very strong pace registered in late 2016 and early 2017. Purchasing managers' indices signal sustained strength ahead in manufacturing and services. Inflation in advanced economies remains subdued and generally below targets; it has also been declining in several emerging economies, such as Brazil, India, and Russia (Source: World Economic Outlook Update, July 2017).

Global commodities market: Oil prices have receded, reflecting strong inventory levels in the United States and a pickup in supply. Headline inflation also generally softened as the impact of the commodity price rebound of the second half of 2016 faded, and remains at levels well below central bank targets in most advanced economies. Core inflation has remained broadly stable. It has largely been stable in emerging economies as well, with a few, such as Brazil and Russia, witnessing strong declines (Source: World Economic Outlook Update, July 2017).

Overview of the Indian economy

India's GDP grew at 7.60% in Fiscal 2016, up from 5.60% in Fiscal 2013. India is expected to remain the fastest growing major economy and become the fifth largest economy in the world by Fiscal 2020. The following graph depicts the percentage of annual real GDP growth between Fiscals 2013 and 2016, and forecast of growth up until Fiscal 2019:



Note: F- Forecasts

(Source: Ministry of Statistics & Program Implementation, GoI and IMF.)

Growth in India is forecast to pick up further in 2017 and 2018. While activity slowed following the currency exchange initiative, growth for 2016—at 7.1%—was higher than anticipated due to strong government spending and data revisions that show stronger momentum in the first part of the year. With a pickup in global trade and strengthening domestic demand, growth in the ASEAN-5 economies is projected to remain robust at around 5%, with generally strong first quarter outturns leading to a slight upward revision for 2017 (Source: World Economic Outlook Update, July 2017).

Global growth is gaining traction in 2017-18 with the recovery, driven primarily by a cyclical upturn in investment, manufacturing and trade. Tailwinds are also expected from the improving performance of emerging markets and developing economies. However, the path and pace of global growth will likely be shaped by structural factors, viz., the inward looking protectionist policies in advanced economies, low productivity growth and high income inequality impinging on the cyclical upturn. Amid elevated asset prices, financial markets remain vulnerable to systemic factors, including geo-political risks and the pace of normalization of monetary policy and balance sheets by major central banks. Consequently, external risks to the domestic economy remain April – October 2016) (Source: RBI Annual Report, 2016 – 2017).

Primary segments of the real estate sector

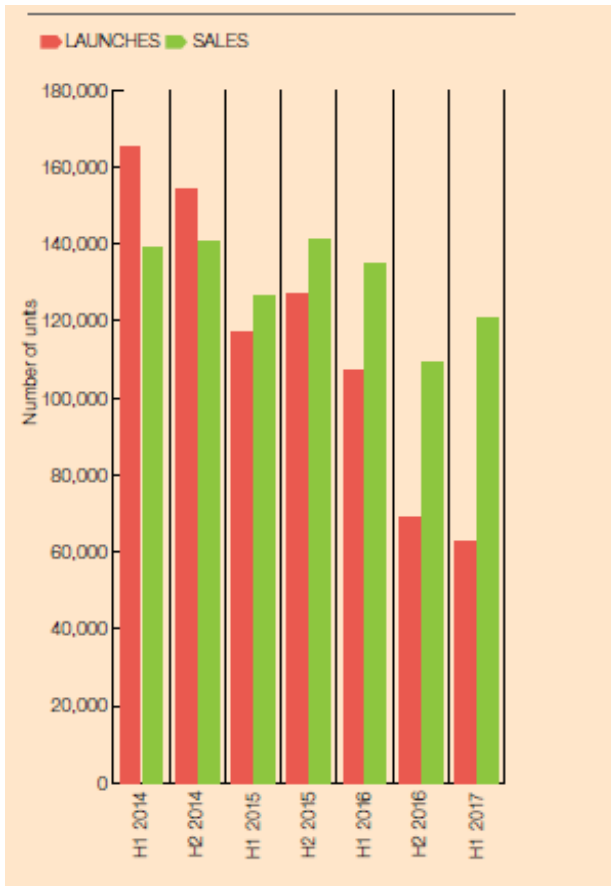
Activities in the real estate sector may broadly be classified into the following segments: (i) residential; (ii) office market; (iii) retail; and (iv) hospitality, of which we believe the first two are most relevant to our business.

The Residential Segment

India

After the subdued H2 2016 when the demonetization needle punctured the market pulling down residential sales and launches by 46% and 23% respectively, H1 2017 has ushered as an eventful period. The first two months of H1 2017 saw consumers and the industry as a whole grapple with the aftermath of the demonetization. While activity encouragingly picked up in March and April, May 1 earmarked the dawn of the single largest change in history for the Indian real estate industry – through the implementation of the Real Estate Regulation and Development Act 2016 (“RERA”). After the initial dilemma regarding the implementation of the RERA, largely all stakeholders have reconciled to the fact that RERA will be a reality sooner than later. With developers re-directing efforts from launches to RERA compliance, pace of launches was lower in H1 2017. In the backdrop of these landmark events this performance has also been dictated by the developers baggage of unsold inventory, which until a year ago was mainly in the under construction category. However, “ready for possession” apartments are also available across markets. With ready projects kept outside the ambit of RERA, developers have been focusing heavily on sales of their ready possession stock.

Figure 1 Half-yearly launches and sales trend in the top eight cities (Source: Knight Frank India Real Estate – Residential and Office, January – June 2017)



Note: The top eight cities are Mumbai, NCR, Bengaluru, Pune, Chennai, Hyderabad, Kolkata and Ahmedabad

Figure 2 Half-yearly launches in the top eight cities (Source: Knight Frank India Real Estate – Residential and Office, January – June 2017)

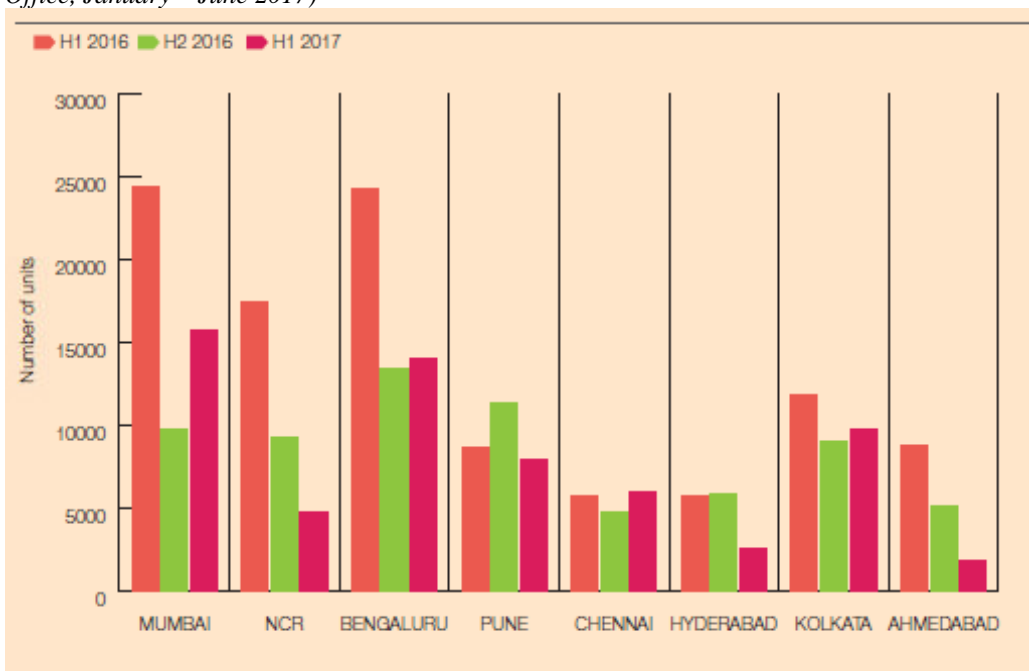
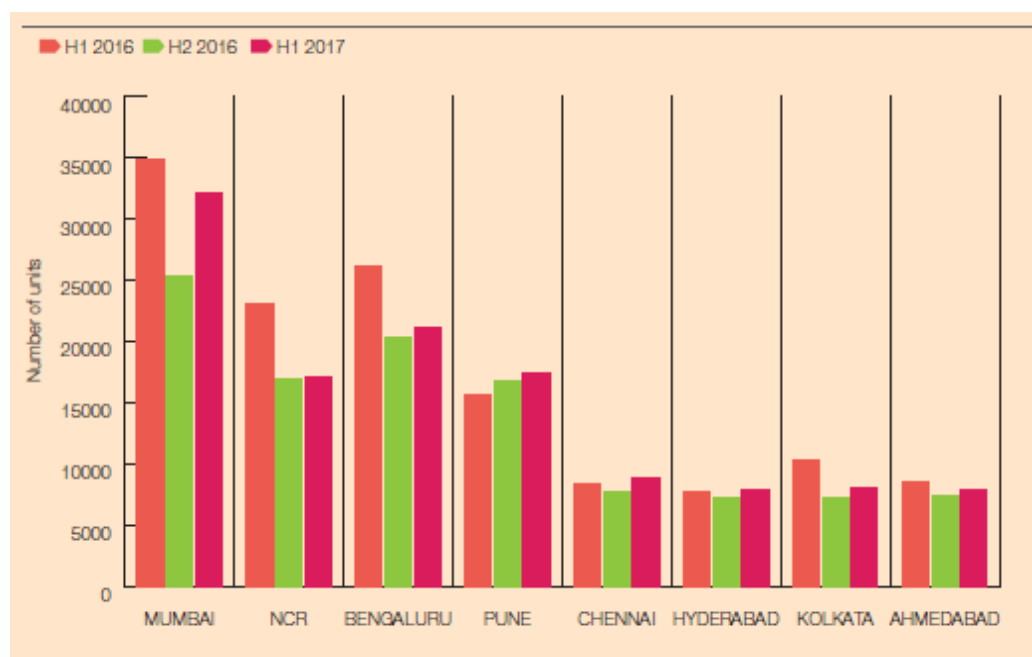


Figure 3 Half-yearly sales in the top eight cities (Source: Knight Frank India Real Estate – Residential and Office, January – June 2017)



The impetus to the realty market particularly the residential market has come with government’s focused attention to the affordable housing segment. Over the last year the government has announced a series of measures to revive a fresh lease of life into this segment of the market. Knight Frank India Real Estate believes that the focus on affordable housing is a structural change and the supply side response to this focus area implies that it is going to be a sustainable theme going forward. The latest set of numbers indicate that the share of less than ₹ 2.5 mn ticket size housing that had risen from 17% in H1 2016 to 20% in H2 2016, has further jumped in the latest H1 2017 period to 36%. The category of housing valued at less than INR 5 mn is now as much as 71% across the top 8 cities, substantially higher than the 52% share in H1 2016. With this backdrop, residential launches in the top eight cities of the country declined by 41% to 62,738 units in H1 2017 compared to 107,120 units in H1 2016. The decline was 9% compared to the demonetization period of H2 2016 when 68,702 units were launched. Ahmedabad and NCR were the worst hit with launches falling by 79% and 73% respectively. With consumers opening up to the confidence infused by RERA and a slew of government measures towards affordable housing, sales decline was not as severe as noticed in launches. Sales during H1 2017 declined by 11% to 120,756 units in H1 2017 compared to 135,016 units in H1 2016. Sequentially, however, the sales are 11% better compared to the demonetization period of H2 2016 when 109,159 units were sold. Unsold inventory levels at 596,044 units in H1 2017 are 10% lower than 660,239 units in H1 2016 and are consistently trending lower compared to its peak in H2 2014. However, the numbers are lower mainly on account of the shrinking market size. With the baggage of unsold inventory and the state of the residential property market, the weighted average property price has stagnated. Developers in most markets have been forthcoming in offering freebies and discounts for sales closure. (Source: Knight Frank India Real Estate – Residential and Office, January – June 2017).

Ticket-size split of launched unites in the top eight cities (Source: Knight Frank India Real Estate – Residential and Office, January – June 2017)

	H1 2016	H2 2016	H1 2017
<2.5 mn	17%	20%	36%
2.5-5 mn	35%	39%	35%
5-7.5 mn	22%	20%	15%
7.5-10 mn	10%	11%	6%
10-20 mn	10%	6%	8%
>20 mn	5%	4%	1%

Figure 4 Ticket-size split of launched units in H1 2017 (Source: Knight Frank India Real Estate – Residential and Office, January – June 2017)

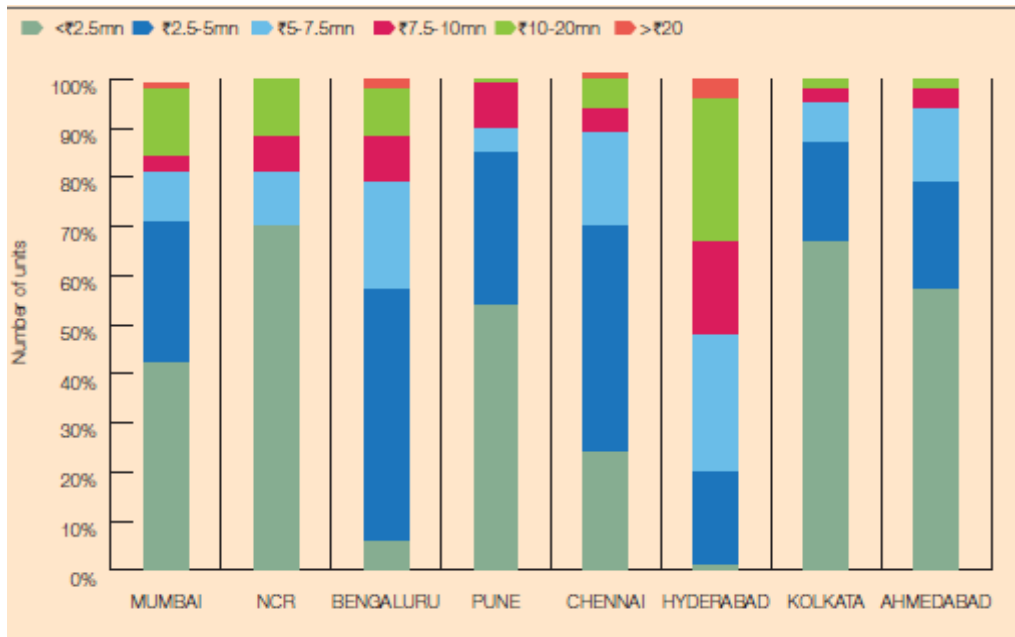
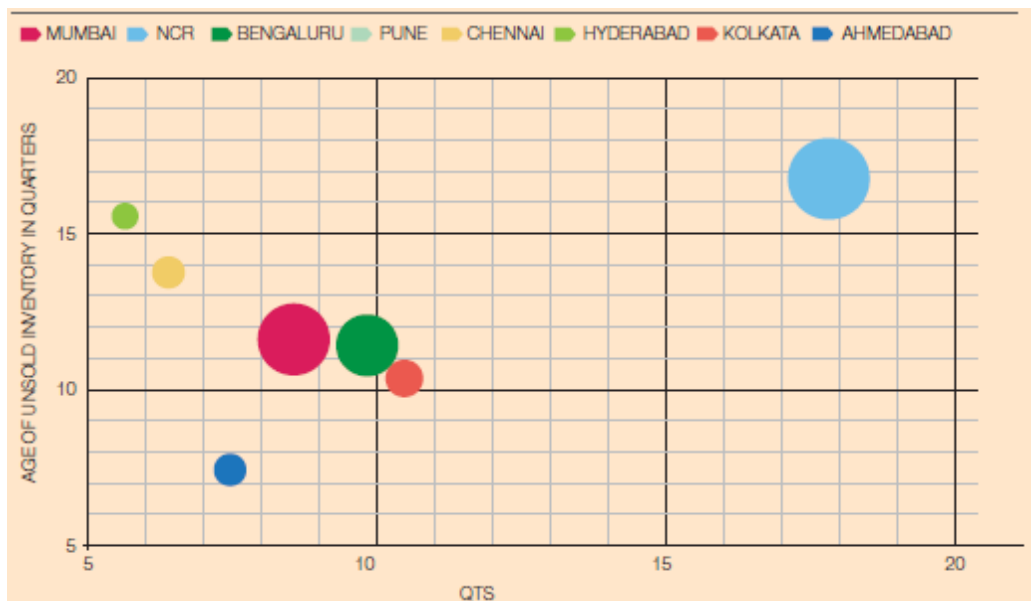
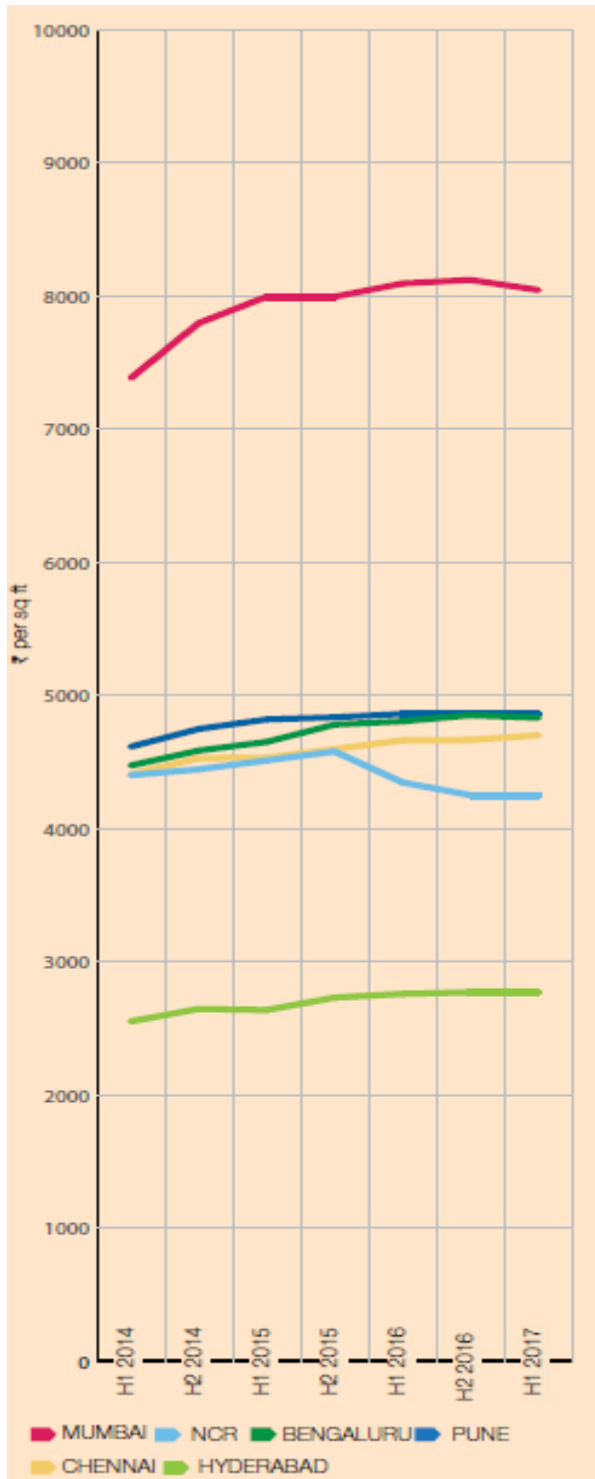


Figure 5 City-wise QTS vs Age of unsold inventory analysis (Source: Knight Frank India Real Estate – Residential and Office, January – June 2017)



Note: The size of the bubble indicates the quantum of unsold inventory. QTS is the quarter to sell unsold inventory

Figure 6 Comparison of city-wise price levels (WT. AVG. Price trend) (Source: Knight Frank India Real Estate – Residential and Office, January – June 2017)



Mumbai

Introduction

The Mumbai Metropolitan Region (MMR) is spread over an area of 4,355 sq km, comprising 458 sq km of Mumbai City and the rest covering regions in the Thane, Palghar and Raigad districts. The population of

Mumbai increased from 11.9 million in 2001 to 12.4 million in 2011 – a growth rate of 3.9%. However, the growth for the MMR was much higher, at 17.8%, taking the population from 19.3 million to 22.8 million during this period. With the Arabian Sea to the west, the MMR consists of eight municipal corporations and nine municipal councils (Source: Knight Frank Residential Investment Advisory Report 2016).

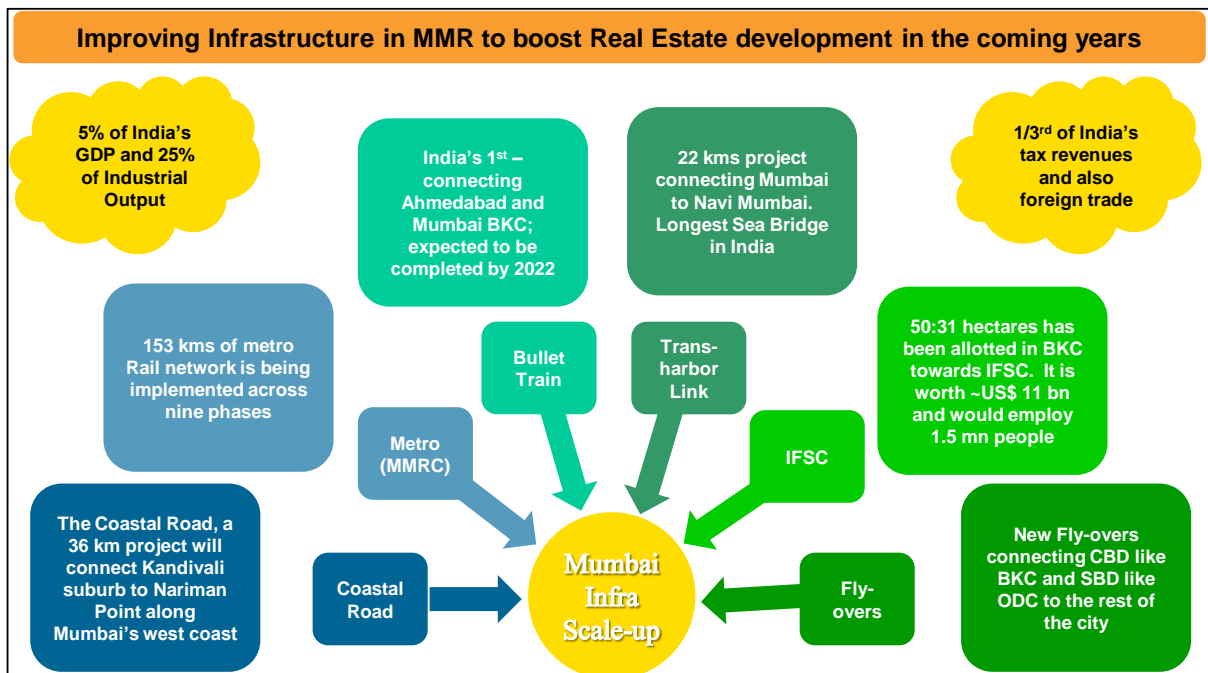
MMR residential market overview

The performance of the various micro-markets in the MMR will vary according to their respective demand drivers, i.e. their occupation profiles, connectivity with employment hubs, physical and social infrastructure development and cost of real estate. From the residential real estate market perspective, the MMR is divided into eight micro-markets, as follows (Source: Knight Frank Residential Investment Advisory Report 2016):

Micro markets	Indicative locations
Central Mumbai	Dadar, Lower Parel, Mahalakshmi, Worli, Prabhadevi
Central Suburbs	Sion, Chembur, Wadala, Kurla, Ghatkopar, Vikhroli, Bhandup, Mulund
Navi Mumbai	Vashi, Nerul, Belapur, Kharghar, Airoli, Panvel, Ulwe, Sanpada
Peripheral Central Suburbs	Kalyan, Kalwa, Dombivli, Ambarnath, Bhiwandi, Mumbra, Karjat
Peripheral Western Suburbs	Vasai, Virar, Boisar, Palghar, Bhayandar, Nallasopara
South Mumbai	Malabar Hill, Napean Sea Road, Walkeshwar, Altamount Road, Colaba
Thane	Naupada, Ghodbunder Road, Pokhran Road, Majiwada, Khopat, Panchpakhadi
Western Suburbs	BKC, Bandra, Andheri, Goregaon, Borivali, Dahisar

What drives the MMR residential markets?

The following chart explains the residential market drivers in the MMR: (Source: Knight Frank Resident Investment Advisory Report 2016)



Source: MMRC Presentation, PRNewswire.co.in, Moneycontrol.com, Mumbaifirst.org
 Source: MMRC Presentation, PRNewswire.co.in, Moneycontrol.com, Mumbaifirst.org, Knight Frank Residential Investment Advisory Report 2016

As an extension of the 458 sq km of Mumbai city, the Mumbai Metropolitan Region (MMR) is spread over 4,355 sq km. In the last decade, the population growth rate of Mumbai was 3.9%, and 40.3% for the rest of the MMR. By contrast, 80% of the 118 million square feet of the region's office space is in Mumbai. These dynamics make the long commute to work and back inevitable for a large section of the workforce in the MMR, and shape the real estate market as well. This is also reflected in the high price gradient of residential properties in the region, which varies from Rs. 3,000 per square feet to Rs. 100,000 per square feet. Such a huge price

variation arises on account of multiple factors – commuting time to employment hubs and other places of importance; access to education, healthcare and entertainment avenues; location profile and gentry; etc. These factors vary across localities and so does the property price. (Source: Knight Frank Residential Investment Advisory Report 2016).

Early last year in H1 2016, the MMR residential market witnessed its best growth momentum after the 2008 global financial crisis. Residential launches and sales grew by 29% and 23% respectively, over the same period last year. The signals were optimistic even for the remaining part of the year thereby raising hopes that the MMR residential market that has been on a downward spiral since 2010 would see a growth in sales in 2016. However, in H2 2016, the market suffered a big blow with both launches and sales plummeting by 53% and 26% respectively. Housing sales of 25,403 units and launches of 9,740 units were recorded in H2 2016 – lowest in the post GFC period. Amongst all the micro-markets, the premium markets of South Mumbai and Central Mumbai took the biggest hit whereas Thane and Peripheral Central Suburbs were relatively better off. (Source: Knight Frank India Real Estate – Residential and Office, July – December 2016).

The office market

India

The office market across the top six cities of India has performed exceedingly well in 2016 despite major challenges such as uncertainty due to Brexit, US elections and a slowdown in IT/ITeS spending by Europe and the USA. The year 2016 closed with total transactions of 40.6 million square feet, which is marginally lower than 41.1 million square feet of space transacted in 2015. The potential demand for office space was much higher in 2016, but due to a shortage of good quality office space in prime locations of cities such as Bengaluru, Pune and Chennai, many occupiers had to either delay or curtail their leasable area. Additionally, the new supply that entered these six cities during the year was 29 million square feet, down from 35 million square feet in 2015. The shortage of office space can be further explained by studying the vacancy trend over the last six years. The vacancy level, which peaked at 20% in 2012, has been falling gradually with each passing year and is currently at one of its lowest levels in recent history at 13%. For cities like Bengaluru and Pune, this number is in single digits at 6% and 8% respectively. During H2 2016, transactions have fallen by 12% to 20.4 million square feet from 23.2 million square feet in H2 2015. Such a drop in transaction can be largely attributed to the shortage of good quality office space rather than a slowdown in demand. New supply has reduced by 46% in H2 2016 to 10.1 million square feet from more than 18.7 million square feet in H2 2015. (Source: Knight Frank India Real Estate – Residential and Office, July – December 2016).

The IT/ITeS sector continues to be the largest driver of office space in India with the sector accounting for nearly half of the transactions during H2 2016. This was followed by other services, which includes sectors such as consulting, media, telecom and infrastructure, at 21%. However, in Mumbai, it was the BFSI sector that accounted for a lion's share at 31% during this period. (Source: Knight Frank India Real Estate – Residential and Office, July – December 2016).

Mumbai

The financial services sector in Mumbai stands out singularly. This sector accounted for 27% of the office space demand in the last four years, followed by the manufacturing and IT/ITeS sectors. While Mumbai has a well-diversified office occupier profile, no sector other than IT/ITeS has the capacity to absorb large spaces. While the core IT/ITeS domain is associated with technology companies such as TCS, Infosys, Wipro, Cognizant, etc., many more businesses are now transformed by technology. A decade ago, technology transformed the manner in which the financial securities market worked. Now, the banking sector is serious about existential crises on account of technological disruptions emerging in the form of payment wallets. In the case of retail trade, the debate has moved away from organized versus unorganized to brick-and-mortar versus online trade. Cars are less about mechanics and more about technology. While technology was an enabler for business in the recent past, it is now amongst the core differentiators for many businesses across different industries. Policy makers are also taking note of this. Catering to the needs of the IT/ITeS sector, the Government of Maharashtra has provided an incentive of up to 200% FSI for office space development for this sector in its new IT/ITES Policy 2015, amongst other initiatives. (Source: Knight Frank Residential Investment Advisory Report 2016).

Classification of business districts in the MMR (Source: Knight Frank Residential Investment Advisory Report 2016)

Business districts	Micro markets
CBD and off-CBD	Nariman Point, Cuffe Parade, Ballard Estate, Fort, Mahalaxmi, Worli
Bandra Kurla Complex and off-Bandra Kurla Complex (BKC & off-BKC)	BKC, Bandra (E), Kalina, Kalanagar
Central Mumbai	Parel, Lower Parel, Dadar, Prabhadevi
SBD West	Andheri, Jogeshwari, Goregaon, Malad
SBD Central	Kurla, Ghatkopar, Vikhroli, Kanjurmarg, Powai, Bhandup, Chembur
PBD	Thane, Airoli, Vashi, Ghansoli, Rabale, Belapur

A look at the office space distribution in the MMR to understand the direction of employment growth reveals that the distribution is such that the premium office markets of BKC and off-BKC, Central Mumbai, and CBD and off-CBD together account for a third of the completed office space. SBD West accounts for another third, while SBD Central and PBD together account for yet another third. Depending on factors such as location, accessibility to employees, land availability and rents, the office space development would accelerate in certain regions. In terms of rent, the PBD, i.e. the TTC and Thane localities, command Rs. 40-70 per square feet per month, while SBD Central commands Rs. 80-120 per square feet per month. Land availability in terms of industrial land, coupled with the incentive offered in the new IT/ITeS policy, would ensure a steady supply of office spaces without much pressure on rents. Further, employment hubs in SBD Central and Thane are centrally located, considering the fact that the residential catchments are growing towards localities such as Kalyan, Dombivali, Asangaon and Kasara. (Source: Knight Frank Residential Investment Advisory Report 2016).

Office rents in the MMR (Source: Knight Frank Resident Investment Advisory Report 2016)

Business districts	Office rent (Rs./sq feet/month)
BKC and Off-BKC	210-300
CBD and Off-CBD	160-260
Central Mumbai	150-190
PBD	40-70
SBD Central	80-120
SBD West	90-140

Oshiwara District Centre (ODC) – Goregaon

The emergence of ODC fills a key business district gap in the western suburbs of Mumbai (Western Suburbs). ODC benefits from its strategic location between Andheri and Goregaon and its proximity to dense mid-upper-income residential clusters, which provides access to skilled manpower, ideal for the IT/ITES and BFSI Sector.

Existing commercial developments such as NESCO, Nirlon and Mindspace are very successful and occupied with good tenant profile, which indicates the gap in demand and supply of quality commercial space in Goregaon. The formation of the Bandra Kurla Complex district center (BKC) took place over the past decade and it has now become the central business district of Mumbai. However, when the potential of BKC to provide further office space is exhausted, the city's ever-growing businesses will need new commercial infrastructure in order to expand and to operate over the medium-term horizon.

The next stop for the Mumbai Metropolitan Regional Development Authority (MMRDA) was to set up a district center in the suburbs as the city inched northwards. The Eastern Suburbs already had a cluster development in Powai, but there was no similar development of the same scale in the Western Suburbs. MMRDA decided, therefore, to plan ODC as the next cluster development as it had all the required aspects to make it a successful District Center. There are various factors that generally make a commercial node successful such as the type of development, the vision of organized real estate developers and physical and social infrastructure. Although BKC scores high on the majority of these, it is interesting to note that ODC already possesses the basic features that can lead to a well-planned District Center. (Source: Emergence of Oshiwara as Mumbai's Newest District Centre, September 2017, JLL report).

Comparison of factors in BKC and in ODC (Source: Emergence of Oshiwara as Mumbai's Newest District Center, September 2017, JLL report)

FACTORS	BKC	ODC
Land holdings	With MMRDA, land parcels auctioned	PPP model
Type	Green field development	Brown field development
Planned development by government agency	MMRDA is an experienced node development agency	MMRDA is an experienced node development agency
Access	Centrally located	Located in the western part of the city but with effective connections to Eastern and harbor suburbs
Access to the airport	Excellent	Excellent
Social infrastructure	Can be described as average	Has the potential to be transformed from average to excellent
Organized real estate players	Yes	Yes
Developed residential surroundings	Yes	Yes
Modern amenities at discounted rents	Yes, home to front offices of MNCs	Yes, home to back offices of MNCs
Residential options within the commercial node	Very few and in single digits	The ratio of development will be 40% commercial and 60% residential

The occupier profile in the Western Suburbs is back offices for MNCs with the BFSI and IT/ITeS segments taking up space to allow employees to walk to work.

Workforce often prefers to reside near to the work-place if housing is affordable when compared to far-away locations. The upcoming ODC will not only be a commercial but a nodal development aimed at boosting residential, social, and physical infrastructure equally. (Source: Emergence of Oshiwara as Mumbai's Newest District Center, September 2017, JLL report).

Infrastructure and connectivity in ODC

Infrastructure Map (Source: Emergence of Oshiwara as Mumbai's Newest District Center, September 2017, JLL report).



ODC has good connectivity to arterial roads such as Link Road, S.V. Road, and Western Express Highway. It is at a reasonable distance from the upcoming Metro Line (Dahisar-Charkop-Bandra-Mankhurd). It enjoys close proximity to various hotels, offices and shopping malls in the vicinity. Premium Hotels like The Westin, Grand Sarovar Premiere, and Orritel West are located in the vicinity. Quality malls such as Oberoi Mall at Goregaon and Infiniti Mall at Andheri make ODC an attractive destination.

It is also well connected to the commercial developments such as Mindspace-Malad, Nirlon Knowledge Park, Nesco IT Park, Raheja Titanium, Oberoi Commerz etc. which have contributed to the housing demand in the periphery. Hospitals such as Holy Spirit Hospital at Andheri East and Kokilaben Dhirubhai Ambani Hospital at Andheri West are also a significant plus, from the social infrastructure perspective. There are many educational institutions in the nearby areas, which include international schools like Oberoi International School and Vibgyor High School. Other schools present in the periphery include Lakshdham High School and St. Thomas High School (Source: Emergence of Oshiwara as Mumbai's Newest District Centre, September 2017, JLL report).

OUR BUSINESS

In this section, unless the context indicates a contrary intention, any reference to “we”, “our” and “us” refers to our Company and our Subsidiaries and the Associate on a consolidated basis. To obtain a complete understanding, you should read this section in conjunction with the section “Risk Factors”. For the purpose of this section, unless the context requires otherwise, references to a “Fiscal “ are to the financial year of the Company ended March 31 of the relevant year. All financial information in this section are based on our Consolidated Financial Statements unless expressly stated otherwise. For more information, please see “Financial Staetments” on page 195.

Overview

We are engaged in the business of developing, designing and managing high-end and premium residential and commercial properties predominantly in the Mumbai Metropolitan Region (the “MMR”). As of June 30, 2017, we have completed the construction and development of five residential projects and three commercial complexes in locations such as in the Bandra-Kurla Complex, Airoli, Andheri, Vile Parle, Panjim (in Goa) and in Nagpur. While we continue our focus on the development of real estate projects in the MMR, we have selectively expanded our area of operations to Jaipur, Nagpur and Goa. We have established a successful track record of executing projects in the markets in which we operate and cater to customers across a spectrum of income segments. As of June 30, 2017, we had eight Completed Projects, with an aggregate Saleable Area of 1.925 million sq. ft. and leasable area of 0.15 million sq. ft. As of June 30, 2017, we had seven ongoing projects with an aggregate saleable area of 2.0549 million sq. ft., in which the Company’s effective stake of 91.14%. As of June 30, 2017, our portfolio additionally included one rented asset with a leasable area of approximately 0.15 million sq. ft. in which we have an effective stake in 0.075 million sq. ft. of the leasable area. For details of our completed projects and ongoing projects, see “*Business – Details of our Completed Projects*” and “*– ongoing Projects*” on page 123.

Outside the MMR region, we operate our business through an asset-light model which is JV/JDA, in which the initial capital commitment is low and helps reduce the need for large amounts of capital to be tied-up in land banks. The asset-light model also allows us to reduce our dependency on debt financing. We partner with premium services providers. For example, JLL manages all three of our Bandra-Kurla Complex (“**BKC**”) projects – ‘Signature Island’, ‘Signia Isles’ and ‘Signia Peral’. We expect to leverage our business model, our premium positioning, the experience of our management team and our project execution skills to grow our business volumes and market share. For further details, see “*Business – Competitive Strengths*” on page 119.

Our projects are categorized and distinguished into four brands, with each brand identifying the nature of the project developed. As part of our residential portfolio, we develop high-end, luxury residences aimed at high net-worth individuals in India under our ‘Signature’ brand. These residences are located at prime city locations. Our flagship project under the ‘Signature’ brand, “Signature Island”, is located at Bandra-Kurla Complex, Mumbai. Under the ‘Signature’ brand, As of June 30, 2017, we had one completed project, with an aggregate saleable area of 0.6579 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, 51.7% and 8.5% of our revenues, respectively, was attributable to our Signature brand.

Under our ‘Signia’ brand, we develop super premium residences in select suburban micro markets. We have projects in Bandra-Kurla Complex, Borivali, Nagpur and Navi Mumbai. Under the Signia brand, As of June 30, 2017, we had four completed projects, with an aggregate saleable area of 1.0881 million sq. ft. and three ongoing residential projects, with an aggregate saleable area of approximately 0.6094 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, 40.2% and 80.6% of our revenues, respectively, was attributable to our ‘Signia’ brand.

We also develop our mixed use developments under the ‘Sunteck City’ brand. Our large-format developments include residential developments, commercial and retail real estate developments, as well as related amenities such as fine-dining and entertainment zones. As of June 30, 2017, we had two ongoing projects under the ‘Sunteck City’ brand, all of which are located in the ODC Goregaon (West), Mumbai.

We develop commercial projects under our ‘Sunteck’ brand. We have completed three projects under the ‘Sunteck’ brand, two of which are located in Mumbai and one is located in Goa. As of June 30, 2017, under the Sunteck brand, apart from above mentioned three projects, we have one ongoing project and two upcoming projects (Avenue 5 and Avenue 6) aggregating to a total saleable area of 0.191 million sq. ft. For the three months ended June 30, 2017 and Fiscal 2017, a nil amount and 3.3% of our revenues, respectively, was

attributable to our 'Sunteck' brand.

As of June 30, 2017, Fitch and CARE have both assigned A+ for Long-Term after considering our Company's total consolidated debt and Fitch has also assigned our short-term consolidated debt with A1+. We have received several awards and recognitions including the following.

Sr. No.	Awards and Accolades for	Source	Year
1	Sunteck City Awarded for "Most innovative concept of the year"	Realty Plus	2017
2	Signature Island awarded as "Ultra Luxury-Lifestyle project of the year"	Realty Plus	2017
3	Sunteck realty featured in Fortune for "India's top 500 midsize companies"	Fortune 500	2017
4	Sunteck City awarded as "Integrated township of the year"	Realty Plus	2016
5	Super luxury project of the year – Signature Island	NDTV Property Awards	2015
6	Integrated Township of the Year below 350 acres - Sunteck City	Realty Plus Excellence Awards	2015
7	Scroll of Honour and Pathfinder Award for the most Enterprising CXO – Mr. Kamal Khetan	Realty Plus Excellence Awards	2015
8	Real Estate Person of the Year and Young Entrepreneur of the Year the Mr. Kamal Khetan	Construction Week India Awards	2015
9	Luxury Project of the year – Signature Island and Young Achievers Award – Mr. Kamal Khetan	Lokmats National Award for excellence in Real Estate Infrastructure	2014
10	'Best Property Development Organization Emerging Markets. • Highly Commended • Property Valuation • Market Disclosure	APREA (Asia Pacific Real Estate Association)	2013
11	Best Country Submission, India - Sunteck Realty	APREA (Asia Pacific Real Estate Association Limited)	2013
12	Best Marketing campaign of the year – Sunteck City	Realty Plus	2013
13	Project of the Year, Mumbai – Signature Island	Accommodation Times	2012

We are Real Estate (Regulation and Development) Act, 2016 ("RERA") compliant. Our consolidated total income for the three months ended June 30, 2017 and Fiscals 2017, 2016 and 2015, was ₹ 13,545.05 lakhs, ₹ 96,036.03 lakhs, ₹ 26,125.06 lakhs and ₹ 31,687.06 lakhs respectively, and our total comprehensive income for the three months ended June 30, 2017 and Fiscals 2017 and 2016, was ₹ 3,987.01 lakhs, ₹ 22,020.40 lakhs and ₹ 2,061.88 lakhs, respectively and profit for Fiscal 2015 was ₹ 6,815.77 lakhs.

Competitive Strengths

We believe the following are our competitive strengths:

Ability to identify optimal locations

Based on our research and with the experience of our senior management team, we believe we have been able to identify optimal locations in an efficient and quick manner. This approach has allowed us to identify and acquire

low cost land parcels, which we believe have significant potential for growth, and develop them into high-end real estate projects. For example, we benefited from our expertise in identifying locations when we acquired land parcels in BKC in 2006 for the 'Signature Island' when it was generally known as a commercial destination. Our research concluded that any CBD across the world, in residential context, commands a higher premium as compared to commercial, provided there is a limited supply of high-end residential developments. With BKC remaining a key financial hub in the MMR, our projects are designed to cater to the high-income group aspiring for luxury living residences with easy access to their work places. Similarly, we have focused on developing residential projects in the Suburban Business District ("SBD") in ODC Goregaon (West), which will be planned and developed by MMRDA. Our rationale in developing projects in ODC Goregaon (West) was to cater to residences who work at the back offices of various companies. As of June 30, 2017, approximately 74% and 41% of our completed/ongoing residential projects in BKC and SBD, ODC Goregaon (West), respectively, had been sold, which we believe demonstrates the demand of our projects at such locations. Airoli, Navi Mumbai is also a location we have ventured into ahead of a number of our competitors which we believed had potential for demand given Airoli has a lot of back-offices for IT companies such as DAKC, Patni, Siemens, Mind Space. We have purchased land through Government tenders, joint developments, outright purchases from private corporates and redevelopment of housing societies, which allows us to procure relatively clear title to land parcels at lower acquisition costs, which has further improved our profitability.

Differentiated branding and premium positioning

We have positioned our offerings in the ultra-luxury and luxury segments and have developed four brands that target different market segments across various types of residential and commercial projects. Our brands are: (a) 'Signature', which targets ultra-luxury residences aimed at high-net worth individuals in India and overseas; (b) 'Signia', which targets premium residences in select suburban micro markets; (c) 'Sunteck City', which targets mixed-use developments including luxury townships comprising of residential apartments, retail, commercial projects, entertainment zones and fine dining; and (d) 'Sunteck' to market our commercial developments. We believe that our 'Signature' and 'Signia' enjoy premium positioning and our various product offerings that target different income segment customers, which has enabled us to monetize our projects in an efficient and profitable manner. We believe our differentiated branding helps in attracting the appropriate set of customers. We believe our projects developed under these brands across different locations have commanded a premium as compared to other developments in the vicinity due to our premium positioning and branding. Our projects come with requisite amenities to meet the customers' needs and the projects are located at key/strategic locations.

Cash flow strength and low leverage business

We believe that our ability to generate consistent cash flows is attributable to our ability to maintain discipline while undertaking land acquisitions and prudence in utilizing surplus cash from operations in our ongoing projects. We believe that our prudent cash flow management and balance sheet strength has facilitated us to attract strategic partners which has ensured continued financial support to our projects.

Our ability to generate consistent cash flows from operations and equity infused by private equity investors have reduced our dependence on debt financing, which allows us to operate our business on a low leverage. For example, as of March 31, 2017, we had availed construction finance loans to part finance the construction of seven out of a total of 25 projects. As of March 31, 2017 and June 30, 2017, our net debt to equity ratio was 0.46 and 0.51, respectively. In Fiscals 2017, 2016 and 2015, our EBITDA margins were 37.41%, 17.18% and 48.86%, respectively. Based on our performance and low leverage, despite not having pledged any Promoter shares or given any corporate guarantees for credit enhancement, we have been able to maintain low interest rates for our borrowings. For example, backed by our credit rating of A+ from CARE and Fitch for our long-term debt, our lowest cost of borrowing as of June 30, 2017, was at 9.25% p.a. Our strong balance sheet and positive operating cash flows coupled with low levels of debt enable us to fund our strategic initiatives, pursue opportunities for growth, take advantage of a favorable business cycle or market opportunities and better manage unanticipated cash flow variations.

Asset-light model and development of projects through joint ventures and joint development agreements

In areas other than the MMR region, we focus on an asset-light business model, under which aims to have low initial capital commitment and helps reduce the need for substantive amounts of capital to be tied-up in land banks. The asset-light model also allows us to reduce our dependency on debt financing, which strengthens our balance sheet and reduces our leverage ratio. It also helps us generate good return on capital provided less capital is employed. Given that the asset-light model reduces operating costs, we believe we are able to maintain

our focus on creating value through our business and analyse core risks and opportunities, which we manage efficiently to extract value in the process. We also acquire certain of our land through joint ventures or joint development agreements, which we believe allows us to undertake multiple projects at the same time and reduce the risks associated with the early stages of land development such as capital commitment towards land acquisition(s). We believe that this approach also reduces our capital commitment per project, thereby reducing our risk portfolio on land investment. We have made capital allocations towards our projects located in BKC and ODC Goregaon (West), such as our ‘Signature Island’, ‘Signia Isles’, ‘Signia Pearl’ and ‘Sunteck City’ whereas other projects are developed under the joint venture/joint development agreement model.

Experienced senior management team

Our Promoters and senior management team have significant experience in the Indian real estate industry. The experience of our senior management team helps us identify quality projects for developments that are capable of providing high returns and in assessing potential risks. Our Chairman and Managing Director, Mr. Kamal Khetan, has over two decades of experience in the real estate industry, Mr. Atul Poopal, ED., has over 35 years of experience in regulatory affairs, land acquisition and Mr. Sumesh Mishra and President and COO, has over ten years of experience. Mrs. Rachana Hingarajia, our CS and Non-Executive/Non-Independent women director, has over ten years of experience in compliance function. Our senior management team also comprises of Mr. Jitendra Mehta, our CFO, Mr. Alhad Pachchhapur, EVP – EPC, Mrs. Rupali Nimbalkar, Senior Vice President – Architecture, who have more than 20-30 years of work experience in the real estate sector. We continue to leverage on the experience of our management team and their understanding of the real estate market in India, particularly in the areas where we operate, to take advantage of current and future market opportunities. We believe that this experience gives us the ability to anticipate the trends and requirements of the real estate market, identify and acquire land in locations where we believe there is a demand, and design our properties in accordance with demanding customer trends.

Business Strategies

Entrance into affordable housing

We believe the Government’s ambitious program of “Housing for All by 2022” is likely to drive strong demand for homes over the next few years. The recent provisions to encourage affordable housing such as a 100% deduction on profits for developers, lower interest rates for the borrowers, and provision of a ‘infrastructure’ status (thereby increasing funding avenues for developers and providing access to capital at lower costs) underline this initiative. We believe that these measures are setting the stage for sustainable growth for organized and well-capitalized players in the real estate sector. We believe that the credit-linked subsidy scheme under the Prime Minister Awas Yojana will help reduce the interest rate on home loans and provide benefit on purchasing of new properties. The benefit conferred under this scheme is higher for lower ticket size properties. We have and will continue to have a clear focus on the MMR region. However, to ensure the long-term sustainable growth of our Company, we aspire to be present across all pricing spectrums within the MMR and are selectively evaluating opportunities in the mid-income value homes segment. We believe that by taking advantage of the benefits available under the affordable housing regulations, we will be able to maintain existing profitability levels.

Capitalization of lucrative and stressed land acquisition to maintain the financial discipline

Based on our research and with the experience of our senior management team, we believe we have been able to identify optimal locations in an efficient and timely manner. We have recently seen a number of developments in the Indian economy such as the demonetization, RERA implementation and the Government’s increased focus on affordable housing. We believe these have availed multiple opportunities for the organized real estate players such as our Company. Given our strong balance sheet position, such as the net debt to equity ratio of 0.46x in Fiscal 2017, we believe we are well placed to capitalize on the emerging stressed land acquisition opportunities.

Continue our focus on the development of real estate projects in the MMR and in certain city centric locations outside the MMR

We believe that the demand for residential property in the MMR will remain strong on account of factors such as limited availability of quality land, the continued growth of the economy in Mumbai and the rising number of

population residing in Mumbai. We believe our projects in the MMR are well-located to gain the first mover advantage post the shift in the central business district from the south of Mumbai, primarily Nariman Point as well as BKC, to the secondary business districts such as ODC, Goregaon (West). Alongside, we remain focused on other micro-markets like Borivali, Andheri, Airoli, Vile Parle, Thane and Sion. We intend to take advantage of our knowledge and experience dealing with the regulations, customer mindset and economics of the MMR and continue to focus on the development of real estate projects in the MMR.

In addition, we have expanded and continue to expand beyond the MMR and have selectively acquired land and are developing projects in city centric locations in Jaipur, Nagpur and Goa, areas that we perceive to have a demand for our projects. In such new areas, we have targeted the premium segment residential consumers and corporates with whom we have existing relationships in the MMR. In selective locations which we believe are underpriced and present us a growth potential, we may consider further investment opportunities. We are also looking to enter into the affordable housing segment for which we are selectively evaluating the opportunities. We intend to acquire projects and land capable of near term development.

Develop a sizeable rental portfolio generating steady income

While we continue to concentrate on the development of residential projects in the near and long-term, with a steady increase in demand for commercial space and gradual increase in rental rates, our strategy going forward is also to explore existing opportunities to enhance our rental portfolio. We have a commercial property (Sunteck Centre) on a lease model, strategically located in an area with what we believe to be a good demand for commercial space. For the three months ended June 30, 2017 and Fiscals 2017, 2016 and 2015, we generated rental income of ₹ 34.80 lakhs, ₹ 218.78 lakhs, ₹ 278.47 lakhs and ₹ 311.83 lakhs, respectively. We also expect that Sunteck City - Avenue 5 and Avenue 6 will increase our rental income once they are completed (expected in 2022). With our upcoming commercial projects at Bandra-Kurla Complex and ODC Goregaon (West), we intend to focus on developing a sizable rental portfolio which will help us generating steady cash flows from rental income.

Our Portfolio

The following chart presents a segmental breakdown of our completed projects and our ongoing projects as of June 30, 2017. The segmental breakdown of our effective stake in these projects is: (i) residential: 73.53%; and (ii) commercial: 26.47%.

Geographic value breakdown

We derive a majority of our value from our projects in the MMR. The table below shows an analysis of our projects in MMR across different sectors as at June 30, 2017.

Breakdown of projects by type and location

% Break-up of project area by location and type*			
Company	Location	Total Share %	Our Share %
Residential	Mumbai	37.59%	48.62
	Non-Mumbai	23.30%	15.01
Commercial	Mumbai	19.63%	24.90
	Non-Mumbai	19.48%	11.47
Total	Mumbai	57.22%	73.53%
	Non-Mumbai	42.78%	26.47%
	Total	100%	100%

*Excluding leased asset Sunteck Centre

Details of our completed projects

Sr No	Project Name	Location	Type (Residential/Commercial)	Name of company that is the developer of the Project	SRL's effective stake in Project (%)	Potential Saleable Area (million sq. ft.)	Date of Completion Certificate	Date of Occupation Certificate (if available)	% of units sold	No. of units unsold	Unsold saleable area (msf)
1	Signature Island	BKC, Mumbai	Residential	Starlight Systems (I) LLP	87.5%	0.6579	August 3, 2015	November 9, 2015	66%	22	0.2522
2	Signia Oceans	Airoli, Navi Mumbai	Residential	Piramal Sunteck Realty Pvt Ltd	50%	0.1700	December 23, 2013	December 9, 2014	100%	NA	NA
3	Sunteck Grandeur	Andheri, Mumbai	Commercial	Sunteck Realty Limited	100%	0.0708	September 30, 2013	July 11, 2014	100%	NA	NA
4	Sunteck Kanaka	Panaji, Goa	Commercial	Kanaka & Associates	50%	0.1090	August 11, 2015	August 14, 2015	74%	10	0.0450
5	Signia Skys	Sadar Bazar, Nagpur	Residential	Piramal Sunteck Realty Pvt Ltd	50%	0.1377	January 1, 2015	January 1, 2015	64%	13	0.0497
6	Signia Isles	BKC, Mumbai	Residential	Starlight Systems (I) LLP	93.5%	0.3975	March 16, 2016	August 2, 2016	84%	12	0.0621
7	Signia Pearl	BKC, Mumbai	Residential	Starlight Systems (I) LLP	93.5%	0.3829	September 1, 2010	March 7, 2017	78%	16	0.0844
8	Sunteck Center	Vile Parle, Mumbai	Commercial	Sunteck Realty Limited	50%	0.15	September 30, 2005	July 23, 2010 (applied)	Leased Model		

Ongoing Projects

Sr No	Project name	Location	Type (Residential/Commercial)	Name of company that is the developer of the Project	SRL's effective stake in Project (%)	Potential Saleable Area (million sq. ft.)	Expected Start Date	Expected Completion Date	% of units sold	No. of units unsold	Unsold saleable area (msf)
1.	Sunteck City Avenue 1 (P51800001 281)	ODC, Goregaon (W), Mumbai	Residential	Skystar Buildcon Pvt Ltd	100%	0.7260	A – July 1, 2013 B – October 23, 2013 C – April 18, 2016	A/B/C – March 31, 2020	46%	230	0.4137
2.	Sunteck City Avenue 2 (P51800002 637)	ODC, Goregaon (W), Mumbai	Residential	Skystar Buildcon Pvt Ltd	100%	0.6285	A – November 25, 2015 B – August 16, 2016	A/B – April 30, 2021	37%	338	0.3975

3.	Signia High (P51800007984)	Borivali, Mumbai	Residential	Sunteck Realty Limited	100%	0.2394	June 2, 2014	August 30, 2020	41%	48	0.1470
4.	Signia Waterfront (P51700011528)	Airoli, Navi Mumbai	Residential	Piramal Sunteck Realty Private Limited	50%	0.2795	March 1, 2016	April 30, 2021	45%	94	0.1612
5.	Signia Pearl (P51800007921) – Phase II (19 & 20 Floors)	BKC, Mumbai	Residential	Starlight Systems (I) LLP	93.5%	0.0425	September 1, 2010	December 31, 2020	0%	8	0.0425
6	Signia Pride	Andheri (East), Mumbai	Residential	Sunteck Realty Limited	100%	0.0480	June 20, 2015	May 11, 2018	0%	19	0.0480
7	Sunteck Icon	BKC, Mumbai	Commercial	Sunteck Realty Limited	56.5%	0.0910	October 1, 2017	May 30, 2021	0%	NA	0.0910

Forthcoming Projects

Sr No	Project name	Location	Type (Residential/ Commercial/Retail)	Name of company that is the developer of the Project	SRL's effective stake in Project (%)	Potential Saleable Area (million sq. ft.)	Expected Start Date	Expected Completion Date
1	Sunteck City Avenue 3	ODC, Goregaon (W), Mumbai	Residential	Satguru Corporates Service Pvt Ltd	100%	0.8846	March 31, 2018	December 31, 2023
2	Sunteck City Avenue 4	ODC, Goregaon (W), Mumbai	Residential	Satguru Corporates Services Pvt Ltd	100%	0.8572	October 1, 2018	December 31, 2024
3	Sunteck City Avenue 5	ODC, Goregaon (W), Mumbai	Commercial/ Retail	Satguru Corporates Services Pvt Ltd	100%	1.2300	January 1, 2018	March 31, 2022
4	Sunteck City Avenue 6	ODC, Goregaon (W), Mumbai	Commercial/Retail	Satguru Corporates Services Pvt Ltd	100%	1.3600	January 1, 2019	December 31, 2022
5.	Sunteck Gateway 51	BKC, Mumbai	Commercial	Sahrish Constructions Pvt Ltd	55%	0.1000	April 1, 2018	September 30, 2021

Land Inventory

Sr No	Location	Name of company that is the developer of the Project	SRL's effective stake in the project (%)	Structure	Potential Saleable Area (in million sq. ft.)	Economic Interest (in million sq. ft.)
1	Sunteck Signia City J, Jaipur	Uniworth Realty LLP	31.25%	JV/JDA	8.5720	2.6788
2	Sunteck Crest, Sion	Nariman Infrastructure Pvt Ltd	16.50%	JV/JDA	1.5760	0.2600
3	South Mumbai I & II	Piramal Sunteck Realty Pvt Ltd	25%	JV/JDA	2.9010	0.7253
4	Signia Gardens	Sunteck Realty Limited	100%	CO	0.1720	0.1720

5	Gilbert Hill	Sunteck Realty Limited	64.52%	Redev.	0.0910	0.0591
6	Sunteck Dubai	GGICO Sunteck Realty Ltd	50%	JV	0.8320	0.4160

Our completed projects are those projects where we have completed the construction and in respect of which the occupancy/completion certificates, as applicable, have been obtained.

Signature Island

Signature Island is a residential project, located in Bandra-Kurla Complex, Mumbai. Our effective stake in the project is 87.50%. The saleable area of the project is 0.6579 million sq. ft. We received the occupation certificate on November 9, 2015.

Signia Oceans

Signia Oceans is a residential project, located in Airoli, Navi Mumbai. Our effective stake in the project is 50%. The saleable area of the project is 0.1700 million sq. ft. We received the occupation certificate on December 9, 2014. As of June 30, 2017, all apartments at Signia Oceans had been sold.

Sunteck Grandeur

Sunteck Grandeur is a commercial project, located in Andheri, Mumbai. We hold 100% effective stake in the project. The saleable area of the project is 0.0708 million sq. ft. We received the occupation certificate on July 11, 2014.

Sunteck Kanaka

Sunteck Kanaka is a commercial project, located in Panjim, Goa. We hold 50% of the effective stake in the project. The saleable area of the project is 0.1090 million sq. ft. We received the occupation certificate on August 14, 2015.

Signia Skys

Signia Skys is a residential project, located in Sadar Bazar, Nagpur. Our effective stake in the project is 50%. The saleable area of the project is 0.1377 million sq. ft. We received the occupation certificate on January 1, 2015.

Signia Isles

Signia Isles is a residential project, located in Bandra-Kurla Complex, Mumbai. Our effective stake in the project is 93.50%. The saleable area of the project is 0.3975 million sq. ft. We received the occupation certificate on August 2, 2016.

Signia Pearl

Signia Pearl is a residential project, located in Bandra-Kurla Complex, Mumbai. Our effective stake in the project is 93.50%. The saleable area of the project is 0.3829 million sq. ft. We received the occupation certificate on March 7, 2017.

Sunteck Center

Sunteck Center is a commercial project, located in Vile Parle, Mumbai. Our effective stake in the project is 50%. The saleable area of the project is 0.15 million sq. ft. We are in the process of obtaining the occupation certificate.

Details of our ongoing projects

Our ongoing projects are those projects in respect of which: (i) all title or development rights, or other interest in the land we held either directly or indirectly; (ii) if required, all land for the project has been converted for the intended use; (iii) the construction of structures in the project is ongoing; and (iv) the requisite approvals for

commencement of construction have been obtained.

Sunteck City Avenue 1

Sunteck City Avenue 1 is a residential project, located in ODC Goregaon (West), Mumbai. We hold 100% of the effective stake in the project. The saleable area of the project is 0.7260 million sq. ft. The expected completion date of the project is March 31, 2020.

Sunteck City Avenue 2

Sunteck City Avenue 2 is a residential project, located in ODC Goregaon (West), Mumbai. We hold 100% of the effective stake in the project. The saleable area of the project is 0.6285 million sq. ft. The expected completion date of the project is April 30, 2021.

Signia High

Signia High is a residential project, located in Borivali, Mumbai. We hold 100% of the effective stake in the project. The saleable area of the project is 0.2394 million sq. ft. The expected completion date of the project is August 30, 2020.

Signia Waterfront

Signia Waterfront is a residential project, located in Airoli, Navi Mumbai. We hold 50% of the effective stake in the project. The saleable area of the project is 0.2795 million sq. ft. The expected completion date of the project is April 30, 2021.

Signia Pearl (Phase II – 19th and 20th Floor)

Signia Pearl (Phase II – 19th and 20th Floor) is a residential project, located in Bandra-Kurla Complex, Mumbai. We hold 93.50% of the effective stake in the project. The saleable area of Phase II – 19th and 20th Floor is 0.0425 million sq. ft. The expected completion date is December 31, 2020.

Signia Pride

Signia Pride is a redevelopment residential project located in Andheri (East), Mumbai. We hold 100% effective stake in the project. The saleable area of project is 0.0480 million sq. ft. The expected completion date of the project is May 11, 2018.

Sunteck Icon

Sunteck Icon is a commercial project, located in Bandra-Kurla Complex, Mumbai. We hold 56.50% of the effective stake in the project. The saleable area of the project is 0.0910 million sq. ft. The expected completion date of the project is May 30, 2021.

Details of our forthcoming projects

Our forthcoming projects are those projects in respect of which: (i) all title or development rights or other interest in the land is held either directly or indirectly by us; (ii) if required, applications have been made (approvals have been received) for conversion of user for the land for the intended use; (iii) preliminary management development plans are in place; and (iv) architects have been identified and have commenced work.

Sunteck City Avenue 3

Sunteck City Avenue 3 is a residential project, located in ODC Goregaon (West), Mumbai. We hold 100% of the effective stake in the project. The saleable area of the project is 0.8846 million sq. ft. Construction is expected to start on March 31, 2018 and the expected completion date of the project is December 31, 2023.

Sunteck City Avenue 4

Sunteck City Avenue 4 is a residential project, located in ODC Goregoan (West), Mumbai. We hold 100% of the effective stake in the project. The saleable area of the project is 0.8572 million sq. ft. Construction is expected to start on October 1, 2018 and the expected completion date of the project is December 31, 2024.

Sunteck City Avenue 5

Sunteck City Avenue 5 is a commercial/retail project, located in Goregoan (West), Mumbai. We hold 100% of the effective stake in the project. The saleable area of the project is 1.23 million sq. ft. Construction is expected to start on January 1, 2018 and the expected completion date of the project is December 31, 2021.

Sunteck City Avenue 6

Sunteck City Avenue 6 is a commercial/retail project, located in ODC Goregoan (West), Mumbai. We hold 100% of the effective stake in the project. The saleable area of the project is 1.36 million sq. ft. Construction is expected to start on January 1, 2018 and the expected completion date of the project is December 31, 2022.

Sunteck Gateway 51

Sunteck Gateway 51 is a commercial project, located in Bandra-Kurla Complex, Mumbai. We hold 55% of the effective stake in the project. The saleable area of the project is 0.1 million sq. ft. The expected completion date of the project is 42 months from the expected start date.

Land inventory

Our land inventory comprises land which we own but on which there is no planned development as of June 30, 2017.

Sunteck Signia City, Jaipur is a land on which we have rights through a JV/JDA. Our effective stake in the land is 31.25%. The saleable area is 8.5720 million sq. ft. and our interest in the saleable area is 2.6788 million sq. ft.

Sunteck Crest, Sion, Mumbai is a land on which we have rights through a JV/JDA. Our effective stake in the land is 16.67%. The saleable area is 1.5760 million sq. ft. and our interest in the saleable area is 0.26 million sq. ft.

South Mumbai I & II, Mumbai is a land on which we have rights through a JV/JDA. Our effective stake in the land is 25%. The saleable area is 2.9010 million sq. ft. and our effective stake in the plot is 0.7253 million sq. ft.

Signia Gardens, Vile Parle, Mumbai is a project to be developed by the company. Our effective stake in the project is 100%. The saleable area is 0.1720 million sq. ft. and our effective stake in the plot is 0.1720 million sq. ft.

Gilbert Hill is a residential project, located in Andheri, Mumbai. We hold 64.52% of the effective stake in the project. The plot area of the project is 0.029 million sq. ft. Construction has begun for the project and the expected completion date is September 30, 2021.

Sunteck Dubai, Dubai is a land on which we have the right through our Joint Venture. Our effective interest in the project is 50%. The total saleable area of the project is 0.8320 million sq. ft. and our interest in the saleable area is 0.4160 million sq. ft.

Joint Venture Partners

We have entered into joint ventures and partnerships to help us to enter new market segments, expand into new geographic areas and to provide market support and advice. The most significant of these is a joint venture with Piramal Enterprises Limited promoted by the Ajay Piramal group called “Piramal Sunteck Realty Private Limited”. The following chart presents which of our projects are being developed through joint ventures.

Sr. No	Project Name	Location	Joint venture partner
1	Signia Waterfront	Airoli, Navi Mumbai	Piramal Realty Private Limited
2	Signia Skys	Nagpur	Piramal Realty Private Limited
3	Signia Oceans	Airoli, Navi Mumbai	Piramal Realty Private Limited

Revenue Recognition

We follow the percentage completion method of accounting. Under this method, direct/allocable expenses incurred during the year are debited to work-in-progress account. The revenue is accounted for when the following four conditions are met:

1. All critical approvals necessary for commencement of the project have been obtained;
2. The actual construction and development cost incurred is at least 40% of the total construction and development cost (without considering land cost);
3. When at least 20% of the sales consideration is realized; and
4. Where 25% of the total saleable area of the project is secured by contracts of agreement with buyers.

Business Process

The following are the five key steps undertaken in executing a development project:



Land acquisition

Acquisition of suitable land at a viable cost is one of the most important aspect of our business operations. The process of land acquisition we follow is detailed below:

Land identification and acquisition strategy

Our in-house research team assesses market trends on an ongoing basis and tracks for opportunistic acquisitions. We rely on the experience and abilities of our senior management to identify and evaluate potential locations. We also use our experience to evaluate locations where we can gain an early mover advantage. The acquisition team gathers the information which is available through interactions with brokers, landowners, customer calls and other databases available for micro markets. We prefer to acquire lands which have a clear development potential within a short three-four year time frame and where we consider land to be treated as inventory and not an asset. Our developments tend to be in urban clusters. Once we have worked through the geographical criteria, we also look at the potential for low investment relative to high returns. An assessment and due diligence of immovable properties on the site and financial viability of the project forms the final component of our acquisition decision.

Acquisition Process

Once we have identified a plot for acquisition, our acquisition team works with the legal team and external legal counsel to review and establish land records, planning and ownership records and publishing of public notices to determine whether there are any claims from third parties. If the legal title search and encumbrances process is positive, negotiations are progressed to enter into preliminary agreements i.e., letters of intent or memoranda of understanding in line with the suggested legal and financial structure discussed below. Definitive agreements and registrations and stamp duty payments are typically timed after we obtain the conditions precedent, such as compliance with requisite statutory approvals and permits and comfort in relation to vacant possession.

Financial and legal structuring for land acquisition

Our acquisition team utilizes one of the following options to enter into the land acquisition arrangement:

- *Joint Development Agreement* – entered into with the landowner where a share of the returns from the built stock is passed onto the landowner.
- *Joint Venture Agreement* – entered into with the landowner where we buy out a share of the landowning legal entity for consideration and therefore share the profits from the development with the land owner.
- *Combination of Joint Development and Joint Venture* – such hybrid agreements are an outcome of situations where the primary developer has already undertaken substantial work in the acquisition process through activities including slum rehabilitation under the slum rehabilitation process, change of land use and other specific value additions on the land. In this case, we enter into a joint venture with the primary developer to take a stake in the legal entity with the rights to development or the title to the land, and thereby becoming a party to the joint development agreement.

Legal and regulatory approvals leading to permits for development

We have our legal and liaising team to facilitate applications and liaison for regulatory approvals and permits for the development, leading to the necessary occupation and completion certificates from authorities. Some of the key approvals include site, planning, height clearances, and environmental approvals.

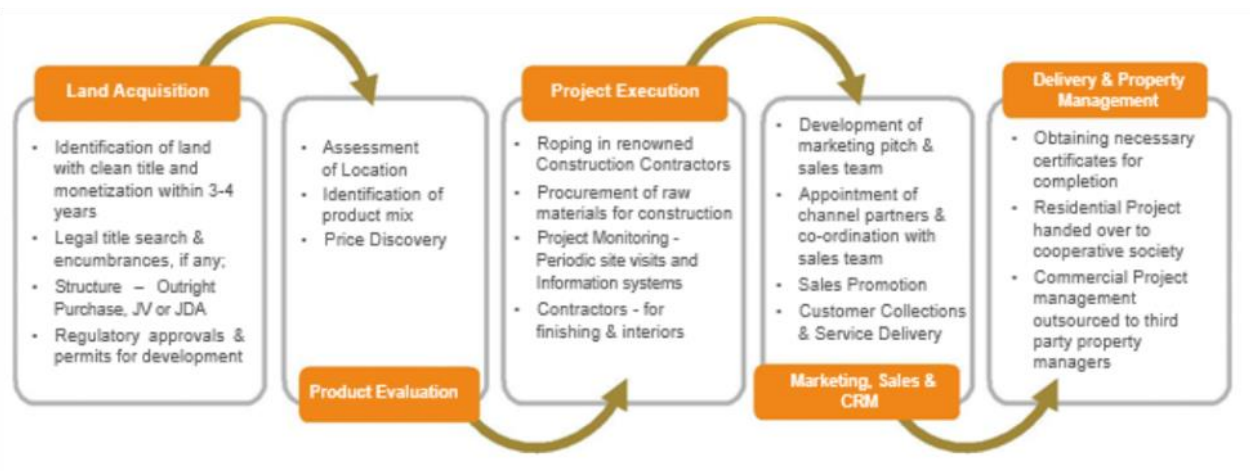
Our company secretarial team manages the documentation and assists with the drafting and company law compliance issues related to the legal entities for each project from the land acquisition stage onwards.

Product Definition and Best Use of Land

Market evaluation and assessment leading to product definition and segmentation

Our marketing team it is responsible for the price evaluation and assessment for each location and develops the ideal product mix and defines the product design broadly in line with the brand segmentation suggested for the location. This allows us to understand and forecast the commercial and financial viability of the project. This exercise provides an input to the design team, which undertakes design and structural assessment of project components through external partners. The main activities our marketing team leads include research, brand positioning and branding activities, business and product development, development of communication strategy, competition strategy, searching suitable partners for our brands, foster communication with other departments to ensure a uniform approach, managing of various promotional and marketing events and budgeting and managing our return on investment.

Project Development



Project delivery plan

Our execution team takes the lead after the acquisition of the land, to transform each site into a construction site with the necessary safety and site sanitation measures along with the requisite signage, safety enclosures and other local level permits and agreements. The contracts team works out the project construction and fit out plan and also decides on the contracting packages to be put out for bids.

Design and Contract Packages

Our execution team works with the architect and structural engineering team to tender, draft, and negotiate contractual documentation for the goods and works contracts. This arrangement helps us to work within budgets, timeframes and thus improve our returns from each project. After carefully designing the project areas and selecting the ideal equipment and furniture and electrical fit-outs, we use other contractors for finishing and interiors.

Project management and execution process

Our execution team monitors the projects through periodic site visits and through its information systems to have a control over quality, cost and design. The team also takes a lead in negotiations and procurement of goods and services to provide positive benefits to each project. The project execution and project management teams, as part of the relevant joint venture or joint development arrangements, may receive project management fees, on a case by case basis, for our business.

Marketing, Sales and Completion

Marketing

Our marketing team plays a key role at our Company, as it promotes and aims to create a niche for all our projects. There are several responsibilities which are led by the marketing department including managing various sales promotion and sales promotion events, launch events, corporate presentations, web marketing, direct and indirect marketing, as well as newspaper and outdoor advertising, brand positioning, communication strategy, searching suitable partners for the brand and bringing in innovative ideas to market the product of our Company. We conduct our indirect marketing through our external network of sales associates across India. We actively participate in real estate exhibitions both in India and internationally which are well attended by the local population.

Sales

We have a dynamic workforce of sales team which coordinates with our channel partners (regional brokers and international property consultants) for catalyzing sales with the help of media and press activities conducted by our marketing team. The sales team is also responsible for closing out sale agreements and initial payments from the customers. We believe we have a loyal customer base and encourage the participation of former buyers or tenants in our new product launches. We maintain a data base consisting of our existing customers and prospective customers and undertake direct sales efforts through a combination of telephonic marketing and electronic marketing, either centrally from our head office or through our business representatives.

Post Sales

Our post sales department attentively and closely work with each customer from the booking stage and until the property is handed over at the time of possession. This includes establishing and maintaining relationships with customers to ensure timely revenue management during the construction phase and also to maximize the sales from references (loyalty revenue generation). At each milestone of a property development, our relationship managers communicate with the customers to update them of the construction status. All relevant documentation that is required is prepared, executed and recorded by the relationship managers with the customer on behalf of our Company.

Project completion

Our execution team, in coordination with the legal compliance team, completes the processes required to achieve the requisite compliance and statutory certifications for each site with respect to completion,

occupation, fire and safety and so forth. The execution team also negotiates and puts into place the annual maintenance contracts with equipment suppliers for rotation and mechanical instruments and machinery at each property, including elevators, water pumps, electrical and fire switch boards, and educates the property management service manager on the operation of these before the handover. The property is then conferred to the selected property management firm.

Asset management and hand-over process

For commercial properties, which are first leased out and then sold on strata title, we put into place property management service contracts with third party property managers. Our relationship managers handle the asset hand over process and ensure compliance on finishing and attendance to any snag lists which come up during the initial period of a project. For residential projects, common areas are be handed over to a cooperative society and we would also provide any help required to smooth transition from the developer to the cooperative society.

Human Resources

Organizational development is the key of the success in the competitive markets where we operate. We believe our employees are our assets and aim to increase employee engagement through various initiatives on special occasions such as the achievement of certain milestones as well as annual festivals. We aim to enhance awareness of creating shareholder value, align rewards with the creation of value, attract and retain talent and remain competitive in the talent market while strengthening the interdependence between the employees and the organization for mutual prosperity. As of March 31, 2017, our Company had a total of 206 employees.

Insurance

We maintain a number of insurance policies obtained from various insurers for the coverage of different risks associated with its business and operations. These insurance policies pertain to public liability insurance, all-risk insurance for certain ongoing projects, directors and officers liability insurance, group mediclaim and personal accident insurance for the Company's employees. The all-risk insurance policy provides coverage with respect to terrorist attacks, earthquakes, price escalation, debris removal and damage to surrounding properties. Further, the Company's general public liability insurance policy covers against any liability for third party claims arising out of injury or damage in connection with the construction of the insured premises.

Intellectual Property

We own our brand and trademark names Sunteck and Signature. We have right to use our other brands and certain trademarks pursuant to a trademark license agreement with Glint Infraprojects Private Limited.

Competition

The real estate development industry in India, including in Mumbai, is highly competitive. Developers compete for financing, raw materials and skilled labor, as well as for the sale of retail and commercial space. Additionally, competition for prime properties is intense and the acquisition of such properties may become more expensive in the future to the extent of the increase in the demand and competition. We compete with other local, regional and national level real estate companies and homebuilders, often within larger subdivisions designed, planned and developed by such competitors. Some of our competitors have greater financial, marketing, sales and other resources than us. Some of our competitors may be better known and may enjoy better relationships with national and international joint venture partners. We believe that our principal competitors in the areas where we currently operate and focus are Oberoi Realty, Godrej Properties and Omkar Realtors.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Directors

The composition of our Board of Directors is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder and the Listing Regulations and the Articles of Association. The Articles of Association prescribe that the number of Directors on our Board shall not be less than three and not more than 12. At present, our Board comprises of six Directors which includes two Executive Directors and four Non-Executive Directors including three Independent Directors and one Woman Director.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding Independent Directors, is liable to retire by rotation, with one-third of such number retiring at each annual general meeting. Additionally, in accordance with the Articles of Association of our Company, if the number of Directors retiring is not three or a multiple of three, then the nearest number to one-third are liable to retire by rotation. A retiring Director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five consecutive years each. Any re-appointment of Independent Directors shall, *inter alia*, be on the basis of the performance evaluation report and approved by the shareholders by way of a special resolution.

The following table provides information about the Directors as of the date of this Preliminary Placement Document:

Sr. No.	Name, Address, DIN, Term, Nationality and Occupation	Age	Designation
1.	<p>Kamal Khetan</p> <p>Address: 4th Floor, Shanti Deep 35, Andheri-Kurla Road, J. B. Nagar, Andheri East, Mumbai 400 059.</p> <p>DIN: 00017527 Term: Five years with effect from May 30, 2013 Nationality: Indian Occupation: Business</p>	49	Chairman and Managing Director
2.	<p>Atul Poopal</p> <p>Address: I/601, Pranay Nagar, Ram Mandir Road Extension, Off Vazira, Borivali-West, Mumbai 400 091.</p> <p>DIN: 07295878 Term: Liable to retire by rotation Nationality: Indian Occupation: Service</p>	56	Executive Director
3.	<p>Kishore Vussonji</p> <p>Address: 181, Cuffe Castle, Cuffe Parade, Mumbai 400 005.</p> <p>DIN: 00444408 Term: Five years from September 29, 2016 till the conclusion of the Annual General Meeting to be held in the calendar year 2021 Nationality: Indian Occupation: Advocate and Solicitor</p>	71	Independent Director

Sr. No.	Name, Address, DIN, Term, Nationality and Occupation	Age	Designation
4.	<p>Ramakant Nayak</p> <p>Address: A/11, Anand Dham, 9th Road, Prabhat Colony, Near Hotel Yatri, Santacruz (East), Mumbai 400 055</p> <p>DIN: 00129854 Term: Five years from September 29, 2016 till the conclusion of the Annual General Meeting to be held in the calendar year 2021 Nationality: Indian Occupation: Business</p>	72	Independent Director
5.	<p>Mahadevan Kalahasthi</p> <p>Address: 601, Laxmi Villa, K.A. Subramanian Road, Matunga, Mumbai 400 019.</p> <p>DIN: 01246519 Term: Five years from September 29, 2016 till the conclusion of the Annual General Meeting to be held in the calendar year 2021 Nationality: Indian Occupation: Practising Chartered Accountant</p>	58	Independent Director
6.	<p>Rachana Hingarajia</p> <p>Address: Hilton Society, K-3/B-6, Ram Nagar, Borivali (West), Mumbai - 400092.</p> <p>DIN: 07145358 Term: Liable to retire by rotation Nationality: Indian Occupation: Service</p>	38	Non- Executive Director

Biographies of the Directors

Kamal Khetan, aged 49 years, is the Chairman and Managing Director of our Company. He is an electronics and communication engineer from Mangalore University.

Atul Poopal, aged 56 years, is the Executive Director of our Company. He holds a diploma in civil engineering awarded by the Board of Technical Examination, Maharashtra.

Kishore Vussonji, aged 71 years, is an Independent Director of our Company. He is an Advocate and Solicitor and a partner of M/s Kanga & Co. He is enrolled as an advocate with the Bar Council of Maharashtra since August 22, 1977 and is also a member of the Bombay Incorporated Law Society. He has more than four decades of experience in the legal field.

Ramakant Nayak, aged 72 years, is an Independent Director of our Company. He holds a degree of bachelor of science from Karnatak University and bachelor of law from University of Mumbai and diploma in marketing and advertisement. He has been associated various banks viz., Bank of India, Bank of Maharashtra, Lord Krishna Bank Limited (now HDFC Bank) (MD & CEO), Lakshmi Vilas Bank Limited (Chairman and CEO).

Mahadevan Kalahasthi, aged 58 years, is an Independent Director of our Company. He is a practicing chartered accountant and has been a proprietor of M/s M. Kalahasthi & Co since 1983.

Rachana Hingarajia, aged 38 years, is the Non-Executive Director and Company Secretary of our Company. She holds a degree of Bachelors in Law and a Bachelors' degree in Commerce from University of Mumbai. She is a qualified Company Secretary from Institute of Company Secretaries of India ("ICSI") and also an Associate

of ICSI. She has a work experience in legal and compliance field.

Relationship with other Directors

None of the Directors are related to each other.

Borrowing powers of our Board

Our shareholders have pursuant to a special resolution dated March 28, 2014, passed under Section 180(1)(c) of Companies Act, 2013, authorized the Board of Directors to borrow monies together with monies already borrowed and upon such terms and conditions as the Board may deem fit, upto an aggregate amount not exceeding ₹ 2,00,000 lakhs over and above the aggregate of paid up share capital and free reserves of our Company.

Interest of the Directors

All of the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or committee thereof as well as to the extent of reimbursement of expenses payable to them. Our Managing Director and the Executive Director may be deemed interested to the extent of remuneration paid to them for services rendered as the officers of our Company. Additionally, Rachna Hingarajia, who also holds the position of Company Secretary of our Company, is interested to the extent of remuneration paid to her as the Company Secretary.

All of the Directors may also be regarded as interested in our Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them. Our Managing Director, the Executive Director and our Company Secretary may also be interested in the options that have been granted to them under the ESOP 2013 and ESOP 2017.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors were interested parties.

All Directors may also be regarded as interested in the equity shares held by, or subscribed by and allotted to, the companies, firms and trusts, in which they are interested as directors, members, partners or trustees.

Except as disclosed in the section titled “*Financial Statements*”, our Company has not entered into any contract, agreement or arrangement during the preceding three years from the date of this Preliminary 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. Furthermore, the Directors have not taken any loans from our Company.

Shareholding of Directors

The following table sets forth details regarding the shareholding of the Directors as of September 30, 2017:

Name	Number of Equity Shares	Percentage shareholding in our Company (%)	Aggregate Number of ESOPs granted
Kamal Khetan	162	0.00	-
Rachana Hingarajia	-	-	8,276

Other than as mentioned above, none of our Directors hold any Equity Shares or ESOPs.

Terms and Compensation of the Directors

A. Executive Directors

Kamal Khetan

Terms of Appointment

Kamal Khetan was appointed as the Managing Director of our Company pursuant to a resolution passed by our shareholders on July 17, 2008, for a period of five years with effect from July 17, 2008. He has been re-appointed as Managing Director of our Company pursuant to the approval of shareholders at their meeting held on September 27, 2013 for a period of five years with effect from May 30, 2013.

S. No.	Category	Remuneration
1.	Basic Salary	₹ 200 lakhs per annum or 2% of the net profits of our Company, whichever is higher
2.	Special Allowances	Rent free furnished accommodation, membership of clubs
3.	Annual Incentive Pay	Gratuity on the basis of 15 days of salary for each year of completed service, leave encashment at the end of the tenure and contribution to the provident fund and the superannuation fund, as per the policy of our Company.
4.	Long term incentive Compensation	Increment for each year shall be determined by the Remuneration Committee of the Board and would be subject to the approvals of the Board and shareholders of the Company.
5.	Perquisites	Use of car, telephone and mobile as per Company's policy, and reimbursement of medical expenses incurred for self and family.

Atul Poopal

Terms of Appointment

Atul Poopal was re-appointed as an Executive Director of our Company pursuant to a resolution of the shareholders dated September 26, 2017 with effect from September 26, 2017.

S. No.	Category	Remuneration
1.	Basic Salary	₹ 125.00 lakhs per annum or 0.5% of the net profits of the Company, whichever is higher.
2.	Perquisites and Special Allowances	Company car, telephone, leave travel benefit and such other benefits as per the rules of our the Company and that the Board (which may include a Committee thereof) may alter from time to time, the amount and type of perquisites, allowances and benefits to be provided.
3.	Long term incentives	Provident fund and gratuity

The following tables set forth all compensation (including basic salary, special allowances and other benefits) paid by our Company to the Executive Directors during the last three Fiscals and and six months ended September 30, 2017:

(in ₹ lakhs)

Name	Current Fiscal [#]	Fiscal 2017	Fiscal 2016	Fiscal 2015
Kamal Khetan	100	312.05	287.86	160.51
Atul Poopal	62.50	100	37.50	-

[#] Up to September 30, 2017.

B. Non-Executive Directors

Our Company presently pays sitting fees of ₹ 30,000 per meeting of the Board.

The following table sets forth the remuneration (including sitting fees, commission and perquisites) paid by our Company to the Non-Executive Directors during the last three Fiscals and six months ended September 30, 2017:

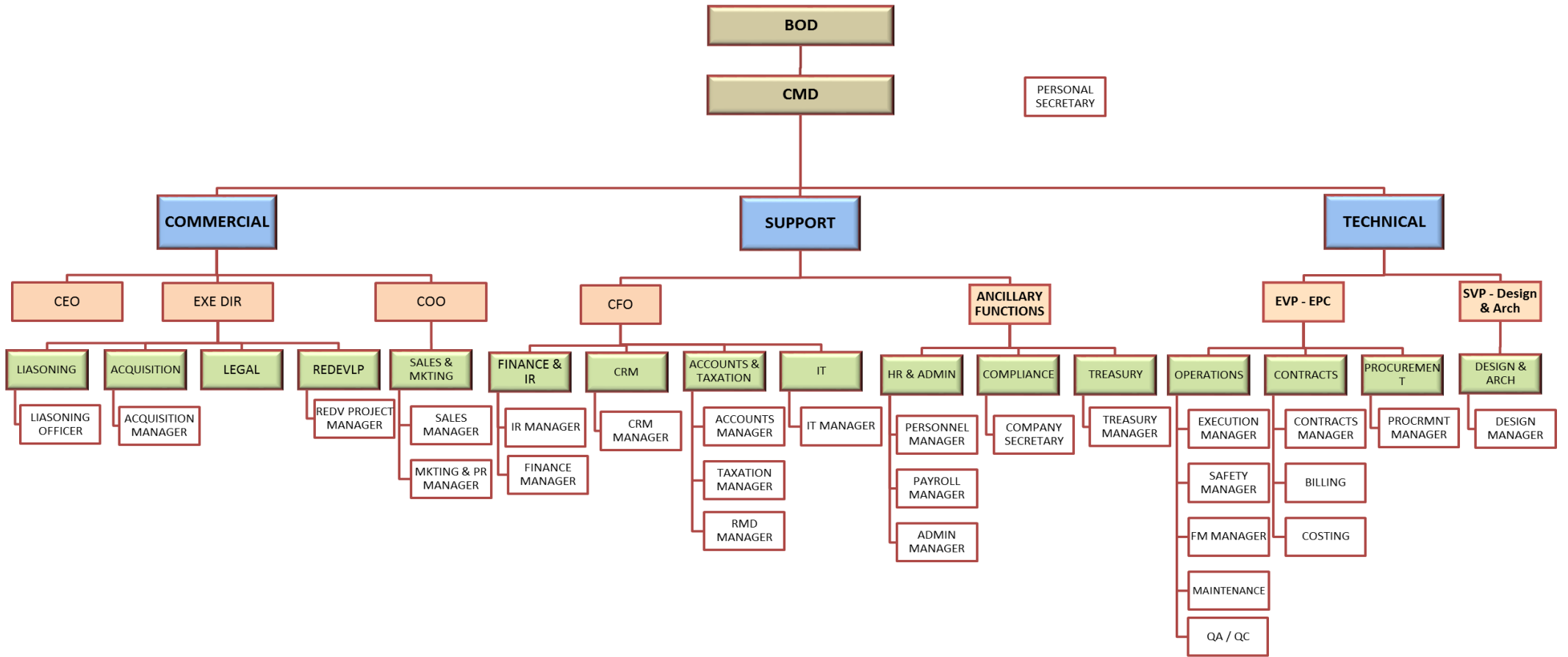
(in ₹ lakhs)

Name	Current Fiscal [#]	Fiscal 2017	Fiscal 2016	Fiscal 2015
Kishore Vussonji	1.20	0.90	-	0.30
Ramakant Nayak	1.60	0.90	0.40	0.30
Mahadevan Kalahasthi	1.60	0.90	0.10	0.25
Rachana Hingarajia*	13.75	18.50	18.50	18.50

[#] Up to September 30, 2017.

*Remuneration paid to Rachana Hingarajia, in her capacity the Company Secretary of our Company.

Organisational Chart of our Company



Key Management Personnel

In addition to our Managing Director, Executive Director and our Company Secretary, our Company's key managerial personnel are as follows:

Jitendra Mehta, aged 58 years, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce and bachelor's degree in law from the Prahlara Dalmia Lions College of Commerce and Economics. He holds Diploma in Business Management from Indian merchant's Chamber, Bombay and a Diploma in Management from Indira Gandhi National Open University. He is also a member of Institute of Chartered Accountants of India, Institute of Company Secretaries of India, Institute of Cost & Works Association of India, Management Studies Promotion Institute of India and a fellow member of the Association of Secretaries and Managers.

All our KMPs are permanent employees of our Company.

Shareholding of Key Managerial Personnel

The following table sets forth details regarding the shareholding of the key managerial personnel in our Company as at September 30, 2017:

Name	Number of Equity Shares	Percentage of total number of outstanding Equity Shares (%)	Aggregate Number of ESOPs granted
Kamal Khetan	162	0.00	0
Rachana Hingarajia	0	0	8,276

Interest of key managerial personnel

Except as disclosed under 'Interest of Directors' for the interest of our Managing Director, Executive Director and our Company Secretary, the key managerial personnel of our Company do not have any interest in our Company other than to the extent of (i) the remuneration or benefits to which they are entitled to as per their terms of appointment; and (ii) the Equity Shares held by them or their dependents in our Company, if any or any dividend payable to them and other distributions in respect of such Equity Shares and options granted under ESOP 2013.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company in which the key managerial personnel were interested parties.

None of the Directors are related to any of the key managerial personnel of our Company.

Bonus or profit sharing plan for Directors and KMPs

Our Company does not have any bonus or profit sharing plan with the Directors or KMPs.

Corporate governance

Our Company believes that good corporate governance is an important constituent in enhancing stakeholder value. Our Company is in compliance with the requirements with respect to the corporate governance provided in the Listing Regulations and the Companies Act, 2013. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and constitution of the committees of the Board, as required under applicable law.

The Board of Directors and committees of our Company are constituted in compliance with the Companies Act, 2013 and the Listing Regulations.

Committees of the Board

In terms of the Listing Regulations and Companies Act, 2013, our Company has constituted the following

committees of Directors namely:

- (i) Audit Committee;
- (ii) Nomination and Remuneration Committee;
- (iii) Stakeholders' Relationship Committee;
- (iv) Corporate Governance Committee; and
- (v) Corporate Social Responsibility Committee.

The following table sets forth the details of the members of the aforesaid committees as of the date of this Preliminary Placement Document:

Committee	Members
Audit Committee	(a) Mahadevan Kalahasthi; (b) Kamal Khetan; (c) Kishore Vussonji; and (d) Ramakant Nayak
Nomination and Remuneration Committee	(a) Ramakant Nayak; (b) Mahadevan Kalahasthi; (c) Kishore Vussonji; and (d) Rachana Hingarajia
Stakeholders' Relationship Committee	(a) Mahadevan Kalahasthi; (b) Ramakant Nayak ; and (c) Kishore Vussonji.
Corporate Social Responsibility Committee	(a) Kamal Khetan; (b) Ramakant Nayak; and (c) Kishore Vussonji.
Corporate Governance Committee	(a) Kamal Khetan; (b) Mahadevan Kalahasthi; and (c) Ramakant Nayak.

Policy on disclosures and internal procedure for prevention of insider trading

Regulation 9 of the Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of internal procedures and conduct for the prevention of insider trading. Our Company has implemented a code of conduct for prevention of insider trading in accordance with the Insider Trading Regulations. As per the code of internal procedures and conduct for the prevention of insider trading adopted by our Company, the Company Secretary of our Company, is the compliance officer of our Company for the purposes of this code.

Other confirmations

None of the Directors, Promoters or key managerial personnel of our Company have any financial or other material interest in the Issue.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Directors or Promoters have been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI. However, the name of Kishore Vussonji, one of our Independent Directors, appears on the website of CIBIL. Disclosure in accordance with the applicable requirements of the SEBI ICDR Regulations are as follows:

S. No	Particulars	Details
(a)	Name of the bank declaring the entity as a wilful defaulter	State Bank of Mysore (now merged with State Bank of India (“SBI”))
(b)	The year in which the entity is declared as a wilful defaulter	March 31, 2002 till June 30, 2005
(c)	Outstanding amount when the entity is declared as a wilful defaulter	₹ 890.00 lakhs
(d)	Name of the party declared as a wilful defaulter	Borrower’s name: Lloyds Finance Limited The name of Kishore Vussonji, our Independent Director, appears in the list of wilful defaulters issued by CIBIL
(e)	Steps taken, if any, for the removal from the list of wilful defaulters	Kishore Vussonji has informed SBI that he resigned from the board of Lloyds Finance Limited in Fiscal 2000 (“ Letter ”) and requested SBI to issue a letter taking this information on record. Mr. Vussonji has also sent a copy of the Letter to CIBIL requesting them to remove his name from the list of wilful defaulters.
(f)	Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions	Kishore Vussonji resigned from the board of Lloyds Finance Limited in Fiscal 2000.
(g)	Any other disclosure as specified by the Board	NA

Neither our Company, nor our Directors or Promoters have been debarred from accessing capital markets under any order or direction made by SEBI.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three Fiscals, see the section “*Financial Statements*” beginning on page 195.

PRINCIPAL SHAREHOLDERS

The following tables set forth the details regarding the shareholding pattern of our Company, as on September 30, 2017:

I. Summary statement holding of specified securities

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of equity shares held in dematerialized form
A) Promoter & Promoter Group	11	9,29,98,932	9,29,98,932	73.82	9,29,98,932
(B) Public	6,693	3,29,86,538	3,29,86,538	26.18	3,29,78,528
(C1) Shares underlying DRs	-	-	-	0.00	-
(C2) Shares held by Employee Trust	-	-	-	0.00	-
(C) Non Promoter-Non Public	-	-	-	0.00	-
Grand Total	6,704	12,59,85,470	12,59,85,470	100.00	12,59,77,460

II. Statement showing shareholding pattern of the Promoter and Promoter Group

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	Number of equity shares held in dematerialized form
A1) Indian					
Individuals/Hindu undivided Family	5	55,81,182	55,81,182	4.43	55,81,182
Anupma Kamal Khetan	1	23,52,660	23,52,660	1.87	23,52,660
Akrur Kamal Khetan	1	22,40,620	22,40,620	1.78	22,40,620
Shanti Shrigopal Khetan	1	9,87,580	9,87,580	0.78	9,87,580
Kamal Khetan	1	162	162	0.00	162
Manisha Kamal Khetan	1	160	160	0.00	160
Any Other (specify)	6	8,74,17,750	8,74,17,750	69.39	8,74,17,750
Satguru Infocorp Services Pvt Ltd	1	30,00,000	30,00,000	2.38	30,00,000
Starlight Systems	1	30,00,000	30,00,000	2.38	30,00,000

Category of shareholder	Nos. of shareholders	No. of fully paid up	Total nos. shares	Shareholding as a % of total no. of shares (calculated as per	Number of equity shares held in
Pvt Ltd					
Samagra Wealthmax Pvt Ltd	1	200	200	0.00	200
Matrabhav Trust	1	4,39,06,796	4,39,06,796	34.85	4,39,06,796
Paripurna Trust	1	2,15,48,908	2,15,48,908	17.10	2,15,48,908
Astha Trust	1	1,59,61,846	1,59,61,846	12.67	1,59,61,846
Sub Total A1	11	9,29,98,932	9,29,98,932	73.82	9,29,98,932
A2) Foreign				0.00	
A=A1+A2	11	9,29,98,932	9,29,98,932	73.82	9,29,98,932

III. Statement showing shareholding pattern of the public shareholder

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No of Voting Rights	Total as a % of Total Voting right	Number of equity shares held in dematerialized form(Not Applicable)
B1) Institutions	0	0		0.00		0.00	
Mutual Funds/	7	49,76,531	49,76,531	3.95	49,76,531	3.95	49,76,531
L and T Mutual Fund Trustee Ltd- L and T India Value Fund	1	39,75,487	39,75,487	3.16	39,75,487	3.16	39,75,487
Foreign Portfolio Investors	41	1,25,35,914	1,25,35,914	9.95	1,25,35,914	9.95	1,25,35,914
Pabrai Investment Fund 3, ltd	1	33,82,850	33,82,850	2.69	33,82,850	2.69	33,82,850
The Parbai Investment Fund II, Lp	1	29,50,260	29,50,260	2.34	29,50,260	2.34	29,50,260
The Parbai Investment Fund IV, Lp	1	21,28,175	21,28,175	1.69	21,28,175	1.69	21,28,175
Fil Investments (Mauritius) ltd	1	18,48,634	18,48,634	1.47	18,48,634	1.47	18,48,634
Financial Institutions/ Banks	2	1,84,179	1,84,179	0.15	1,84,179	0.15	1,84,179
Sub Total B1	50	17,696,624	1,76,96,624	14.05	1,76,96,624	14.05	1,76,96,624
B2) Central Government/	0	0		0.00		0.00	

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No of Voting Rights	Total as a % of Total Voting right	Number of equity shares held in dematerialized form(Not Applicable)
State Government(s)/ President of India							
B3) Non-Institutions	0	0		0.00		0.00	
Individual share capital upto Rs. 2 Lacs	6027	23,60,570	23,60,570	1.87	23,60,570	1.87	23,52,560
Individual share capital in excess of Rs. 2 Lacs	6	72,68,667	72,68,667	5.77	72,68,667	5.77	72,68,667
Ajay G Piramal	1	53,75,013	53,75,013	4.27	53,75,013	4.27	53,75,013
Any Other (specify)	610	56,60,677	56,60,677	4.49	56,60,677	4.49	56,60,677
HUF	134	90,316	90,316	0.07	90,316	0.07	90,316
NRI – Non-Repatriate	48	86,207	86,207	0.07	86,207	0.07	86,207
NRI – Repatriate	135	1,44,040	1,44,040	0.11	1,44,040	0.11	1,44,040
Foreign Portfolio Investors (Category III)	1	5,400	5,400	0.00	5,400	0.00	5,400
Clearing Members	110	2,41,300	2,41,300	0.19	2,41,300	0.19	2,41,300
Bodies Corporate	182	50,93,414	50,93,414	4.04	50,93,414	4.04	50,93,414
Sub Total B3	6,643	1,52,89,914	1,52,89,914	12.14	1,52,89,914	12.14	1,52,81,904
B=B1+B2+B3	6,693	3,29,86,538	3,29,86,538	26.18	3,29,86,538	26.18	3,29,78,528

IV. Statement showing shareholding pattern of the non-promoter- non-public shareholders: NIL

V. Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the Company: NIL

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, bidding, 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 Managers. Investors that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. See the sections “Selling Restrictions” and “Transfer Restrictions” beginning on pages 157 and 163, respectively.

Qualified Institutions Placement

The Issue is being made to QIBs in reliance upon Chapter VIII of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, through the mechanism of a QIP wherein a listed company in India may issue and allot equity shares to QIBs on a private placement basis provided *inter alia* that:

- a special resolution approving the QIP is passed by shareholders of the issuer. Such special resolution must specify (a) that the allotment of equity shares is proposed to be made pursuant to a QIP; and (b) the relevant date;
- equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, have been listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution;
- the aggregate of the proposed issue and all previous QIPs made by the issuer in the same Fiscal does not exceed five times the net worth (as defined in the SEBI ICDR Regulations) of the issuer as per the audited balance sheet of the previous Fiscal;
- prior to circulating the private placement offer letter, the issuer 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 the issuer prior to the invitation to subscribe;
- the offer must be made through a private placement offer letter and an application form serially numbered and addressed specifically to the QIB to whom the offer is made and is sent within 30 days of recording the names of such QIBs
- the issuer shall be in compliance with the minimum public shareholding requirements set out in the SCRR;
- the issuer shall have completed allotments with respect to any offer or invitation made earlier by the issuer or shall have withdrawn or abandoned any invitation or offer previously made by the issuer;
- the issuer shall offer to each allottee at least such number of equity shares in the issue which would aggregate to ₹ 20,000 calculated at the face value of the equity shares;
- 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 QIBs; and
- Bidders are not allowed to withdraw their Bids after the Bid/Issue Closing Date.

Additionally, there is a minimum pricing requirement for pricing the equity shares offered in a QIP under the SEBI ICDR Regulations. The floor price shall not be less than the average of the weekly high and low of the closing prices of the equity shares quoted on the stock exchange during the two weeks preceding the relevant

date.

The “relevant date” referred to above, means the date of the meeting in which the board of directors or the committee of directors duly authorized by the board of directors decides to open the proposed issue and the “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.

Equity shares must be allotted within 12 months from the date of the shareholders resolution approving the QIP and also within 60 days from the date of receipt of application money from the successful applicants. The equity shares issued pursuant to the QIP must be issued on the basis of a placement document that shall contain all material information including the information specified in Schedule XVIII of the SEBI ICDR Regulations and Form PAS- 4.

This preliminary placement document and the placement document are private documents provided to only select QIBs, through serially numbered copies and are required to be placed on the website of the concerned stock exchanges and of the issuer with a disclaimer to the effect that they are in connection with an issue to QIBs and no offer is being made to the public or to any other category of investors.

Securities allotted to a QIB pursuant to a QIP shall not be sold for a period of one year from the date of allotment except on a recognised stock exchange in India.

The minimum number of allottees for each QIP shall not be less than:

1. Two, where the issue size is less than or equal to ₹ 250 crore; and
2. Five, where the issue size is greater than ₹ 250 crore.

No single allottee shall be allotted more than 50% of the issue size or less than ₹ 20,000 of face value of Equity Shares. QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee for this purpose.

The issuer shall also make the requisite filings with the RoC, Stock Exchanges, and SEBI within the stipulated period as required under the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

Our Company has filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

Our Company has received the in-principle approval of the Stock Exchanges on October 24, 2017 in terms of Regulation 28(1) of the Listing Regulations for the Issue. The Board of Directors has authorized the Issue pursuant to a resolution passed at its meeting held on May 26, 2017. The shareholders of our Company have authorized the Issue pursuant to a special resolution by way of postal ballot on July 4, 2017.

The Equity Shares offered hereby have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be Qualified Institutional Buyers (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) under the Securities Act, and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. For a description of certain restrictions on transfer of the Equity Shares, see “**Transfer Restrictions**” on page 163.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The placement is meant only for QIBs on a private placement basis and is not an offer to the public or to any other class of investors

Issue Procedure

1. Our Company and the Book Running Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic form or physical form, to QIBs and the Application Form shall be specifically addressed to such QIBs. Pursuant to section 42(7) of the Companies Act, 2013, our Company shall maintain complete record of the QIBs to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC and with SEBI within the stipulated time period as required under the Companies Act, 2013 and the rules made thereunder.
2. The list of QIBs to whom the Preliminary Placement Document and the Application Form is delivered shall be determined by the Book Running Lead Managers at their sole discretion. Unless a serially numbered Preliminary Placement Document along with the Application Form is addressed to a particular QIB, no invitation to subscribe shall be deemed to have been made to such 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 other person and any application that does not comply with this requirement shall be treated as invalid.
3. QIBs may submit the Application Form, including any revisions thereof, during the Bidding Period to the Book Running Lead Managers.
4. Bidders shall submit Bids for, and our Company shall issue and allot to each successful Allottee at least such number of Equity Shares in the Issue which would aggregate to ₹ 20,000 calculated at the face value of the Equity Shares.
5. QIBs will be required to indicate the following in the Application Form:
 - (a) name of the QIB to whom Equity Shares are to be Allotted;
 - (b) number of Equity Shares Bid for;
 - (c) price at which they offer to apply for the Equity Shares provided that 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 Managers at or above the Floor Price as approved by our Board and committee constituted thereunder, in accordance with SEBI ICDR Regulations and decided by the Board;
 - (d) a representation that either (i) it is outside the United States and is acquiring the Equity Shares in an offshore transaction in reliance on Regulation S (ii) an institutional investor meeting the requirements of a “qualified institutional buyer” as defined in Rule 144A of the Securities Act and it has agreed to all the representations set forth in the Application Form;
 - (e) if you are not a resident of India, then the investment amount will be paid out of inward remittance of foreign exchange received through normal banking channels and as per RBI’s notification no. FEMA 20/2000 – RB dated May 3, 2000, as amended from time to time; and
 - (f) the details of the depository account(s) to which the Equity Shares should be credited.
6. Once a duly filled in Application Form is submitted by the QIB, such Application Form constitutes an irrevocable offer and the same cannot be withdrawn after the Bid/Issue Closing Date. The Bid/Issue Closing Date shall be notified to the Stock Exchanges and the QIBs shall be deemed to have been given notice of such date after the 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 and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Under the current regulations, the following restrictions are applicable for investments by Mutual Funds: No mutual fund scheme shall invest more than 10% of its net asset value in Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights. Bidders are advised to ensure that any single Bid from them does not exceed

the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

8. Based on the Application Forms received, our Company shall, after closure of the Issue, in consultation with the Book Running Lead Managers, determine the final terms including the Issue Price and the number of Equity Shares to be issued pursuant to the Issue. We shall notify the Stock Exchanges of the Issue Price. Our Company shall also intimate the Stock Exchanges about the meeting to decide the Issue Price, two working days in advance (excluding the date of the intimation and the date of the meeting). On determining the Issue Price and the QIBs to whom Allocation shall be made, the Book Running Lead Managers, shall on behalf of our Company, send the CANs along with a serially numbered Placement Document to the QIBs who have been Allocated Equity Shares either in electronic form or by physical delivery. The dispatch of the CANs shall be deemed a valid, binding and irrevocable contract for the QIBs to pay the entire Issue Price for all the Equity Shares Allocated to such QIB. The CAN shall contain details such as the number of Equity Shares Allocated to the QIB, payment instructions including the details of the amounts payable by the QIB for Allotment of the Equity Shares in its name and the Pay-In Date as applicable to the respective QIBs.

Following the receipt of the CAN, each QIB would have to make the payment of the entire application monies for the Equity Shares indicated in the CAN at the Issue Price through electronic transfer to the Escrow Account by the Pay-in Date as specified in the CAN sent to the respective QIB. **Please note that the allocation shall be at the absolute discretion of our Company and will be decided in consultation with the Book Running Lead Managers.**

9. No payment shall be made by QIBs in cash. Please note that any payment of application monies for the Equity Shares shall be made from the bank accounts of the relevant QIBs applying for the Equity Shares. Monies payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the application. Pending Allotment, all monies received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013.
10. Upon receipt of the application monies from the QIBs, our Company shall Allot Equity Shares as per the details in the CAN to the QIBs. Our Company will intimate the details of the Allotment to the Stock Exchanges.
11. After passing the resolution for Allotment, our Company will intimate to the Stock Exchanges, the details of the Allotment and apply for approvals for listing of the Equity Shares on the Stock Exchanges prior to crediting the Equity Shares into the beneficiary account maintained with the Depository Participant by the Eligible QIBs.
12. After receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the Depository Participant accounts of the respective QIB in accordance with the details submitted by the QIBs in the Application Forms.
13. Our Company shall then apply to Stock Exchanges for the final trading and listing permission.
14. The Equity Shares that have been credited to the beneficiary account with the Depository Participant of the QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approval from Stock Exchanges.
15. Upon receipt of the final listing and trading approval from the Stock Exchanges, our Company shall inform the QIBs who have received Allotment of the receipt of such approval.
16. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Final listing and trading approval granted by the Stock Exchanges is also placed on their respective websites. QIBs are advised to apprise themselves of the status of the receipt of the permissions from Stock Exchanges or our Company.

Qualified Institutional Buyers

Only QIBs as defined in Regulation 2(1)(zd) of the SEBI ICDR Regulations and not otherwise excluded pursuant to Regulation 86(1)(b) of Chapter VIII of the SEBI ICDR Regulations are eligible to invest in the Issue. Under Regulation 86(1)(b) of the SEBI ICDR Regulations, no Allotment shall be made, either directly or indirectly, to any QIB who is a Promoter or any person related to the Promoters. Currently QIBs include:

- Alternate investment funds registered with SEBI;
- Eligible FPIs (other than Category III FPI);
- Foreign venture capital investors registered with SEBI;
- Insurance companies registered with Insurance Regulatory and Development Authority;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;
- Multilateral and bilateral development financial institutions;
- Mutual funds registered with SEBI;
- Pension Funds with minimum corpus of ₹ 25 crore;
- Provident Funds with minimum corpus of ₹ 25 crore;
- Public financial institutions as defined in section 2(72) of the Companies Act, 2013;
- Scheduled commercial banks;
- State industrial development corporations;
- Systemically Important Non- Banking Financial Company having a net-worth of more than five hundred crore rupees as per the last audited financial statements;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India 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.

In this Issue, Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to be 10.00% or above of our post-Issue Equity Share capital. Further, in terms of the FEMA, 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 our paid-up Equity Share capital. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the shareholders of our Company. The existing limit for FPIs in our Company is 24 % of the paid up capital of our Company.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments (“ODIs”). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

The RBI, typically, monitors the level of FPI/NRI shareholding in Indian companies on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 2% below the overall limit, the RBI cautions non-resident investors and authorized dealers not to further transact in equity shares on the stock exchanges, without prior approval of the RBI. Further, upon aggregate foreign shareholding in Indian companies reaching the ceiling, the RBI prohibits further purchase of equity shares by non- resident investors on the stock exchanges.

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.

In terms of FEMA 20, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Under Regulation 86(1)(b) of the SEBI ICDR Regulations, no allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being our Promoter or any person related to our Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to our Promoters:

- (i) Rights under a shareholders' agreement or voting agreement entered into with our Promoter or persons related to our Promoter;
- (ii) Veto rights; or
- (iii) A right to appoint any nominee director on the Board.

Provided however that a QIB which does not hold any Equity Shares in our Company and who has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be a person related to the Promoter.

Neither our Company nor the Book Running Lead Managers nor any of their respective directors, officers, counsels, advisors, representatives, agents or affiliates are liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single Application Form 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 Preliminary Placement Document. Further, QIBs are required to satisfy themselves that any requisite compliance pursuant to this Allotment such as public disclosures under applicable laws is complied with. QIBs are advised to consult their advisers in this regard. Furthermore, QIBs are required to satisfy themselves that their Application Form would not eventually result in triggering a tender offer under the Takeover Regulations.

Note: Affiliates or associates of the Book Running Lead Managers who are QIBs may participate in the Issue subject to compliance with applicable laws.

Allotments made to FVCIs, VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. If no Mutual Fund is agreeable to take up the minimum portion as specified above, such minimum portion or part thereof may be Allotted to other QIBs.

Bid Process

Application Form

QIBs are permitted to only use the serially numbered Application Forms (which is addressed to the QIB) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including any revision of a Bid) in terms of this Preliminary Placement Document.

By making a Bid (including revisions thereof) for Equity Shares pursuant to the terms of this Preliminary Placement Document, each QIB will be deemed to have made the following representations and warranties, and the representations, warranties, acknowledgements and agreements made under "*Representations by Investors*". The representations listed in this section shall be included in the Application Form:

1. The QIB confirms that it is a QIB in terms of Regulation 2(1)(zd) of the SEBI ICDR Regulations and has a valid and existing registration under the applicable laws of India and is eligible to participate in the Issue and is not excluded under Regulation 86 of the SEBI ICDR Regulations;
2. The QIB confirms that it is not a Promoter of our Company and is not a person related to the Promoter of our Company, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or a person related to the Promoter of our Company;
3. The QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or persons related to the Promoters, no veto rights or right to appoint any nominee director on

the Board of our Company other than such rights 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 QIB acknowledges that it has no right to withdraw its Bid after the Bid/Issue Closing Date;
5. The QIB confirms that if Equity Shares are Allotted pursuant to the Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;
6. The QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted and together with any Equity Shares held by the QIB prior to the Issue. The QIB further confirms that its holding of the Equity Shares does not, and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;
7. The QIB confirms that the Bids will not eventually result in triggering an open offer under the Takeover Regulations;
8. The QIB confirms that, to the best of its knowledge and belief, together with other QIBs in the Issue that belongs to the same group or are under common control, the Allotment to the QIB shall not exceed 50% of the Issue Size. For the purposes of this statement:
 - (a) The expression “belongs 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
 - (b) “Control” shall have the same meaning as is assigned to it by Clause 1(e) of Regulation 2 of the Takeover Regulations.
9. The QIBs shall not undertake any trade in the Equity Shares credited to its Depository Participant account until such time that the final listing and trading approval for the Equity Shares is issued by the Stock Exchanges.
10. The QIB acknowledges, represents and agrees that in the event its total interest in the paid-up share capital of our Company or voting rights in our Company, whether direct or indirect, beneficial or otherwise (any such interest, your “**Holding**”), when aggregated together with any existing Holding and/or Holding of any of the persons acting in concert, results in Holding of 5.00% or more of the total paid-up share capital of, or voting rights in, our Company a disclosure of the aggregate shareholding and voting rights will have to be made under the Takeover Regulations. In case such QIB is an existing shareholder who, together with persons acting in concert, holds 5.00% or more of the underlying paid up share capital of, or voting rights in our Company a disclosure will have to be made under the Takeover Regulations in the event of a change of 2% or more in the existing Holding of the QIB and persons acting in concert.
11. The QIB represents that it is either (i) outside the United States, or (ii) “qualified institutional buyer” as defined in Rule 144A of the Securities Act, and (iii) it has agreed to certain other representations set out in the Application Form.
12. It has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Preliminary Placement Document, will be deemed to have made the representations, warranties and agreements made under the sections “*Notice to Investors*”, “*Representations by Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions*” beginning on page 1, 3, 157 and 163, respectively.

QIBs MUST PROVIDE THEIR DEPOSITORY ACCOUNT DETAILS, 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.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE QIB SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A “QIB” AS DEFINED HEREINABOVE. IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE 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 an address and a bank account will be obtained from the Depositories as per the Depository Participant account details given above.

The submission of an Application Form by the QIB shall be deemed a valid, binding and irrevocable offer for the QIB to pay the entire Issue Price for its share of Allotment (as indicated by the CAN) and becomes a binding contract on the QIB, upon issuance of the CAN by the Issuer in favour of the QIB.

Submission of Application Form

All Application Forms shall be required to be duly completed with information including the name of the QIB, the price and the number of Equity Shares applied. The Application Form shall be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at the following addresses:

Name of the LMs	Address	Contact Person	Email	Phone
Axis Capital Limited	1st Floor, Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai 400 025	G. Venkatesh	venkatesh.iyer@axiscap.in	Tel: +91 22 4325 5587 Fax: +91 22 4325 4599
Kotak Mahindra Capital Company Limited	1st Floor, 27 BKC, Plot No. 27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	Karl Sahukar	Sunteck.qip@kotak.com	Tel: +91 22 4336 0000 Fax: +91 22 6713 2447

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the same.

All Application Forms duly completed along with payment and a copy of the PAN card or PAN allotment letter shall be submitted to the Book Running Lead Managers as per the details provided in the respective CAN.

Permanent Account Number or PAN

Each QIB should mention its Permanent Account Number (“PAN”) allotted under the IT Act. **The copy of the PAN card is required to be submitted with the Application Form.** Bids without this information will be considered incomplete and is liable to be rejected. It is to be specifically noted that applicant should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank Account Details

Each QIB shall mention the details of the bank account from which the payment has been made along with confirmation that the payment has been made from such account.

Pricing and Allocation

Build-up of the book

The QIBs shall submit their Bids (including the revision thereof) through the Application Form within the Bidding Period to the Book Running Lead Managers. Such Bids cannot be withdrawn after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price for the Equity Shares, which shall be at or above the Floor Price. After finalisation of the Issue Price, our Company

shall update this Preliminary Placement Document with the details of the Issue and file the Placement Document with the Stock Exchanges.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VIII of the SEBI ICDR Regulations.

Bids received from the QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such 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 Application Form being received at or above the Issue Price.

THE DECISION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL QIBs. 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 MANAGERS, 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 MANAGERS ARE OBLIGED TO ASSIGN ANY REASONS FOR SUCH NON-ALLOCATION.

CAN

Based on the Application Forms received, our Company, in consultation with the Book Running Lead Managers, will, in its sole and absolute discretion, decide the list of 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 the same in their respective names shall be notified to such QIBs. Additionally, the CAN would include details of Escrow Account into which such payments would need to be made, Pay-In Date as well as the probable designated date (“**Designated Date**”), being the date of credit of the Equity Shares to the QIB’s account, as applicable to the respective QIBs.

The QIBs who have been Allocated Equity Shares pursuant to the Issue, 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 CAN to the QIB shall be deemed a valid, binding and irrevocable contract for the QIB to furnish all details that may be required by the Book Running Lead Managers and our Company and to pay the entire Issue Price for all the Equity Shares Allocated to such QIB.

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 the Payment of Bid Money

Our Company has opened an escrow account titled “Sunteck Realty Limited QIP Escrow Account” (the “**Escrow Account**”) with the Escrow Bank in terms of the arrangements amongst our Company, the Book Running Lead Managers and Kotak Mahindra Bank Limited acting as the Escrow Bank. The QIBs will be required to deposit the entire amount payable for the Equity Shares Allocated to it by the Pay-In Date as mentioned in their respective CAN.

Payments are to be made only through electronic fund transfer in favour of the Escrow Account.

Note: Payments through cheques or demand draft or cash are liable to be rejected.

If the payment is not made favouring the Escrow Account within the time stipulated in the CAN, the Application Form and the CAN of the QIB are liable to be cancelled.

In case of cancellations or default by the QIBs, our Company and the Book Running Lead Managers have the right to re-allocate the Equity Shares at the Issue Price among existing or new QIBs at their sole and absolute discretion, subject to the compliance with the requirements of the Companies Act, 2013 and the SEBI ICDR Regulations.

Our Company undertakes to utilise the amount in the Escrow Account only for the purposes of: (i) adjustments 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.

Designated Date and Allotment of Equity Shares

1. The Equity Shares will not be Allotted unless the QIBs pay the application money for the Equity Shares allocated to them calculated at Issue Price to the Escrow Account as stated above.
2. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN for the QIBs who have paid the aggregate subscription amounts as stipulated in the CAN.
3. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.
4. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
5. Post receipt of the listing approval of the Stock Exchanges, the Issuer shall credit the Equity Shares into the Depository Participant account of the QIBs.
6. Following the Allotment and credit of Equity Shares pursuant to the Issue into the QIBs Depository Participant account, our Company will apply for final listing and trading approval for trading on the Stock Exchanges.
7. In the event our Company is unable to Issue and Allot the Equity Shares or on cancellation of the Issue, within 60 days from the date of receipt of application money, in accordance with section 42 of the Companies Act, 2013 our Company shall repay the application money within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at the rate of 12% per annum from expiry of the 60th day. The application money to be refunded by us shall be refunded to the same bank account from which application money was remitted by the QIBs.
8. The Escrow Bank shall release the monies lying to the credit of the Escrow Bank Account to our Company after the receipt of the final listing and trading approval from the Stock Exchanges.
9. In case of 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 QIB to Stock Exchanges and Stock Exchanges shall 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.

Other Instructions

Our Right to Reject Bids

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reasons whatsoever. The decision of our Company and the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding.

Equity Shares in dematerialised form with NSDL or CDSL

1. The Allotment of the Equity Shares in the Issue shall be only in dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).
2. A QIB applying for Equity Shares must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid.
3. Allotment to a successful QIB will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the QIB.
4. Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

5. The trading of the Equity Shares would be in dematerialised form only for all QIBs in the demat segment of the respective stock exchanges.
6. Our Company will not be responsible or liable for the delay in the credit of the Equity Shares due to errors in the Application Forms or on part of the QIBs.

Release of Funds to our Company

The Escrow Agent shall not release the monies lying to the credit of the Escrow Account till such time, that it receives an instruction in pursuance to the Escrow Agreement, along with the listing approval of the Stock Exchanges for the Equity Shares offered in the Issue.

PLACEMENT

Placement Agreement

The Book Running Lead Managers have entered into a placement agreement with our Company dated October 24, 2017 (the “**Placement Agreement**”), pursuant to which the Book Running Lead Managers have agreed to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription for Equity Shares, on a reasonable efforts basis, to be placed with the QIBs, pursuant to Chapter VIII of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations, warranties and indemnities from our Company and the Book Running Lead Managers, and it is subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Preliminary 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 QIBs.

In connection with the Issue, the Book Running Lead Managers (or their respective affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. See the section “*Offshore Derivative Instruments*” beginning on page 8.

From time to time, the Book Running Lead Managers, and their affiliates and associates have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, banking, trading services for our Company, our Subsidiaries, group companies, affiliates and the shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Managers and their affiliates and associates.

Lock-up

Except for the issue of up to such number of Equity Shares aggregating to not more than Rs.15,100 lakhs, proposed to be issued by the Company, pursuant to a preferential allotment to the Promoters, subject to the approval of the shareholders of the Company, the Company undertakes that it will not for a period of 90 days from the date of Allotment under the Placement, without the prior written consent of the Lead Managers, directly or indirectly, (i) offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise approve the transfer or dispose of, any Equity Shares or any securities convertible into, or exercisable for Equity Shares (including, without limitation, securities convertible into, or exercisable or exchangeable for Equity Shares), or file any registration statement under the U.S. Securities Act with respect to any of the foregoing, or (ii) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into, or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (i) or (ii) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (iii) deposit Equity Shares with any other depository in connection with a depository receipt facility, or (iv) publicly announce any intention to enter into any transaction falling within (i) to (iii) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depository receipt facility or publicly announce any intention to enter into any transaction falling within (i) to (iii) above; the foregoing restriction shall not be applicable to any issuance of stock options pursuant to any employee stock option plan of the Company and issuance of Equity Shares of the Company pursuant to exercise of employee stock options issued.

Our Promoters and Promoter Group have agreed with the Book Running Lead Managers that, between the date hereof and the date that is 90 days from the Closing Date (“**Lock-up Period**”), they will not, without the prior written consent (which consent shall not be unreasonably withheld) of the Book Running Lead Managers: (a) directly or indirectly, issue, offer, lend, sell, contract to sell, pledge, encumber, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale, or otherwise transfer or dispose of, any Promoter Shares (as defined herein below), including but not limited to any options or warrants to purchase any Promoter Shares, or any securities convertible into or exercisable for, or that represent the right to receive, any Promoter Share or file any registration statement under the U.S. Securities Act of 1933, as amended, with respect to any of the foregoing (regardless of whether any of the transactions described in this clause (a) is to be settled by the delivery of the Promoter Shares or such other securities, in cash or otherwise); or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Promoter Shares or any securities convertible into or exercisable or exchangeable for any of the Promoter Shares (regardless of whether any of the transactions described in this clause (b) is to be settled by the delivery of the Promoter Shares or such other securities, in cash or otherwise); or (c) deposit any of the Promoter Shares, or any securities convertible into or exercisable or exchangeable for the Promoter Shares or which carry the rights to subscribe for or purchase the Promoter Shares, with any depository in connection with a depository receipt facility; or (d) publicly announce any intention to enter into any transaction falling within (a) to (c) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of the Promoter Shares in any depository receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

The restrictions described in the foregoing paragraph do not apply to: (i) any sale, transfer or disposition of any of the Promoter Shares with prior notice to the Lead Managers to the extent such sale, transfer or disposition is required by Indian law; (ii) any bona fide pledge or non-disposal undertaking of any of the Promoter Shares held as collateral for loans on normal commercial terms entered or to be entered into in the ordinary course of business of the undersigned, the Company or transfer of any of the Promoter Shares to any third party pursuant to the invocation of any pledge in relation to the Promoter Shares; and (iii) any inter group transfer made to any entities promoted by the Promoter (“**Promoter Group Entities**”), subject to compliance with applicable laws and subject to observance by the transferee Promoter Group Entities of the foregoing restrictions on transfer of Promoter Shares until the expiry of the Lock-up Period.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document and the offer, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Persons who come into possession of this Preliminary Placement Document are advised to take legal advice with regard to any restrictions that may be applicable to them and to observe such restrictions. This Preliminary 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 authorized or permitted.

General

No action has been taken or will be taken in any jurisdiction by our Company or the Book Running Lead Managers that would permit a public offering of the Equity Shares or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our 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 Preliminary 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. The Issue will be made in compliance with the applicable SEBI 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*” and “*Transfer Restrictions*”.

India

This Preliminary Placement Document may not be distributed, directly or indirectly, in India or to residents of India and any Equity Shares may not be offered or sold, directly or indirectly, in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to QIBs, who are eligible to participate in the Issue. This Preliminary Placement Document is neither a public issue nor a prospectus under the Companies Act or an advertisement and should not be circulated to any person other than to whom the offer is made.

Australia

This Preliminary Placement Document is not a disclosure document under Chapter 6D of the Corporations Act 2001 (the “**Australian Corporations Act**”), and has not been lodged with the Australian Securities & 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 Preliminary 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 Preliminary 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 Preliminary Placement Document.

Bahrain

This document has been prepared for private information purposes of intended investors only who will be accredited investors. For this purpose, an “accredited investor” means: (i) an individual holding financial assets (either singly or jointly with a spouse) of US\$1,000,000 or more; (ii) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than US\$1,000,000; or (iii) a government, supranational organization, central bank or other national monetary authority or a state organization whose main activity is to invest in financial instruments (such as a state pension fund). This document is intended to be read by the addressee only.

No invitation has been made in or from the Kingdom of Bahrain and there will be no marketing or offering of the Equity Shares to any potential investor in Bahrain. All marketing and offering is made and will be made outside of the Kingdom of Bahrain. None of the Central Bank of Bahrain, the Bahrain Stock Exchange or any other regulatory authority in Bahrain has reviewed, nor has it approved, this document or the marketing of Equity Shares and takes no responsibility for the accuracy of the statements and information contained in this

document, nor shall it have any liability to any person for any loss or damage resulting from reliance on any statements or information contained herein. This document is not subject to the regulations of the Central Bank of Bahrain that apply to public offerings of securities, and the extensive disclosure requirements and other protections that these regulations contain.

Cayman Islands

No offer or invitation to purchase Equity Shares may be made to the public in the Cayman Islands.

Dubai International Financial Centre

This Preliminary 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 Preliminary 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 Exempt Offers. The DFSA has not approved this Preliminary 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 Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser. For the avoidance of doubt, the Equity Shares are not interests in a “fund” or a “collective investment scheme” within the meaning of either the Collective Investment Law (DIFC Law No. 2 of 2010) or the Collective Investment Rules Module of the Dubai Financial Services Authority Rulebook.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive² (each a “**Relevant Member State**”), each Book Running Lead Managers severally and not jointly or jointly and severally, represents, warrants and agrees that it has not made and will not make an offer of shares which are the subject of the placement of Equity Shares to the public in that Relevant Member State except that it may make an offer to the public in that Relevant Member State of any Equity Shares at any time under the following exemptions under the Prospectus Directive if they have been implemented in that Relevant Member State:

- to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity which is a qualified investor as defined under the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Directive), subject to obtaining the prior consent of the Book Running Lead Managers for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Shares shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, as the same may be varied in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

Hong Kong

This Preliminary Placement Document has not been approved by the Securities and Futures Commission in Hong Kong and, accordingly, (i) the Equity Shares may not be offered or sold in Hong Kong by means of this Preliminary Placement Document or any other document other than to “professional investors” as defined in the

Securities and Futures Ordinance of Hong Kong (Cap. 571) and any rules made thereunder, or in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance of Hong Kong (Cap. 32) or which do not constitute an offer to the public within the meaning of the Companies Ordinance, and (ii) no person shall issue or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as set out above).

Japan

The offering of the Equity Shares has not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the "**Financial Instruments and Exchange Law**"). No Equity Shares have been offered or sold, and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for reoffering 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 the Financial Instruments and Exchange Law and otherwise in compliance with the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial ordinances 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.

Kuwait

The Equity Shares have not been authorized or licensed for offering, marketing or sale in the State of Kuwait. The distribution of this Preliminary Placement Document and the offering and sale of the Equity Shares in the State of Kuwait is restricted by law unless a license is obtained from the Kuwaiti Ministry of Commerce and Industry in accordance with Law 31 of 1990.

Luxembourg

The Equity Shares may not be offered to the public in Luxembourg, except that they may be offered in Luxembourg in the following circumstances:

(a) in the period beginning on the date of publication of a prospectus in relation to those Equity Shares which have been approved by the *Commission De Surveillance Du Secteur Financier* ("**CSSF**") in Luxembourg or, where appropriate, approved in another relevant European Union member state and notified to the CSSF, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such Preliminary Offering Memorandum;

(B) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or (d) at any time in any other circumstances which do not require the publication by the co-issuers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "Offer of Notes to the Public" in relation to any Equity Shares in Luxembourg 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 the Equity Shares, as defined in the law of 10 July 2005 on prospectuses for securities and implementing Directive

2003/71/ec of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, or any variation thereof or amendment thereto.

Malaysia

No approval of the Securities Commission of Malaysia has been or will be obtained in connection with the offer and sale of the Equity Shares in Malaysia nor will any prospectus or other offering material or document in connection with the offer and sale of the Equity Shares be registered with the Securities Commission of Malaysia. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, nor may any document or other material in connection therewith be distributed 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.

New Zealand

This Preliminary Placement Document is not a prospectus. It has not been prepared or registered in accordance with the Securities Act 1978 of New Zealand (the "**New Zealand Securities Act**"). This Preliminary Placement Document is being distributed in New Zealand only to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money, within the meaning of section 3(2)(a)(ii) of the New Zealand Securities Act ("**Habitual Investors**"). By accepting this Preliminary Placement Document, each investor represents and warrants that if they receive this Preliminary Placement Document in New Zealand they are a Habitual Investor and they will not disclose this Preliminary Placement Document to any person who is not also a Habitual Investor.

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 Preliminary 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 Preliminary 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.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority in the Kingdom of Saudi Arabia.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

Singapore

The Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore, and the Equity Shares will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "**Securities and Futures Act**"). No Equity Shares were made or caused to be made the subject of an invitation for subscription or purchase and will not offer or sell any Equity Shares or cause the Equity Shares to be made the subject of an invitation for subscription or purchase, and the Preliminary Placement Document or any document or material in connection with the offer or sale, or invitation for

subscription or purchase, of any Equity Shares, whether directly or indirectly, has not been circulated or distributed to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act, or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Each of the following persons specified in Section 275 of the Securities and Futures Act which has subscribed or purchased Securities, namely a person who is:

- a. a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Equity Shares under Section 275 of the Securities and Futures Act except:

- i. to an institutional investor under Section 274 of the Securities and Futures Act or to a relevant person or to any person pursuant to Section 275(1) and Section 275(1A) of the Securities and Futures Act, respectively and in accordance with the conditions specified in Section 275 of the Securities and Futures Act; or
- ii. where no consideration is or will be given for the transfer; or
- iii. where the transfer is by operation of law; or
- iv. pursuant to Section 276(7) of the Securities and Futures Act.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary 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 Preliminary 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 Preliminary Placement Document, the person or entity to whom this Preliminary 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 Preliminary Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it.

United Kingdom

Each of the Book Running Lead Managers have represented and agreed that it:

- 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;
- 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;

- 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
- 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 of America

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold in 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 in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold only (1) in the United States to persons who are “qualified institutional buyers” as defined in Rule 144A under the Securities Act, and (2) outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdiction where such offers and sales occur. Each purchaser of the Equity Shares offered by this Preliminary Placement Document will be deemed to have made the representations, agreements and acknowledgements as described under “*Transfer Restrictions*” beginning on page 163.

TRANSFER RESTRICTIONS

Allottees are not permitted to sell the Equity Shares for a period of one year from the date of Allotment except through the Stock Exchanges. In addition to the above, allotments made to QIBs, including FVCIs, VCFs and AIFs in the Issue, may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. Accordingly, purchasers are advised to consult their own legal counsel prior to making any offer, re-sale, pledge or transfer of the Equity Shares.

Due to the following restrictions, investors are advised to consult legal counsel prior to making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VIII of the SEBI ICDR Regulations, successful Bidders are not permitted to sell the Equity Shares Allotted pursuant to the Issue for a period of one year from the date of Allotment, except on the Stock Exchanges. Additionally, purchasers are deemed to have represented, agreed and acknowledged as below with respect to purchase and sale of Equity Shares.

U.S. Transfer Restrictions

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Each purchaser of the Equity Shares in the United States is deemed to have represented, agreed and acknowledged as follows:

- It (A) is a “qualified institutional buyer” (as defined in Rule 144A) and (B) is aware that the sale of the Equity Shares to it is being made in reliance on an exemption under the Securities Act.
- It is acquiring the Equity Shares for its own account or for the account of one or more eligible U.S. investors (i.e., “qualified institutional buyers”, as defined above), each of which is acquiring beneficial interests in the Equity Shares for its own account.
- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Equity Shares have not been and will not be registered under the Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred in compliance with the Securities Act and other applicable securities laws only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the Securities Act.
- It will notify any transferee to whom it subsequently offers, sells, pledges or otherwise transfers and the executing broker and any other agent involved in any resale of the Equity Shares of the foregoing restrictions applicable to the Equity Shares and instruct such transferee, broker or agent to abide by such restrictions.
- It acknowledges that if at any time its representations cease to be true, it agrees to resell the Equity Shares at our Company’s request.
- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company or the Book Running Lead Managers for all or part of any such loss or losses that may be suffered, (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 have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk

and that the Equity Shares are, therefore, a speculative investment. It is seeking to subscribe to the Equity Shares in the Issue for its own investment and not with a view to distribution.

- It has been provided access to the Preliminary Placement Document and the Placement Document which it has read in its entirety.
- It agrees to indemnify and hold our Company and the Book Running Lead Managers 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 these representations and warranties. It will not hold any of our Company or the Book Running Lead Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorized in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- It acknowledges that our Company and the Book Running Lead Managers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify our Company and the Book Running Lead Managers.

Each purchaser of the Equity Shares outside the United States is deemed to have represented, agreed and acknowledged as follows:

- It is authorized to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.
- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the Securities Act.
- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares and is located outside the United States (within the meaning of Regulation S) or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it 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 not located outside the United States (within the meaning of Regulation S).
- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.
- The Equity Shares have not been offered to it by means of any “directed selling efforts” as defined in Regulation S.
- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Equity Shares have not been and will not be registered under the Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred in compliance with the Securities Act and other applicable securities laws only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the Securities Act.
- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in

the Equity Shares, (ii) will not look to our Company or any of the Book Running Lead Managers for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, and (iv) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. It is seeking to subscribe to the Equity Shares in the Issue for its own investment and not with a view to distribution.

- It agrees to indemnify and hold our Company and the Book Running Lead Managers 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 these representations and warranties. It will not hold any of our Company or the Lead Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorized in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- It acknowledges that our Company and the Book Running Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify our Company and the Book Running Lead Managers.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

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 and guidelines concerning minimum disclosure requirements by public companies, 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, FPIs, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI and the Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of a company’s obligations under the Listing Regulations 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 the Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange’s governing body and withdraw recognition of a recognised stock exchange.

Minimum Level of Public Shareholding

All listed companies are required to ensure a minimum public shareholding at 25%. 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.

Delisting

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 which were significantly modified in 2015. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of up to 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

Established in 1875, the BSE is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. The NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the “equities” and the “derivatives” segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading (or “BOLT”) facility in 1995. This totally automated screen based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading (or “NEAT”), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided

depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“**Takeover 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 acquisition of the company’s shares/voting rights/control. The Takeover Regulations prescribe 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.

Insider Trading Regulations

The SEBI (Prohibition of Insider Trading) Regulations, 2015 have been notified by SEBI to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing either on his own behalf or on behalf of any other person, in the securities of a listed company or a company proposed to be listed 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 who has a connection with the company that is expected to put him in possession of unpublished price sensitive information.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfers in book-entry form. Further, SEBI framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum and Articles of Association, the Companies Act. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

The authorized share capital of our Company is ₹ 2,012 lakhs, consisting of 18,86,00,000 Equity Shares of ₹ 1 each, and 12,60,000 preference shares of ₹ 10 each.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM held each Fiscal. Under the Companies Act, unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013 no dividend can be declared or paid by a company for any Fiscal except out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act or out of the profits of the company for any previous Fiscal arrived at as laid down by the Companies Act. According to the Articles of Association, the amount of dividends shall not exceed the amount recommended by the Board of Directors. However, our Company may declare a smaller dividend in the general meeting. In addition, as is permitted by the Articles of Association, the Board of the Directors may pay interim dividend as appear to it be justified by the profits of our Company, subject to the requirements of the Companies Act and rules. Additionally, no dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

The Equity Shares issued pursuant to this Preliminary Placement Document shall rank *pari passu* with the existing Equity Shares in all respects including entitlements to any dividends that may be declared by our Company.

Capitalisation of Reserves and Issue of Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account to its shareholders, in the form of fully paid up bonus ordinary shares, which are similar to stock dividend. These bonus ordinary shares must be distributed to shareholders in proportion to the number of ordinary shares owned by them as recommended by the board of directors. No issue of bonus shares may be made by capitalizing reserves created by revaluation of assets. Further, any issue of bonus shares would be subject to SEBI ICDR Regulations and the Companies Act, 2013.

As per the Articles of Association, upon resolution in the general meeting, our Company may decide that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or reserves or any capital redemption reserve fund or in the hands of the Company and available for dividend or representing premiums received on the issue of share and standing to the credit of share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the footing that they become entitled thereto as capital.

Pre-Emptive Rights and Alteration of Share Capital

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. According to Section 62 of the Companies Act, 2013 such new shares shall be offered to existing shareholders in proportion to the amount paid up on those shares 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 the Board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the shareholders of our Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person.

Under the provisions of Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our Company's shareholders in a general meeting.

The Articles of Association authorize it to, from time to time, increase its share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. Subject to the provisions of the Companies Act, 2013, the Company may, (a) sub-divide or consolidate its shares, or any of them, provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Companies Act, 2013; (b) cancel any shares which, at the date of the passing of the resolution, which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. The Articles of Association also provide that our Company may issue shares with differential rights as to dividend, voting or otherwise and securities on a preferential basis, subject to the compliance with requirements under the Companies Act and the rules thereto, or any other applicable law in force.

General Meetings of shareholders

There are two types of general meetings of the shareholders:

- (i) AGM; and
- (ii) EGM.

Our Company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. The Board of Directors may convene an EGM when necessary or at the request of a shareholder or shareholders holding in the aggregate not less than one tenth of our Company's issued paid up capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95% of the shareholders entitled to vote. Unless, the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

A company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the memorandum, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in our Company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

Voting Rights

Subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association, votes may be given either personally or by proxy, or in the case of a body corporate, by a duly authorised representative section 113 of the Companies Act, 2013 and subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands, every member present in person shall have one vote; and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Companies Act, 2013. Ordinary resolutions may be passed by simple majority of those members who participated in voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. The Companies Act, 2013 provides that to amend the Articles of Association a special resolution is required to be passed in a general meeting.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the Listing Regulations, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, it is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Equity Shares shall be freely transferable, subject to applicable laws.

Buy-back

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 and any related SEBI guidelines issued in connection therewith.

Liquidation Rights

If the Company is wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution but subject to the rights attached to any preference share capital, divide amongst the contributories, *in specie* or in kind, the whole or any part of the assets of the Company and may, with the same sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

STATEMENT OF TAX BENEFITS

October 24, 2017

To,

The Board of Directors
Sunteck Realty Limited
5th Floor, Sunteck Centre,
37-40 Subhash Road, Vile Parle (E),
Mumbai 400 057,
Maharashtra, India

And

Axis Capital Limited
1st Floor, Axis House
C 2 Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India

Kotak Mahindra Capital Company Limited
27BKC, 1st Floor, Plot No. C – 27
"G" Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

(Collectively referred to as the “**Book Running Lead Managers**”)

Re: Proposed qualified institutions placement of equity shares of face value of Rs. 1 each (the “Equity Shares”) of Sunteck Realty Limited (the “Company”) under Chapter VIII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”) and Section 42 of the Companies Act, 2013 (the “Issue”).

Ladies and Gentlemen:

1. We hereby report that we have reviewed the possible special direct tax benefits available to the Company, under the Income Tax Act, 1961, as amended (the “**Income Tax Act**”), and to the shareholders of the Company under the Income Tax Act presently in force in India, in the enclosed statement.
2. Several of these tax benefits/consequences are dependent on the Company or the qualified institutional buyers 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.
3. The benefits discussed in the enclosed annexure are not exhaustive and the preparation of the content stated is the responsibility of the Company’s management. We are informed that 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 the view of individual nature of tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to that specific tax implications arising out of their participation in the Issue.
4. Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

5. We do not express any opinion or provide any assurance as to whether:
- i) the Company or its shareholders will continue to obtain these benefits in future; or
 - ii) The conditions prescribed for availing the benefits, where applicable have been/ would be met.
6. The enclosed *Annexure A* is for your information and for inclusion in the Preliminary Placement Document and the Placement Document, as amended or supplemented thereto or any other written material in connection with the proposed Issue and is neither designed nor intended to be a substitute for professional tax advice.

We shall immediately intimate you of any changes in respect of the matters covered in this certificate till the date when the Placement Document is filed with the Stock Exchanges. In absence of any such written communication from us, the above information should be taken as updated information until the filing of the Placement Document with the Stock Exchanges.

For Lodha & Co

Chartered Accountants
Firm Registration Number: 301051E

R. P. Baradiya
Partner
Membership No: 44101

Place: Mumbai

THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SUNTECK REALTY LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current tax laws in force in India. 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 special tax benefits is dependent upon the Company or its shareholders fulfilling such conditions, which based on business imperatives it faces in the future, it may not or may not choose to fulfil.

UNDER THE INCOME-TAX ACT, 1961 ('THE IT ACT' OR "THE ACT" OR 'THE TAX LAWS')

1. Special tax benefits available to the Company

- 1.1. Under section 24 (a) of the Act, an adhoc/flat deduction available out of net annual value in respect of certain expenses of the owner of the house property connected with earning of rental income like rent collection charges, insurance of house, repair of house, etc. It is allowed @ 30% of 'net annual value'. Therefore this deduction is irrespective of the actual expenditure incurred on insurance, repairs, electricity, water supply, etc.
- 1.2. Under section 23(5) of the Act, annual value of a property consisting of any building or land appurtenant thereto held as stock in trade by the assessee and not let out for the whole or any part of the year shall be deemed to be nil for a period of one year from the end of the financial year in which the certificate of completion in respect of such property is obtained.
- 1.3. Under Section 80G of the Act, donation made by a company to certain relief funds and charitable institutions can be claimed as deduction. Donations made to prescribed funds are only qualify as deduction. The various donations specified in section 80G are eligible for deduction upto either 100% or 50% with or without restriction as provided in the section.
- 1.4. Under section 80GGA of the Act allows deduction for donation made towards scientific research or rural development. 100% of the amount that is donated or contributed is considered eligible for donation.
- 1.5. **MAT credit**
 - a. As per section 115JB of the Act, a company would be liable to pay MAT at the rate of 18.5% (plus applicable surcharge and cess) on its book profits, if such tax on book profits exceed the taxes computed under the normal tax provisions of the Act. Further the Finance Act, 2017 has prescribed guidelines for adjustments to be made to book profits in the context of accounting treatment (including transitional provisions) on account of adopting Indian Accounting Standards ("Ind -AS").
 - b. MAT credit eligible to be carried forward will be the difference between MAT paid and the tax computed as per the normal provisions of the Act for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes for upto 15 assessment years immediately succeeding the assessment year in which the MAT credit becomes allowable under section 115JAA(1A) of the Act.
 - c. MAT credit can be set off in a year when tax is payable under the normal provisions of the Act. MAT credit to be allowed shall be the difference between MAT payable and the tax computed as per the normal provisions of the Act for that assessment year.

- 1.6. Under Section 35(1)(ii)/(iii) of the Act, Where the assessee does not himself carry on scientific research but makes contributions to other institutions for this purposes deduction is allowed if:
- a. Payment is made to an approved scientific association which has, as its object, undertaking of scientific research related or unrelated to the business of assessee, a deduction of 150% of expenditure incurred is allowed.
 - b. Payment is made to an approved university, college or other institution for the use of scientific research related or unrelated to the business of assessee deduction shall be allowed to the extent of 150% of the actual expenditure.
 - c. Payment is made to an approved university, college or other institution for the use of research in social sciences or statistical research related or unrelated to the business of the assessee, deduction shall be allowed to the extent of 100% of the actual expenditure.
- 1.7. Under Section 35(2AA) of the Act, where any sum is paid to a National Laboratory, approved by the Indian Council of Agricultural Research or the Indian Council of Medical Research or the Council of Scientific and Industrial Research etc., or to any University, or to Indian Institute of Technology, a weighted deduction of 150% of the sum paid shall be allowed as deduction under Section 35(2AA) of the Act.
- 1.8. **Capital gains**
- a. As per Section 10(38) of the Act, capital gains arising from transfer of a long-term capital asset being an equity share in the Company or an unit of an equity oriented fund, where the transaction of sale is chargeable to Securities Transaction Tax ('STT') or in case the sale is transacted through a recognized stock exchange located in any International Financial Services Center (IFSC) and where the consideration for such transaction is paid or payable in foreign currency, shall be exempt from tax in the hands of the assessee
 - b. As per provisions of Section 112 of the Act, Long-term Capital Gain (LTCG), not exempt under Section 10(38) of the Act, are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities (other than a unit) or units of an equity oriented mutual fund or zero coupon bonds exceeds 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
 - c. As per provisions of Section 111A of the Act, Short-term Capital Gain (STCG) arising on sale of equity shares or units of an equity oriented mutual fund, are subject to tax at the rate of 15%, provided that the transaction is chargeable to STT.
 - d. Under Section 54EC of the Act, capital gains arising from transfer of long term capital assets, other than those exempt under section 10(38), shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gains are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by specified institutions/company or notified by the Government. Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs. 50 lakhs per assessee during any financial year in which the original asset is transferred and in the subsequent financial year. Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempt shall be taxable as capital gains in the year of transfer/conversion.

- e. Under Section 54EE of the Act and subject to the conditions specified therein, long-term capital gains arising to any assessee would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in long term specified asset, which mean unit or units, issued before April 1, 2019 of such fund as may be notified by the Central Government in this behalf, subject to investment ceiling of Rs. 50 lakhs.

1.9. Dividend Income.

- a. As per provisions of Section 10(34) the Act, dividend (both interim and final) received by the Company on its investments in shares of another domestic company is exempt from tax.
- b. As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- 1.10. As per sub-section (1A) to section 115-O, the domestic Company will be allowed to set-off, subject to the prescribed conditions, the dividend received from its subsidiary company during the financial year against the dividend distributed by it, while computing the Dividend Distribution Tax (DDT), as per provision of section 115-O(1) of the Act.
- 1.11. As per Section 80-IBA of the Act, 100% of the profit derived from the business of developing and building of specified housing projects, as defined under this section, shall be allowed as deduction from the total income.
- 1.12. As per provisions of Section 80JJAA of the Act, a Company engaged in any business is entitled to claim a deduction of an amount equal to 30% of 'additional employee cost' paid to additional employees employed during the year subject to prescribed conditions. Such deduction is available for 3 assessment years, including the assessment year in which the employment is made.

2. Special tax benefits available to the shareholders of the Company

2.1. Special tax benefits to Foreign Portfolio Investors ('FPIs')

- Section 2(14) of the Act provides that any security held by a FPI who has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992 would be treated as a capital asset only so that any income arising from transfer of such security by a FPI would be treated in the nature of capital gains.
- Under section 115AD(1)(ii) of the Act, income by way of STCG arising to the FPI on transfer of shares shall be chargeable at a rate of 30% where such transactions are not subjected to STT and at the rate of 15% if such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. The above rates are to be increased by applicable surcharge, education cess and secondary and higher education cess.
- Under section 115AD(1)(iii) of the Act, income by way of LTCG arising from the transfer of shares (in cases not covered under section 10(38) of the Act) held in the Company will be taxable at the rate of 10% (plus applicable surcharge, education cess and secondary and higher education cess). The benefits of indexation of cost and of foreign currency fluctuations are not available to FPIs.
- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by shareholders from a domestic company is exempt from tax.

- Under section 5A to Section 9(1)(i) , clarify's that the indirect transfer provision shall not be applicable to non-resident investors in FIIs/FPIs, where such FIIs/FPIs are registered with SEBI as Category I or Category II Foreign Portfolio Investor under the SEBI (Foreign Portfolio Investors) Regulation, 2014. It is also amendment to be effect retrospectively from AY 2012-13.

2.2. Special tax benefits available to venture capital companies/ funds

- Under section 10(23FB) of the Act, any income of Venture Capital Company registered with SEBI or Venture Capital Fund registered under the provision of the Registration Act, 1908 (set up to raise funds for investment in venture capital undertaking notified in this behalf), would be exempt from income tax, subject to conditions specified therein. (Not applicable to income of venture capital fund/company being an investment fund specified in clause of the Explanation 1 to section 115UB).
- Venture capital companies / funds are defined to include only those companies / funds which have been granted a certificate of registration, before the 21st day of May, 2012 as a Venture Capital Fund or have been granted a certificate of registration as Venture Capital Fund as a sub-category of Category I Alternative Investment Fund.
- 'Venture capital undertaking' means a venture capital undertaking as defined in clause (n) of regulation 2 of the Venture Capital Funds Regulations or as defined in clause (aa) of sub-regulation (1) of regulation 2 of the SEBI (Alternative Investment Funds) Regulations, 2012.
- As per section 115U (1) of the Act, any income accruing or arising to or received by a person out of investments made in Venture Capital Company/Venture Capital Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing/arising/received by such person had the investments been made directly in the venture capital undertaking.
- As per section 115U(5) of the Act, the income accruing or arising to or received by the venture capital company/funds from investments made in a venture capital undertaking if not paid or credited to a person (who has investments in a Venture Capital Company /Fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.
- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by shareholders from a domestic company is exempt from tax.

2.3. Special tax benefits available to Alternative Investment Fund (Category I and II)

- Under section 10(23FBA), any income of an investment fund other than the income chargeable under the head "Profits and gains of business or profession" is exempt from income tax.
- As per section 115UB(1) of the Act, any income accruing or arising to or received by a person out of his investments in investment Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing/arising/received by such person had the investments by the investment fund been made directly by him.
- As per section 115UB(6) of the Act, the income accruing or arising to or received by the investment fund if not paid or credited to the person (who has investments in the investment

fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.

2.4. Special tax benefits available to Mutual Funds

- As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder and such other Mutual Funds set up by public sector banks or public financial institutions or authorised by the Reserve Bank of India subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf will be exempt from income tax.

Notes:

- The above Statement of Tax Benefits sets out the provisions of law (i.e. the Act as amended by the Finance Act, 2017) presently in force in India, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;
- The above Statement of Tax Benefits sets out the only the special tax benefits available to the Company and its shareholders under the current tax laws (i.e. the Act as amended by the Finance Act, 2017) presently in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;
- The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefits under any other law;
- 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/ its own tax consultant with respect to the specific tax implications arising out of their participation in the issue;
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the DTAA, if any, between India and the country in which the non-resident has fiscal domicile;
- The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders;
- The tax rates (including rates for tax deduction at source) mentioned in this Statement is applicable for AY 2018-19.

US FEDERAL INCOME TAXATION

The following is a summary of certain US federal income tax considerations relevant to US Holders and Non-US Holders (as defined below) acquiring, holding and disposing of Equity Shares. This summary is based on the US Internal Revenue Code of 1986, as amended (the "Code"), final, temporary and proposed US Treasury regulations and administrative and judicial interpretations, all of which are subject to change, possibly with retroactive effect, as well as on the income tax treaty between the United States and India as currently in force (the "Treaty").

This summary does not discuss all aspects of US federal income taxation that may be relevant to investors in light of their particular circumstances, such as investors subject to special tax rules (including, without limitation: (i) financial institutions; (ii) insurance companies; (iii) traders or dealers in stocks, securities, or currencies or notional principal contracts; (iv) regulated investment companies; (v) real estate investment trusts; (vi) tax-exempt organisations; (vii) entities or arrangements that are treated as partnerships or pass-through entities for US federal income tax purposes, or persons that hold Equity Shares through such entities; (viii) holders that own (directly, indirectly or constructively) 10% or more of the voting stock of the Company; (ix) investors that hold Equity Shares as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for US federal income tax purposes; (x) US Holders (as defined below) that have a functional currency other than the US dollar and (xi) US expatriates and former long-term residents of the United States), all of whom may be subject to tax rules that differ significantly from those summarised below. This summary does not address tax consequences applicable to holders of equity interests in a holder of the Equity Shares, US federal estate, gift, Medicare contribution or alternative minimum tax considerations, or non-US, state or local tax considerations. This summary only addresses investors that will acquire Equity Shares in the Issue, and it assumes that investors will hold their Equity Shares as capital assets (generally, property held for investment).

For the purposes of this summary, a "US Holder" is a beneficial owner of Equity Shares that is for US federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation created in, or organised under the laws of, the United States or any state thereof, including the District of Columbia, (iii) an estate the income of which is includible in gross income for US federal income tax purposes regardless of its source or (iv) a trust that is subject to US tax on its worldwide income regardless of its source. A "Non-US Holder" is a beneficial owner of Equity Shares that is neither a partnership nor a US Holder.

If an entity or arrangement treated as a partnership holds Equity Shares, the tax treatment of a partner in such partnership generally will depend upon the status of the partner and the activities of the partnership. Any such partner or an entity or arrangement treated as a partnership should consult their tax advisers as to the US federal income tax consequences to them of the acquisition, ownership and disposition of Equity Shares.

Dividends

Subject to the passive foreign investment company ("PFIC") rules discussed below, a distribution made by the Company on the Equity Shares (including amounts withheld in respect of foreign income tax, if any) will be treated as a dividend includible in the gross income of a US Holder as ordinary income to the extent of the Company's current and accumulated earnings and profits as determined under US federal income tax principles. To the extent the amount of such distribution exceeds the Company's current and accumulated earnings and profits as so computed, the distribution will be treated first as a non-taxable return of capital to the extent of such US Holder's adjusted tax basis in the Equity Shares and, to the extent the amount of such distribution exceeds such adjusted tax basis, will be treated as gain from the sale of such shares. The Company does not expect to maintain calculations of earnings and profits for US federal income tax purposes. Therefore, a US Holder should expect that such distribution will generally be treated as a dividend. Such dividends will not be eligible for the dividends received deduction allowed to corporations.

"Qualified dividend income" received by individual and certain other non-corporate US Holders is currently subject to reduced rates applicable to long-term capital gain if (i) the Company is a "qualified foreign corporation" (as defined below) and (ii) such dividend is paid on Equity Shares that have been held by such US Holder for at least 61 days during the 121-day period beginning 60 days before the ex-dividend date. The Company generally will be a "qualified foreign corporation" if (1) it is eligible for the benefits of the Treaty and (2) it is not a PFIC in the taxable year of the distribution or the immediately preceding taxable year. The Company expects to be eligible for the benefits of the Treaty. In addition, as discussed below under "Passive Foreign Investment Company Rules", while not free from doubt, the Company does not believe it was a PFIC

for the taxable year ending March 31, 2017 and does not expect to be a PFIC for the current year or for any future years.

Dividends on the Equity Shares generally will constitute income from sources outside the United States for foreign tax credit limitation purposes. The amount of any distribution of property other than cash will be the fair market value of the property on the date of the distribution.

The US dollar value of any distribution made by the Company in a currency other than US dollars (a “**foreign currency**”) must be calculated by reference to the exchange rate in effect on the date of receipt of such distribution by the US Holder, regardless of whether the foreign currency is in fact converted into US dollars. If the foreign currency so received is converted into US dollars on the date of receipt, such US Holder generally will not recognise foreign currency gain or loss on such conversion. If the foreign currency so received is not converted into US dollars on the date of receipt, such US Holder will have a basis in the foreign currency equal to its US dollar value on the date of receipt. Any gain or loss on a subsequent conversion or other disposition of the foreign currency generally will be treated as ordinary income or loss to such US Holder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes. The rules governing foreign tax credits are complex, and US Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances.

Sale or other disposition

Subject to the PFIC rules discussed below, a US Holder generally will recognise gain or loss for US federal income tax purposes upon a sale or other disposition of its Equity Shares in an amount equal to the difference between the amount realised from such sale or disposition and the US Holder's adjusted tax basis in such Equity Shares, as determined in US dollars. Such gain or loss generally will be capital gain or loss and will be long-term capital gain (taxable at a reduced rate for non-corporate US Holders, such as individuals) or loss if, on the date of sale or disposition, such Equity Shares were held by such US Holder for more than one year. The deductibility of capital loss is subject to significant limitations. Such gain or loss realised generally will be treated as derived from US sources.

A US Holder that receives foreign currency from a sale or disposition of Equity Shares generally will realise an amount equal to the US dollar value of the foreign currency on the date of sale or disposition or, if such US Holder is a cash basis or electing accrual basis taxpayer and the Equity Shares are treated as being traded on an "established securities market" for this purpose, the settlement date. If the Equity Shares are so treated and the foreign currency received is converted into US dollars on the settlement date, a cash basis or electing accrual basis US Holder will not recognise foreign currency gain or loss on the conversion. If the foreign currency received is not converted into US dollars on the settlement date, the US Holder will have a basis in the foreign currency equal to the US dollar value on the settlement date. Any gain or loss on a subsequent conversion or other disposition of the foreign currency generally will be treated as ordinary income or loss to such US Holder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes. The rules governing foreign tax credits are complex, and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances.

Passive foreign investment company rules

In general, a corporation organised or incorporated outside the United States is a PFIC in any taxable year in which, after taking into account the income and assets of certain subsidiaries, either (i) at least 75% of its gross income is classified as "passive income" or (ii) at least 50% of the average quarterly value attributable to its assets produce or are held for the production of passive income. Passive income for this purpose generally includes dividends, interest, royalties, rents and gains from commodities and securities transactions.

Based on the present nature of its activities, including the planned Issue, and the present composition of its assets and sources of income, the Company believes that it was not a PFIC for the year ending on March 31, 2017 and does not expect to become a PFIC for the current year or for any future taxable year. There can be no assurances, however, that the Company will not be considered to be a PFIC for any particular year because PFIC status is factual in nature, generally cannot be determined until the close of the taxable year in question, and is determined annually. In addition, the analysis depends, in part, on the application of complex US federal income tax rules that are subject to differing interpretations, including the treatment of rental income of our Company and its subsidiaries. If the Company is classified as a PFIC in any year that a US Holder is a shareholder, the Company generally will continue to be treated as a PFIC for that US Holder in all succeeding

years, regardless of whether the Company continues to meet the income or asset test described above. If the Company were a PFIC in any taxable year, materially adverse US federal income tax consequences could result for US Holders.

If a US Holder does not make a valid election as discussed below and the Company is considered a PFIC at any time that a US Holder holds the Company's shares, any gain recognized by the US Holder on a sale or other disposition of the Equity Shares, as well as the amount of an "excess distribution" (defined below) received by such holder, would be allocated ratably over the US Holder's holding period for the Equity Shares. The amounts allocated to the taxable year of the sale or other disposition (or the taxable year of receipt, in the case of an excess distribution) and to any year before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed. For purposes of these rules, an excess distribution is the amount by which any distribution received by a US Holder on its Equity Shares in a taxable year exceeds 125% of the average of the annual distributions on the Equity Shares received during the preceding three years or the US Holder's holding period, whichever is shorter.

A US Holder subject to the PFIC rules discussed above or below is required to file US Internal Revenue Service ("IRS") Form 8621 with respect to its investment in the Equity Shares.

Mark-to-market election

To mitigate the adverse consequences of the PFIC rules discussed above, a US Holder may make an election to include gain or loss on the Equity Shares as ordinary income or loss under a mark-to-market method, provided that the Equity Shares are regularly traded on a qualified exchange. The Company's outstanding Equity Shares are listed on the BSE and the NSE, each of which the Company expects to be a qualified exchange for purposes of the mark-to-market election. No assurance can be given that the Equity Shares will be "regularly traded" for purposes of the mark-to-market election. If a US Holder makes an effective mark-to-market election, the US Holder will include in each year as ordinary income the excess of the fair market value of its Equity Shares at the end of the year over its adjusted tax basis in the Equity Shares. The US Holder will be entitled to deduct as an ordinary loss each year the excess of its adjusted tax basis in the Equity Shares over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A US Holder's adjusted tax basis in the Equity Shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. In addition, gains from an actual sale or other disposition of Equity Shares will be treated as ordinary income, and any losses will be treated as ordinary losses to the extent of any mark-to-market gains for prior years.

If a US Holder makes a mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the Equity Shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election.

Qualified electing fund election

To mitigate the adverse consequences of the PFIC rules discussed above, a US Holder may make an election to treat the Company as a qualified electing fund ("QEF") for U.S. federal income tax purposes. To make a QEF election, the Company must provide US Holders with information compiled according to US federal income tax principles. The Company currently does not intend to compile such information for US Holders, and therefore it is expected that this election will be unavailable.

Non-US Holders

Subject to the backup withholding discussion below, a Non-US Holder generally should not be subject to US federal income or withholding tax on any payments on the Equity Shares or gain from the sale, redemption or other disposition of the Equity Shares unless: (i) that payment and/or gain is effectively connected with the conduct by that Non-US Holder of a trade or business in the United States; or (ii) in the case of any gain realized on the sale or exchange of a Share by an individual Non-US Holder, that Non-US Holder is present in the United States for 183 days or more in the taxable year of the sale, exchange or retirement and certain other conditions are met.

US information reporting and backup withholding tax

A US Holder may be subject to information reporting unless it establishes that payments to it are exempt from these rules. For example, payments to corporations generally are exempt from information reporting and backup withholding. Payments that are subject to information reporting may be subject to backup withholding if a US Holder does not provide its taxpayer identification number and otherwise comply with the backup withholding rules. Non-US Holders may be required to comply with applicable certification procedures to establish that they are not US Holders in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules are available to be credited against a US Holder's US federal income tax liability and may be refunded to the extent they exceed such liability, provided the required information is timely provided to the IRS.

Under US federal income tax law and regulations, certain categories of US persons must file information returns with respect to their investment in the equity interests of a foreign corporation. A US person that purchases for cash Equity Shares will be required to file IRS Form 926 or similar form if the transfer, when aggregated with all transfers made by such person (or any related person) within the preceding 12 month period, exceeds US\$100,000. In the event a US Holder fails to file any such required form, the US Holder could be required to pay a penalty equal to 10% of the gross amount paid for such Equity Shares up to a maximum penalty of US\$100,000.

Certain US Holders that own "specified foreign financial assets" that meet certain US dollar value thresholds generally are required to file an information report with respect to such assets with their tax returns. The Equity Shares generally will constitute specified foreign financial assets subject to these reporting requirements unless the Equity Shares are held in an account at certain financial institutions. US Holders are urged to consult their tax advisers regarding the application of these disclosure requirements to their ownership of the Equity Shares.

LEGAL PROCEEDINGS

Our Company and our Subsidiaries are, subject to various legal proceedings from time to time, mostly arising in the ordinary course of business including criminal proceedings, civil proceedings, tax proceedings, labour and land related disputes. Our Company believes that the number of proceedings and disputes in which our Company and our Subsidiaries are involved is not unusual for a company of its size in the context of doing business in India and in international markets. Except as stated below, our Company and our Subsidiaries are not involved in any pending legal proceedings: (i) which are criminal proceedings; (ii) which are to the extent quantifiable and exceed ₹ 200 lakhs individually; or (iii) which our Company believes could have a material adverse effect on the business, financial condition, profitability or results of operations of our Company on a consolidated basis.

It is clarified that for the purposes of above, the pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company, our Subsidiaries, our Promoters and Directors shall, unless otherwise decided by our Board, not be considered as litigation until such time that our Company or Promoters or Directors, as the case may be, is impleaded as a defendant in the litigation proceedings before any judicial / quasi-judicial forum.

Litigation involving our Company

Civil Cases

Civil Cases filed against our Company

- (i) Baxis Singh & Co. (“**Plaintiff**”) filed a suit bearing number 555 of 2015 in the Small Causes Court at Bandra, Bombay, against Maharashtra Industries (“**Defendant No 1**”) and the Company (“**Defendant No 2**”) for declaration of tenancy rights and for a permanent alternate accommodation in lieu of alleged suit premise being shop bearing no. 2 on the ground floor of Kalina Castle situated in Kalina, Mumbai (“**Suit Premise**”). The Defendant No 1 is the owner of the Suit Premise and the Plaintiff was the tenant in respect of the Suit Premise prior to its demolition. The Defendant No 1 and our Company came together to redevelop the property wherein the suit premises is situated and thus in lieu of the development agreement entered into between the Defendant No 1 and our Company, our Company has been joined as a party to the suit as Defendant No 2. A notice under section 354 of the Mumbai Municipal Corporation Act, 1888 was issued to the occupants and owner of the concerned property and the Plaintiff whereby they were informed about the demolition of the Suit Premise. The Plaintiff alleged that he was informed by the Defendant No 2 that he would be forcefully vacated from the Suit Premise if he did not vacate it voluntarily. The Plaintiff further alleged in the suit that he vacated the Suit Premise on the assurance given by the Defendant No 2 that a suitable permanent alternate accommodation would be provided in a newly developed property. The Plaintiff also prayed for injunction against the Defendant No 2 against creating third party rights over the Suit Premise pending the suit and for a permanent alternate accommodation demanding a larger area than the area actually occupied by the Plaintiff during their tenancy). The matter is currently pending
- (ii) Murli Babu Chhedilal Varma (“**Plaintiff**”) filed an LC Suit bearing number 202918 in the Bombay City Civil Court at Dindoshi (“**Court**”) against the Municipal Corporation of Greater Mumbai (“**MCGM**”) challenging the MCGM’s demolition order, issued under section 351 of the Mumbai Municipal Corporation Act, 1888 (“**MMC Act**”), in respect of the premises occupied by the Plaintiff, followed by a notice of motion in the said suit, praying for stay on order of demolition by MCGM. The Plaintiff’s father was a private security guard of the owners of the land, Maharashtra Industries and was not a tenant of the owners and the dispute is with regard to unauthorised construction of the watchman cabin by the Plaintiff on the concerned Property, which the he allegedly claimed to be his permanent residence (“**Suit Premise**”) situated at Maharashtra Industrial Compound, Kalina Castle, Mumbai (“**Land**”). An Ad-interim relief was granted by the Court to the Plaintiff by staying the demolition of the structure of the Plaintiff till the final disposal of the notice of motion filed by the Plaintiff for an injunction against the order of demolition by the MCGM under section 351 of MMC Act. The owners and our Company, are not parties to the suit. However, the owners and our Company have filed separate chamber summons for joining the suit as party defendants. The matter is currently pending.

Civil Cases filed by our Company

- (i) Our Company and Mr. Jaykrishna Shetty (“**Partner**”) entered into a deed of partnership (“**Deed of Partnership**”) wherein a partnership firm, Kanaka & Associates (“**Partnership Firm**”) was formed. The Partnership Firm was formed for the development of a property in Goa, into a shopping mall/departmental store or other such offices/ residences. The property has been developed into a commercial complex, named as “Sunteck Kanaka corporate park”. Owing to certain differences with the Partner, our Company filed a petition under section 9 of the Arbitration and Conciliation Act, 1996, for seeking urgent reliefs under the pending the arbitration proceedings filed between the Petitioner and the Respondent. The Petitioner claimed that the Respondent has failed in fulfilling certain obligations of the Deed of Partnership. The Plaintiff further submitted that the due to the non-cooperation of the Respondent, the Partnership Firm has been unable to give possession of the purchased unit to customers and/or complete the registrations of units and to comply with the regulatory/statutory compliances. Our Company prayed that ad-interim reliefs be granted so as to the project on Sunteck Kanaka be completed. An arbitrator was appointed in the matter on December 9, 2016. The matter is currently pending.

Criminal cases

Criminal cases filed by our Company

- (i) A first information report (“**FIR**”) was filed by our Company against Jaikrishna Annaya Shetty, proprietor of M/s Kanaka & Associates (“**Accused**”). The Accused and our Company entered into a deed of partnership (“**Deed of Partnership**”) wherein a partnership firm, Kanaka & Associates (“**Partnership Firm**”) was formed. The Partnership Firm was formed for the development of a property in Goa, into a shopping mall/departmental store or other such offices/ residences. As per the Deed of Partnership, the name of the Firm would be the same as the name of firm of the Accused and both parties would contribute Rs. 500 lakhs. The Deed of Partnership further provided that galas which are sold by the Firm would be distributed on a profit sharing basis between the Accused and our Company. Between 2012 to 2015, 24 commercial galas were sold and an amount of Rs. 5,100 lakhs was deposited to the Partnership Firm’s bank account adjusting all expenses and loan taken by the Partnership Firm. A loan of Rs. 2,000 lakhs was taken by the Partnership Firm from M/s Nivedita Finance. Subsequently M/s Nivedita Finance demanded the loan amount of outstanding amount of Rs. 1,300 lakhs to be payable within seven days from the receipt of the notice on September 2015 which the Firm failed to pay. M/s Nivedita Finance filed an arbitration petition in the Bombay High Court and an order was passed restraining the Partnership Firm to sell any galas in the future without the prior permission of M/s Nivedita Finance. The Accused violated the Bombay High Court’s order and sold five out of the 12 galas. He further bifurcated the remaining seven galas to twelve different persons. On account of such transactions, the Accused had earned Rs. 1,872 lakhs illegally which it deposited into the Accused’s bank account and cheated on our Company. An FIR was thus filed under section 154 of the Criminal Procedure Code and section 406 and 420 of the Indian Penal Code before the Assistant Police Inspector in Mumbai. The matter is currently pending.

Material frauds committed against our Company in the last three years, and the action taken by our Company

Nil

Details of default in repayment of (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon

Sr. No.	Nature of Statutory Payment	Amount (₹ In Lakhs)	Duration of Default (No. of Days)
1.	Property tax	188.33	146
	Total	188.33	146

Litigation involving our Directors

Civil cases filed against our Directors

- (i) Rajasthan Finance Corporation (“**Petitioner**”) filed a civil contempt petition under section 12 of the Contempt of Courts Act, 1971, read with article 215 of the Constitution of India against K.M. Rungta (**Respondent No. I**), Kamal Khetan, Director of the Company (**Respondent No. II**) and Ajay Piramal (**Respondent No. III**), (collectively called the “**Respondents**”) before the Rajasthan High Court (“**Court**”) for alleging contempt of status quo order dated July 30, 2007 (“**Order**”) passed by the Court in relation to a writ petition filed by the Petitioner against Man Industrial Corporation with regard to the land measuring 50 acres situated near Loco Shed behind Ram Mandir, Power House Road, Jaipur (“**Land**”) (“**Petition**”). The Respondent II filed a civil miscellaneous application before the Court denying the allegations made by the Petitioner and the Respondent II to be discharge from the contempt proceedings. The matter is currently pending.

Litigation involving our Subsidiaries

Litigation involving Satguru Corporate Services Private Limited

Civil Cases

Civil Cases filed against Satguru Corporate Services Private Limited

- (i) Vinay Somani (**Plaintiff**), being one of the erstwhile shareholder of Somani and Company Private Limited filed a suit against: (i) Satguru Corporate Services Private Limited (“**Satguru**”); (ii) our Company; (iii) Kamal Khetan, our Chairman and Managing Director; and (iv) Somani and Company Private Limited (“**SCPL**”) for enforcement of the memorandum of understanding dated April 29, 2011 executed between: (i) the Plaintiff; (ii) Satguru; (iii) our Company and (iv) Kamal Khetan (the “**MoU**”). The relief sought for by the Plaintiff in the suit is for a declaration that the MoU is valid, binding and subsisting. It was submitted by Satguru, our Company and Kamal Khetan that the MoU duly novated. The terms and conditions for the purchase and sale of the equity shares of SCPL held by the Plaintiff were in accordance with the share purchase agreement dated January 4, 2012 executed between the Plaintiff, Satguru, our Company and Kamal Khetan (“**SPA**”). The MoU was executed prior to the execution of the SPA and post entering into the SPA, all the terms and conditions agreed between the parties were recorded in the SPA and stood duly merged therein. The Plaintiff submitted that a notice was sent to them by Satguru, denying the execution of the MoU. Thereafter, the Plaintiff filed a civil suit on January 12, 2015 and prayed that the Bombay High Court (“**Court**”) declares the MoU executed to be valid in law and to restrain Satguru from creating any right or charge or encumbrance over the Lands and to pass such other order as it deems fit. The matter is currently pending.

The Plaintiff has filed another civil suit before the Court for specific performance against Satguru and others, to execute a sale deed in respect of Flat no. B-504 and three car parking space in Signature Island, Bandra Kurla Complex to transfer the said flat to the Plaintiff and alternatively has prayed for payment interest at the rate of 18% on the value of the said flat and losses.

Shrilekha Somani (“**Plaintiff I**”) filed a civil suit before the Court for specific performance against Satguru and others to execute a sale deed in respect of Flat no. 702 and three car parking space in Signia Isles, Bandra Kurla Complex to transfer the said flat to the Plaintiff I. and alternatively prayed for payments of interest at the rate of 18% on the value of the flat..

Balgopal Trust (“**Plaintiff II**”) filed a civil suit before the Court for specific performance against Satguru and others, to execute a sale deed in respect of Flat 301 and three car parking spaces in Signia Isles, Bandra Kurla Complex to transfer the said flat to the Plaintiff II and alternatively prayed for interest at the rate of 18% on the value of the said flat.

In the above suits seeking specific performance for the said three flats, pending the hearing and final

disposal of the suits, the Court, *vide* its order dated June 16, 2014, granted an injunction on the said flats (“**Order**”). Aggrieved by the said Order, Satguru and Starlight Systems (I) LLP filed separate appeals before the Court which are admitted on September 12, 2014. The matter is currently pending.

- (ii) Bhupendra Nanji Rathod’s (“**Plaintiff**”) father was in the exclusive use, occupation and possession of land bearing old survey no. 110 (4) part corresponding to new survey no. 80/B, CTS no. 7, admeasuring 28 Guntas village Majas, Taluka Andheri, Mumbai (“**Suit Premise**”). The Plaintiff’s father had filed a suit (“**Suit**”) in the year 1963 before the City Civil Court at Bombay (“**Court**”) for declaration against, Satguru Corporate Services Private Limited (“**Satguru**”) (then known as Somani and Co. Private Limited) from blocking the entrance of the Suit Premise. An ad-interim order restraining Satguru from dispossessing the Plaintiff’s father from the Suit Premise was passed by the Court. The Plaintiff filed an objection alleging that he was the owner of the Suit Premise as being in adverse possession. A consent term (“**Consent Term**”) was executed between the Plaintiff’s father and Satguru which required the Plaintiff’s father to give up his interest in the Suit Premise on payment of Rs.6,135 by Satguru. A. Surti Developers Private Limited and Satguru intended to proceed to measure the Suit Premise and fix the boundary of the Suit Premise which was objected by the Plaintiff and thereafter a hearing was fixed before the City Survey Officer on September 15, 2015. The Plaintiff thereafter filed a civil suit against Satguru before the Court for declaration of his ownership rights as being in adverse possession of the Suit Premises as he is in the exclusive use, occupation, and possession of the Suit Premises uninterrupted, with the knowledge of Satguru and to pass an order of injunction against Satguru from interfering or dispossessing the Plaintiff from the Suit Premise. The Plaintiffs filed notice of motions for ad interim reliefs. An order dated November 3, 2011, was passed by the Court denying any ad-interim reliefs and stated that the description of the Suit Premise does not match with the description of the land in the Consent Term. Thereafter, Satguru filed a notice of motion before the Court on June 6, 2016. in the above civil suit filed by the Plaintiff, for rejection of plaint on the ground of pecuniary jurisdiction and alleging that the Plaintiff has concealed facts and have filed a false, frivolous suit. Satguru further alleged that the Suit Premise disputed by the Plaintiff is different from the land mentioned in the Consent Term. The matter is currently pending.
- (iii) M. M. & Co., a proprietorship firm of Mr. Mohanlal Jain (“**Plaintiff**”) filed a suit for injunction under section 38 and 39 of the Specific Relief Act before the Bombay City Civil Court at Dindoshi (“**Court**”) against the Brihan Mumbai Electric Supply and Transport Undertaking (“**BEST**”) and Satguru Corporate Services Private Limited (then known as Somani and Co. Private Limited) (“**Satguru**”), The State of Maharashtra (through special land acquisition officer) and Tata Power Company Limited. An agreement for tenancy was executed between the Plaintiff and Satguru and a possession letter and a no objection certificate was given by Satguru to the Plaintiff for using the shed bearing no. G - 2 situated on the plot of land of Village Goregaon (“**Suit Premise**”) for manufacturing and moulding of plastic items. The Plaintiff was informed that BEST had acquired the Suit Premises and the Suit Premises was going to get demolished. The Plaintiff alleged that the Land Acquisition Act states that notices are required to be issued prior to taking possession. The Plaintiff alleged that tenancy rights of a person cannot be acquired without the due process of law. The Plaintiff approached the Court for seeking mandatory injunction against the demolition of Suit Premise and disconnecting or disrupting electricity connection to the Suit Premise. The Plaintiff has filed a notice of motion for temporary injunction. The matter is currently pending.
- (iv) P. H. & Co., a proprietorship firm of Mohanlal Jain (“**Plaintiff**”) filed a suit for injunction under section 38 and 39 of the Specific Relief Act before the Bombay City Civil Court at Dindoshi (“**Court**”) against the Brihan Mumbai Electric Supply & Transport Undertaking (“**BEST**”) and Satguru Corporate Services Private Limited, (then known as Somani and Co. Private Limited) (“**Satguru**”), The State of Maharashtra (through special land acquisition officer) and Reliance Infrastructure Limited. An agreement for tenancy was executed between the Plaintiff and Satguru and a possession letter and a no objection certificate and was given by Satguru to the Plaintiff to get a license for using the shed bearing no. G – 1 situated on the plot of land of Village Goregaon (“**Suit Premise**”) for godown and warehouse purposes. The Plaintiff was informed that BEST had acquired the Suit Premises and the Suit Premises was going to get demolished. The Plaintiff alleged that the Land Acquisition Act states that notices are required to be issued prior to taking possession. The Plaintiff alleged that tenancy rights of a

person cannot be acquired without the due process of the law. The Plaintiff approached the Court for seeking mandatory injunction against the demolition of Suit Premise and disconnection or disrupting electricity connection to the Suit Premises. The Plaintiff has filed a notice of motion for temporary injunction. The matter is currently pending.

- (v) Deputy Collector (Land Acquisition) No. 4 (“**Applicant**”) filed a reference bearing number 6 of 2016 before the Bombay High Court arising out of acquisition undertaken by the Applicant in respect of the land parcel owned by our Company under the provisions of Land Acquisition Act, 1894 (“**Reference**”). The Applicant has filed a reference for settlement and apportionment of the compensation amount (amongst the affected owners) deposited in the Bombay High Court under the land acquisition provisions towards reservation and acquisition of the land parcels of the affected Land/property/ Premise. The matter is currently pending before the Bombay High Court. Our Company has challenged the award and the land acquisition process by filing a writ petition and the Bombay High Court, passed an order of status quo in the main writ petition.

Criminal cases

Criminal cases filed against Satguru Corporate Services Private Limited

- (i) Vinay Somani (“**Complainant**”) and others entered into a share purchase agreement dated January 4, 2012 with Satguru Corporate Services Private Limited (“**Satguru**”) whereby entire shareholding held in Somani and Company Private Limited (“**SCPL**”) was transferred to Satguru. Thereafter, the Complainant, Shrilekha Somani, Balgopal Trust, Sushiladevi Somani, Suman Maheshwari and Amitabh Properties Private Limited entered into a Supplementary Share Purchase Agreement (“**SSPA**”) with Satguru in February 2012 under which these six persons were entitled to receive additional 50 crore over and above the value of shares of SCPL. The pre-condition to receive additional Rs. 50 crore was that these six persons shall invest the same towards flat purchase in Signature Island (one flat) and Signia Isles (two flats) with car parking spaces for approximately Rs. 57.5 crore. The price of the said flats were quoted as per prevailing market prices and with commitment from these six persons to invest 50 crores receivable to them under the SSPA plus additional consideration post execution of the SSPA. The Complainant filed a complaint in the Court of Additional Chief Metropolitan Magistrate (“**Court**”) under section 13 read with section 4 and 14 of the Maharashtra Ownership of Flats Act along with section 120-B (2) read with section 34 of Indian Penal Code for not entering into a written agreement and for not registering the agreement for sale with the Complainant. Further the Complainant alleged that all the advances in respect for the Flats have already been paid to Satguru, who have failed to execute and register the sale deed and have pre-planned a criminal conspiracy to cause wrongful loss to the Complainant. The Complainant has also alleged that it has simultaneously filed a civil suit for specific performance which is separate from the present complaint and have filed the present complaint to seek issuance of proceeds against non-fulfilment of obligations in respect of the Flats. The matter is currently pending.

Satguru filed an application (“**Application**”) and submitted that false averments were made in the criminal complaint filed by the Complainant. There was suppression of the SSPA, which provided an amount of ₹ 5,000 lakhs to be transferred to the Accused, instead of the transfer of the three flats. Further, Satguru made an offer of the amount payable to which there was no effort made by the Accused to accept the payable amount. The Court allowed a complaint to be filed against the Accused on the account of concealment of material facts. The matter is currently pending.

Criminal cases filed by Satguru Corporate Services Private Limited

- (i) On October 2014, it was brought to the notice of Satguru Corporate Services Private Limited (“**Satguru**”), that Vinay Somani (“**Accused**”) had filed a criminal complaint before the Court of Additional Chief Metropolitan Magistrate (“**Court**”) making false, malice and misleading imputations and defamatory allegations against Satguru to bring down the business, reputation, and goodwill of Satguru pending in the Bombay High Court. Satguru filed a complaint on September 4, 2015, under section 200 read with section 190 of the Code of Criminal Procedure, 1973, for criminal defamation under section 499 of the Indian Penal Code read with section 500 in the Court and prayed that Court

take cognizance of the Application and pass such other orders as are deemed fit and proper. Further, Satguru filed two miscellaneous applications to mention the perjury committed by the Accused while filing of these above two criminal complaints. The matters are currently pending.

Tax proceedings

Direct Taxes

- (i) Satguru Corporate Services Private Limited (“**Satguru**”) filed its return of income originally on September 29, 2012, declaring a loss of ₹ 0.34 lakhs. Satguru filed a revised return of income on February 13, 2013 declaring a loss of ₹ 0.34 lakhs to carry forward the business loss of previous year which was omitted to be carried forward in the original return. The Assessment Officer (“**AO**”), *vide* an order dated March 31, 2015, stated that an amount of Rs. 5,000.46 lacks is liable to be added to Satguru’s income under section 69B of the Income Tax Act (“**IT Act**”). Further, under section 14A of the IT Act, there was a disallowance made by the AO of ₹ 458.24 lacks. On March 30, 2015, the Bombay High Court approved the scheme of merger of Satguru and M/s Somani Company Private Limited under section 293 of the Companies Act, 1956. The AO has held that, the order for the scheme of merger was passed by the Bombay High Court on August 17, 2012 and Satguru had filed its return of income on September 29, 2012 which was later revised on February 13, 2013. Thus, the AO held that the revised computation furnished by Satguru was unacceptable and was rejected (“**AO Order**”). Aggrieved by the AO Order, Satguru filed an appeal dated April 10, 2015, before the Commissioner of Income Tax (Appeals) The matter is currently pending.

Inquiry, inspections, investigations, prosecutions, fines imposed or compounding of offences under the Companies Act, 2013 or any previous company law in the last three years in the case of our Company and our Subsidiaries

Nil

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 our Company during the last three years immediately preceding the year of the circulation of the Preliminary Placement Document and directions issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

SEBI had appointed an adjudicating officer under the SEBI Act and the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (“**Adjudicating Rules**”) to inquire into and adjudicate certain alleged violations by individuals, who were represented by their legal guardian Mr. Kamal Khetan (the “**Noticees**”). Pursuant to such adjudication, SEBI had issued a notice dated January 8, 2016 (“**Notice**”) to the Noticees, under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995. The Notice alleged that the Noticees had failed to make relevant disclosures required by the SEBI Takeover Regulations and the SEBI Insider Trading Regulations, in connection with allotment of shares to the Noticees by Nivedita Mercantile & Financing Limited. The Notice required the Noticees to show cause as to why an enquiry should not be held against them, in terms of Rule 4 of the Adjudicating Rules read with Section 15I of the SEBI Act. The Noticees replied to the Notice on July 11, 2017, denying the allegations and submitting that they were not in violation of the SEBI Takeover Regulations and the SEBI Insider Trading Regulations, as alleged in the Notice. The Notice was taken on record. The final order from SEBI is awaited.

Summary of reservations, emphasis of matters, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of circulation of the Preliminary Placement Document and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remark

There are no reservations, qualifications, adverse remarks and emphasis of matter included in the audit reports and the standalone and consolidated financial statements of our Company in the last five Fiscals i.e. from March 31, 2013 to March 31, 2017 and the three months ended June 30, 2017 (“**Reporting Periods**”) except the followings:

Included in the Standalone Financial Statements:

Period	Reservation, qualification and adverse remark and 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
<p>Quarter June 2017</p>	<p>Emphasis of Matter</p> <p>a) The Company has overdue trade receivable amounting to Rs. 1,203.50 lakhs from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and are hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage.</p> <p>b) The Company is a partner in a partnership firm, Kanaka & Associates, in which the Company has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs. 902.64 lakhs. Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the Company has not accounted for its share of profit or loss for the quarter from the said firm, which as explained by the management, would be immaterial. The management is hopeful of recovering/ realising the aforesaid exposure in due course of time, as concerted efforts are being made to resolve the dispute, including filing of an arbitration petition in the High Court. In their opinion, therefore, no provision is considered necessary at this stage.</p>
<p>FY 2017</p>	<p>Emphasis of Matter</p> <p>a) The Company has overdue trade receivable amounting to Rs. 1,203.50 Lakhs from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and are hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage.</p> <p>b) The Company is a partner in a partnership firm, Kanaka & Associates, in which the Company has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs. 902.05 Lacs. Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the Company has not accounted for its share of profit or loss for the year from the said firm, which as explained by the management, would be immaterial. The management is hopeful of recovering/ realising the aforesaid exposure in due course of time, as concerted efforts are being made to resolve the dispute, including filing of an arbitration petition in the High Court. In their opinion, therefore, no provision is considered necessary at this stage.</p>
<p>FY 2016</p>	<p>Emphasis of Matter</p> <p>a) The Company has overdue trade receivable amounting to Rs. 120,350,000 from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and are hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage.</p> <p>b) The Company is a partner in a partnership firm, Kanaka & Associates, in which the Company has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs. 86,130,854. Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the Company has not accounted for its share of profit or loss for the year from the said firm, which as explained by the management, would be immaterial. The management is hopeful of recovering/ realising the aforesaid exposure in due course of time, as concerted efforts are</p>

Period	Reservation, qualification and adverse remark and 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
	<p>being made to resolve the dispute, including filing of an arbitration petition in the High Court. In their opinion, therefore, no provision is considered necessary at this stage.</p> <p>c) The Company continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after 1st April, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after 1st April, 2012 to follow 'percentage completion method'. The impact of Guidance note on the standalone financial statements for the year has not been quantified by the Company.</p>
FY 2015	<p>Emphasis of Matter</p> <p>The Company continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after April 1, 2012 to follow 'percentage completion method'. The impact of Guidance note on the financial statements for the year has not been quantified by the Company.</p>
FY 2014	<p>Emphasis of Matter</p> <p>The Company continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after April 1, 2012 to follow 'percentage completion method'. There would not be any impact of the aforesaid guidance note on the financial statements for the year considering the criteria prescribed therein for recognition of revenue.</p>
FY 2013	<p>Emphasis of Matter</p> <p>The Company continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after April 1, 2012 to follow 'percentage completion method'. There would not be any impact of the aforesaid guidance note on the financial statements for the year considering the criteria prescribed for recognition of revenue.</p>

Included in the Consolidated Financial Statements:

Period	Reservation, qualification and adverse remark and their impact on the financial statements and financial position of the Company
Quarter June 2017	<p>Emphasis of Matter</p> <p>a) The Group has overdue trade receivable amounting to Rs. 1,203.50 lakhs from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and is hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage</p>

Period	Reservation, qualification and adverse remark and their impact on the financial statements and financial position of the Company
	<p>b) The Parent Company is a partner in a partnership firm, Kanaka & Associates, a joint venture, in which the Group has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs. 902.64 lakhs. Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the same has not been consolidated for the quarter, which as explained by the management, would be immaterial. The management is hopeful of recovering/ realising the aforesaid exposure in due course of time, as concerted efforts are being made to resolve the dispute, including filing of an arbitration petition in the High Court. In their opinion, therefore, no provision is considered necessary at this stage.</p>
FY 2017	<p>Emphasis of Matter</p> <p>a) The Group has overdue trade receivable amounting to Rs. 1,203.50 lakhs from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case. Therefore, the management is hopeful of recovering the said dues in due course of time and hence, in their opinion no provision is considered necessary at this stage.</p> <p>b) The Parent Company is a joint-venture partner in a partnership firm, Kanaka & Associates, in which the Parent Company has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs. 902.05 lakhs. Since, there is some dispute with the other partner and that the financial statements of the firm are not available, the same has not been consolidated. As explained by the management, profit or loss for the year of the partnership firm would be immaterial. Also, the management is hopeful of recovering its dues in due course of time in view of concerted efforts being made for its recovery, including filing of an arbitration petition in the High Court, and hence, in their opinion, no provision is considered necessary at this stage.</p>
FY 2016	<p>Emphasis of Matter</p> <p>a) The Group has overdue trade receivable amounting to Rs.120,350,000 from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and are hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage.</p> <p>b) The Parent Company is a partner in a partnership firm, Kanaka & Associates, a joint venture, in which the Group has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs. 86,130,854. Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the same has not been consolidated for the year, which as explained by the management, would be immaterial. The management is hopeful of recovering/ realising the aforesaid exposure in due course of time, as concerted efforts are being made to resolve the dispute, including filing of an arbitration petition in the High Court. In their opinion, therefore, no provision is considered necessary at this stage.</p> <p>c) The Group continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after 1st April, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after 1st April, 2012 to follow 'percentage completion method'. The impact of Guidance note on the</p>

Period	Reservation, qualification and adverse remark and their impact on the financial statements and financial position of the Company
	consolidated financial statements for the year has not been quantified by the Group.
FY 2015	<p>Emphasis of Matter</p> <p>The Group continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after April 1, 2012 to follow 'percentage completion method'. The impact of Guidance note on the consolidated financial statements for the year has not been quantified by the Group.</p>
FY 2014	<p>Emphasis of Matter</p> <p>The Group continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after April 1, 2012 to follow 'percentage completion method'. The impact of the aforesaid guidance note on the consolidated financial results for the year has not been quantified by the Group.</p>
FY 2013	<p>Emphasis of Matter</p> <p>The Group continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The impact of "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" issued by Institute of Chartered Accountants of India recommending the accounting treatment to be followed by real estate enterprises on the financial statements for the year has not been quantified by the Group.</p>

INDEPENDENT ACCOUNTANTS

Lodha & Co., Chartered Accountants, the current statutory auditors of our Company, who have audited the consolidated financial statements for the Fiscals ended March 31, 2015, 2016 and 2017 included in this Preliminary Placement Document, are independent auditors with respect to the Company within the rules of the code of professional ethics of the Institute of Chartered Accountants of India, and as required by the Stock Exchanges and the laws of India and the applicable rules and regulations under such laws. For further details, see “*Presentation of Financial and Other Information*” on page 10.

Our current Statutory Auditors have applied necessary procedures in accordance with professional standard in India with respect to our Consolidated Condensed Financial Results and issued a limited review reports thereto, 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 ICAI. For details, see, “*Financial Statements*” on page 195.

GENERAL INFORMATION

- Our Company was incorporated on October 1, 1981 under the Companies Act, 1956, as Insul Electronics Private Limited. Subsequently, the name of our Company was changed to Insul Electronics Limited with effect from February 15, 1985. Our Company was taken over by Ms. Manisha Khetan in the year 2005 and the name of our Company was changed from Insul Electronics Limited to Sunteck Realty & Infrastructure Limited on April 26, 2006 which was further changed to Sunteck Realty Limited with effect from November 29, 2007. The registered office of our Company is located at 5th Floor, Sunteck Centre, 37-40, Subhash Road, Vile Parle (East), Mumbai 400 057.
- Equity shares of our Company were first listed on the BSE on July 1, 1985. The Equity Shares were subsequently listed on NSE on November 13, 2009. The Equity Shares are currently listed on the NSE and the BSE.
- The Issue was authorized and approved by the Board of Directors on May 26, 2017 and approved by the shareholders by way of postal ballot on July 4, 2017.
- Our Company has received in-principle approval to list the Equity Shares to be issued pursuant to the Issue, on the BSE and the NSE on October 24, 2017.
- Our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.
- There has been no material change in the financial or trading position of our Company since March 31, 2017, the date of the Audited Consolidated Financial Statements prepared in accordance with Indian Accounting Standard included in this Preliminary Placement Document, except as disclosed in this Preliminary Placement Document.
- Except as disclosed in this Preliminary Placement Document, there are no outstanding 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 is material in terms of “Policy on determination of materiality for disclosure of events or information”, as adopted by the Board. For further details, see “*Legal Proceedings*” on page 183.
- Copies of the Memorandum and Articles of Association of our Company will be available for inspection between 11.00 A.M. to 1.00 P.M. on any weekday (except Saturdays and public holidays) during the Bid/Issue Period at the Registered Office.
- Our Company confirms that it is in compliance with the minimum public shareholding requirements as required under the Listing Regulations.
- The Floor Price for the Equity Shares under the Issue is ₹ 336.33 per Equity Share which has been calculated in accordance with Chapter VIII of the SEBI ICDR Regulations, as certified by Lodha & Co., the Statutory Auditors of our Company.
- Details of the Compliance Officer:

Ms. Rachana Hingarajia

Company Secretary and Compliance Officer

5th Floor, Sunteck Centre

37-40 Subhash Road

Vile Parle (East)

Mumbai: 400057

Tel: +91 22 4287 7800

Fax: +91 22 4287 7890

Email: rachana@sunteckindia.com

FINANCIAL STATEMENTS

S. No.	Financial Statements	Page No.
1.	Audited Financial Statements	F-1 to F-55
2.	Reviewed Financial Results	F-56 to F-61

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUNTECK REALTY LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **SUNTECK REALTY LIMITED** (“the Parent Company”) and its subsidiaries (the Parent Company and its subsidiaries collectively referred to as “the Group”), and share in joint ventures, which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information hereinafter referred to as ‘the Consolidated Ind AS Financial Statements’.

Management’s Responsibility for the Consolidated Ind AS Financial Statements

The Parent Company’s Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance including Other comprehensive income, consolidated statement of cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act and relevant rules thereunder.

The respective Board of Directors / Management of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent Company, as aforesaid.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit

to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Group's preparation of the consolidated Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Parent Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS 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 including Ind AS, of the consolidated financial position of the Group as at 31st March, 2017 and its consolidated financial performance (including other comprehensive income), consolidated statement of cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matters

Without qualifying our opinion, we draw your attention to following matters:

- (a) The Group has a long overdue trade receivable of Rs. 1,203.50 lakhs from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of a legal case. Therefore, the management is hopeful of recovering the said dues in due course of time and hence, in their opinion no provision is considered necessary at this stage. (Refer Note No. 51 of the consolidated Ind AS financial statements).
- (b) The Parent Company is a joint-venture partner in a partnership firm, Kanaka & Associates, in which the Parent Company has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs. 902.05 lakhs. Since, there is some dispute with the other partner and that the financial statements of the firm are not available, the same has not been consolidated. As explained by the management, profit or loss for the year of the partnership firm would be immaterial. Also, the management is hopeful of recovering its dues in due course of time in view of concerted efforts being made for its recovery, including filing of an arbitration petition in the High Court, and hence, in their opinion, no provision is considered necessary at this stage. (Refer Note No. 49 of the consolidated Ind AS financial statements).

Other Matters

- (a) We have not audited the financial statements of:
- (i) twenty subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 359,334.69 lakhs as on 31st March, 2017 and total revenue of Rs. 85,239.56 lakhs for the year ended on that date.
 - (ii) two joint ventures included in the consolidated financial statements, whose financial statements reflect net profit of Nil for year ended 31st March, 2017.

These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of Sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of the other auditors.

- (b) We have not audited the financial statements of a foreign joint venture company included in the consolidated Ind AS financial statements, whose financial statements reflect net loss of Rs. 278.22 lakhs the year ended 31st March, 2017, out of which the Group's share is Rs. 139.11 lakhs. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amount and disclosures included in respect of the said joint venture company, and our report in terms of Sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the said joint venture company, is solely based on such unaudited financial statements. As explained by the management, adjustments as may be required to the aforesaid unaudited financial statements are not expected to be significant and would be carried out upon completion of audit.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Ind AS Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated

Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2017 and taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2017 from being appointed as a Director of the Company in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Parent Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entities. Refer Note No. 30 to the consolidated Ind AS financial statements.
 - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies incorporated in India.
 - (iv) The Group has disclosed in the Consolidated Ind AS financial statements as to holding as well as dealings in Specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with books of account maintained by the Group. Refer Note No. 34 to the consolidated Ind AS financial statements.

For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E

Place: Mumbai
Date: 26th May, 2017

A. M. Hariharan
Partner
Membership No. 38323

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of **SUNTECK REALTY LIMITED** (“the Parent Company”) and its subsidiary companies, which are incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company, its subsidiary and jointly controlled companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Group’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Parent Company and its subsidiary and jointly controlled companies, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 14 subsidiary companies, which are incorporated in India, is based on the corresponding reports of the auditors of such companies.

**For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E**

**Place: Mumbai
Date: 26th May, 2017**

**A. M. Hariharan
Partner
Membership No. 38323**

INDEPENDENT AUDITORS' REPORT

To the Members of
SUNTECK REALTY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Sunteck Realty Limited ("the Parent Company"), its subsidiaries, joint ventures and an associate, collectively referred to as "the Group", which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Parent Company's Board of Directors and the respective Board of Directors / Management of the subsidiaries, joint-ventures and associate included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 financial control relevant to the Parent Company's preparation 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 the accounting policies used and the reasonableness of the accounting estimates made by the Parent Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the paragraph "Other Matters" below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the consolidated state of affairs of the group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

Without qualifying our opinion, we draw your attention to following matters:

- a) The Group has overdue trade receivable amounting to Rs. 120,350,000 from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and are hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage (refer note no. 43 of the financial statements).
- b) The Parent Company is a partner in a partnership firm, Kanaka & Associates, a joint venture, in which the Group has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs. 86,130,854. Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the same has not been consolidated for the year, which as explained by the management, would be immaterial. The management is hopeful of recovering/ realising the aforesaid exposure in due course of time, as concerted efforts are being made to resolve the dispute, including filing of an arbitration petition in the High Court. In their opinion, therefore, no provision is considered necessary at this stage (refer note no. 41 of the financial statements).
- c) The Group continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after 1st April, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after 1st April, 2012 to follow 'percentage completion method'. The impact of Guidance note on the consolidated financial statements for the year has not been quantified by the Group.

Other Matters

We have not audited the financial statements of:

- a) twenty one subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 40,565,203,230 as at 31st March, 2016 and total revenue of Rs. 7,821,928,731 for the year ended 31st March, 2016.
- b) five joint ventures included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 8,388,527,347 as at 31st March, 2016, out of which the Group's share is of Rs. 4,194,263,674 and total revenue of Rs. 6,171 for the year ended 31st March, 2016, out of which the Group's share is of Rs. 3086.
- c) an associate included in the consolidated financial statements, whose financial statements reflect profit for the year of Rs. 842,222,755 for the year ended as on 31st March, 2016, out of which the Group's share is of Rs. 210,555,717.

These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate and our report in terms of Sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2016 taken on record by the Board of directors of the

Parent Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies are disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of Parent Company and its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- g) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on the consolidated financial position in the aforesaid consolidated financial statements. Refer Note 27(c) to the consolidated financial statement;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company or its subsidiary companies incorporated in India.

For **Lodha & Co.**
Chartered Accountants
Firm Registration No: 301051E

Place : Mumbai
Date : 30th May, 2016

A. M. Hariharan
Partner
Membership No: 38323

“ANNEXURE A” REFERRED TO IN PARAGRAPH (F) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF THE SUNTECK REALTY LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of SUNTECK REALTY LIMITED (“the Parent Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Parent company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the these companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the paragraph “Other Matters” below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Parent Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by these companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 16 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

For Lodha & Co.
Chartered Accountants
Firm Registration No: 301051E

Place : Mumbai
Date : 30th May, 2016

A. M. Hariharan
Partner
Membership No: 38323

INDEPENDENT AUDITORS' REPORT

**To the Members of
Sunteck Realty Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Sunteck Realty Limited** (“the Parent Company”), its subsidiaries, joint ventures and an associate, collectively referred to as ‘the Group, which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Consolidated Financial Statements

The Parent Company’s Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Parent Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Parent Company has an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the consolidated state of affairs of the group as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter:

The Group continues to apply 'project completion method' on transactions and activities of real estate development which it had applied over the years consistently. The Institute of Chartered Accountants of India has issued "Guidance note on Accounting for Real Estate Transactions (Revised 2012)" which is applicable to projects which have commenced on or after April 1, 2012 and also to projects which have already commenced but where revenue is being recognized for the first time on or after April 1, 2012 to follow 'percentage completion method'. The impact of Guidance note on the consolidated financial statements for the year has not been quantified by the Group.

Our Opinion is not qualified in respect of above matter.

Other Matters:

We have not audited the financial statements of:

- (a) seventeen subsidiaries (twelve subsidiaries for the year ended 31st March, 2014) included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 39,980,976,479 as at 31st March, 2015 (Rs. 23,086,568,021 as at 31st March, 2014) and total revenue of Rs. 2,644,803,000 for the year ended 31st March, 2015 (Rs. 8,631,822,264 for the year ended 31st March, 2014).
- (b) five joint ventures (five joint ventures for the year ended 31st March, 2014) included in the consolidated financial statements, whose financial statements reflect total assets of

Rs. 1,395,860,450 as at 31st March, 2015 (Rs. 1,596,768,478 as at 31st March, 2014), out of which the Group's share is of Rs. 697,930,225 at 31st March, 2015 (Rs. 798,384,239 as at 31st March, 2014) and total revenue of Rs. 499,615,751 for the year ended 31st March, 2015 (Rs. Nil for the year ended 31st March, 2014), out of which the Group's share is of Rs. 249,807,876 for the year ended 31st March, 2015 (Rs. Nil for the year ended 31st March, 2014).

- (c) one associate (one associate for the year ended 31st March, 2014) included in the consolidated financial statements, whose financial statements reflect profit for the year of Rs. Nil for the year ended as on 31st March, 2015 (Rs. Nil for the year ended 31st March, 2014) .

These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and an associate and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and an associate, is based solely on the reports of the other auditors

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Parent Company, its subsidiary companies and joint-venture companies incorporated in India, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2015 taken on record by the Board of directors of the Parent Company and the reports of the statutory auditors of its subsidiary and joint-venture companies incorporated in India, none of the directors of the Group's companies are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Group has disclosed the impact of pending litigations on the consolidated financial position in the aforesaid consolidated financial statements. Refer Note 27(c) to the consolidated financial statement.
 - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its subsidiary and joint-venture companies incorporated in India.

For Lodha & Company
Chartered Accountants
Firm Registration No. 301051E

Place: Mumbai
Date: 26th May, 2015

A. M. Hariharan
Partner
Membership No. 38323

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SUNTECK REALTY LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit and based on the reports of the other auditors of subsidiary and joint-venture companies incorporated in India, we state, to the extent applicable, that:

1.
 - (a) The respective entities have generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management of respective entities, at the year end and no material discrepancies were noticed on such verification. The verification programme is considered reasonable having regard to the size of the respective entities and nature of its business.
2.
 - (a) During the year, the management of respective entities has physically verified the inventories of construction material and stores & spares at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of the physical verification followed by the management were reasonable and adequate in relation to the size of the respective entities and nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the respective entities have maintained proper records of its inventories at various locations and no material discrepancies were noticed on physical verification.
3.
 - (a) During the year, the Parent Company has granted interest-free unsecured loans to two companies (wholly owned subsidiaries) covered in the register maintained under section 189 of the Act. The maximum amount outstanding during the year was Rs. 348,938,816 and the year end balance was Rs. 2,475,000. Further, none of the subsidiary or joint-venture companies, incorporated in India, have granted any loans, secured or unsecured to companies, firms or other any parties covered in the register maintained under section 189 of the Act.
 - (b) The aforesaid loans are repayable on demand. As informed, the Parent Company has received the principal amount as and when demanded.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased and sold are of the special nature in respect of which suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control systems commensurate with the size of the respective entities and nature of its business for purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit no major weakness has been noticed in the aforesaid internal control systems.

5. In our opinion and according to the information and explanations given to us, the parent Company or its subsidiary/ joint-venture Companies incorporated in India, have not accepted any public deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and rules framed there under.
6. In respect of the Parent Company and a Joint-venture Company, we have broadly reviewed the books of account maintained by the respective entities pursuant to the rules made by the Central Government of India, regarding the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. (a) Respective entities are regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) There are no dues of Income Tax, Sales Tax, Service tax, Duty of Customs, Wealth Tax, Duty of Excise, Value Added Tax, Cess which have not been deposited on account of any dispute except the following :

(i) In respect of Parent Company:

Statute	Nature of Dues	Forum where the dispute is pending	Amount Rs.	Financial Year
Income Tax Act,1961	Income Tax Matters	Commissioner of Income Tax (Appeals)	2,616	2005-06
			628,635	2006-07
			281,212	2007-08
			1,498,828	2008-09
			2,008,870	2009-10
			21,051	2010-11
			510,460	2011-12

(ii) in respect of subsidiary and joint-venture Companies incorporated in India:

Statute	Nature of Dues	Forum where the dispute is pending	Amount Rs.	Financial Year
Income Tax Act,1961	Income Tax Matters	Income Tax Appellate Tribunal	815,742	2007-08
		Commissioner of Income Tax (Appeals)	60,940	2006-07
			2,809,585	2007-08
			624,824	2010-11
			223,502,230	2011-12

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company or its subsidiary / joint-venture companies incorporated in India, in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
8. The Parent Company has no accumulated losses as at 31st March, 2015 and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- The subsidiary and joint-venture Companies incorporated in India have no accumulated losses as at 31st March, 2015, except an Indian subsidiary which has accumulated losses exceeding 50% of its net-worth. No subsidiary incorporated in India has incurred cash losses in the current financial year ended on that date and in the immediately preceding financial year, except an Indian subsidiary which has incurred cash losses in the current as well as immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, neither the Parent Company nor its subsidiary / joint-venture Companies have defaulted in repayment of dues to banks or financial institution.
10. In respect of guarantees issued for loans taken by others from banks and financial institutions, terms and conditions thereof are, prima facie, not prejudicial to the interest of the respective entities.
11. In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which they were obtained by the respective entities.
12. In our opinion and according to the information and explanations given to us, no instances of fraud on or by the respective entities were noticed or reported during the year, nor such cases were reported by the management.

For Lodha & Company
Chartered Accountants
Firm Registration No. 301051E

Place: Mumbai
Date: 26th May, 2015

A. M. Hariharan
Partner
Membership No. 38323

SUNTECK REALTY LIMITED
CONSOLIDATED BALANCE SHEET

(Rs. in lakhs)

Particulars	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non - current assets				
Property, Plant and Equipment	3	1,390.76	1,537.95	1,717.12
Investment Property	4	2,618.34	2,648.30	2,678.26
Goodwill		3,184.01	3,191.34	3,184.01
Other Intangible Assets	5	18.61	23.15	25.48
Financial Assets				
(i) Investments	6(a)			
- Investments in an Associate and Joint ventures		17,005.54	17,516.79	6,643.83
- Other Investments		9,730.98	9,220.70	8,261.19
(ii) Other financial assets	10(a)	60.86	230.30	114.14
Current tax assets (Net)		637.26	674.77	558.03
Deferred tax assets (Net)	11(a)	2,335.15	2,487.35	46.23
Other non-current assets	12	9.99	17.33	82.01
Current assets				
Inventories	14	2,80,172.48	3,12,956.43	2,90,174.36
Financial Assets				
(i) Investments	6(b)			
- Investments in an Associate and Joint ventures		5,139.47	7,519.78	5,383.36
- Other Investments		292.96	-	-
(ii) Trade receivables	7	16,092.83	15,901.12	20,786.27
(iii) Cash and cash equivalents	8(a)	5,954.65	6,569.25	10,242.84
(iv) Bank balances other than (iii) above	8(b)	3,906.24	2,596.14	570.01
(v) Loans	9	8,145.39	14,766.42	19,674.05
(vi) Other financial assets	10(b)	6,568.00	13,232.11	61,446.34
Other current assets	13	4,441.70	6,249.83	5,892.06
Total Assets		3,67,705.22	4,17,339.05	4,37,479.59
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	15	1,199.32	1,199.32	1,199.32
Other Equity	16	1,78,334.89	1,58,647.77	1,55,444.16
Non-controlling interests		7,057.40	5,839.10	7,147.51
LIABILITIES				
Non - current liabilities				
Financial liabilities				
(i) Borrowings	17(a)	2,960.91	3,457.11	6.56
(ii) Other financial liabilities	19(a)	162.16	283.76	256.09
Provisions	20(a)	82.68	89.45	43.74
Deferred tax liabilities(Net)	11(b)	-	71.24	6,409.51
Current liabilities				
Financial Liabilities				
(i) Borrowings	17(b)	91,434.49	1,19,932.11	1,06,426.27
(ii) Trade payables	18	13,807.08	12,678.81	13,921.74
(iii) Other financial liabilities	19(b)	2,077.31	3,486.21	9,654.41
Other current liabilities	21	65,899.33	1,01,612.58	1,34,985.00
Provisions	20(b)	39.06	7,517.80	1,985.21
Current Tax Liabilities (Net)		4,650.59	2,523.79	0.07
Total Equity and Liabilities		3,67,705.22	4,17,339.05	4,37,479.59
Significant Accounting Policies	1 & 2			
The accompanying notes including other explanatory information form an integral part of consolidated financial statements				

SUNTECK REALTY LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Rs. in lakhs)

Particulars	Notes	Year ended 31st March, 2017	Year ended 31st March, 2016
INCOME			
Revenue from operations	22	95,219.65	24,336.86
Other income	23	816.38	1,788.23
Total Income		96,036.03	26,125.08
EXPENSES			
Operating costs	24	56,557.85	19,546.06
Employee benefits expense	25	1,286.58	992.42
Finance costs	26	4,552.41	1,687.75
Depreciation and amortisation expense	27	227.01	222.59
Other expenses	28	2,568.15	1,406.44
Total Expenses		65,191.99	23,855.26
Profit before share of profits / (loss) of an associate and joint ventures		30,844.04	2,269.83
Add: Share of profit / (loss) of an associate and joint ventures accounted for using the equity method		(509.76)	(169.42)
Profit before tax		30,334.28	2,100.41
Tax expense	29		
Current tax		8,671.43	8,148.20
Short taxation of earlier years		5.23	1.61
Deferred tax		81.20	(8,781.69)
MAT Credit		(37.60)	-
Profit for the year (A)		21,614.02	2,732.28
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurments of defined benefit plans	32	9.37	12.26
Equity Instruments through Other Comprehensive Income		12.54	(14.32)
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of foreign operations		384.47	(668.34)
Other comprehensive income for the year (B)		406.38	(670.40)
Total comprehensive income for the year (A+B)		22,020.40	2,061.88
Profit attributable to:			
Equity holders of the parent		20,395.71	2,296.80
Non - controlling interests		1,218.30	435.48
Total comprehensive income attributable to:			
Equity holders of the parent		20,802.10	1,626.39
Non - controlling interests		1,218.30	435.48
Earnings per equity share of face value Rs. 2 each			
Basic	33	34.01	3.83
Diluted		34.01	3.83
Significant Accounting Policies	1 & 2		
The accompanying notes including other explanatory information form an integral part of consolidated financial statements			

SUNTECK REALTY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before share of profits / (loss) of an associate and joint ventures	30,844.04	2,269.83
Adjustments for:		
Depreciation and amortisation expenses	227.01	222.59
Loss on sale of investment property	329.39	-
(Gain) / Loss in fair value of financial assets through Statement of Profit & Loss	(229.59)	(1,067.10)
Share-based payments to Employees	8.67	37.83
Income relating to previous years	184.52	-
Dividend income	(58.79)	(2.21)
Interest income	(502.44)	(709.20)
Finance costs	4,552.41	1,687.75
Foreign Currency Translation Reserve	384.47	(670.32)
Operating profit before working capital changes	35,739.69	1,769.17
Adjustments for:		
(Increase)/decrease in trade receivables	(191.71)	4,885.16
(Increase)/decrease in other financial assets, other non-current and current assets	7,155.32	45,939.98
(Increase)/decrease in inventories	32,791.21	(22,765.06)
Increase/(decrease) in trade payables	1,128.26	(1,242.93)
Increase/(decrease) in other financial liabilities, provisions and other current liabilities	(45,875.43)	(35,644.94)
Cash flows (used in)/ generated from operating activities	30,747.34	(7,058.62)
Less: Direct taxes paid (net of refunds)	6,474.99	5,742.95
Net cash flows (used in)/ generated from operating activities - [A]	24,272.33	(12,801.57)
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment and Intangible assets	(52.59)	(28.13)
Investment in Equity Shares / Capital (Associates and Joint Ventures including LLP and Partnership Firms)	2,088.85	(13,178.80)
Sale of Investment in Associates, Joint Ventures and Partnership firms	#(0.00)	-
Business (Acquisition) / Dilution	7.33	(6.49)
Loans repaid by related parties and body corporate	6,637.91	4,913.43
Investment in Property	(1,540.99)	-
Sale of Property	1,211.60	-
Investment in Mutual Funds	(2,550.00)	(6,500.00)
Redemption of Mutual Funds	2,550.00	6,500.00
Dividend received	58.79	2.21
Interest received	410.38	647.79
Net cash (used in) / generated from investing activities - [B]	8,821.29	(7,650.00)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Share Application money (Under ESOP)	78.26	-
Proceeds from borrowings	29,466.10	40,784.45
Repayment of Borrowings	(58,459.91)	(23,828.06)
Dividends paid (including tax on dividend)	(1,386.42)	(200.94)
Interest paid	(3,406.24)	22.53
Net cash (used in) / generated from financing activities - [C]	(33,708.21)	16,777.99
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES - [A+B+C]	(614.61)	(3,673.58)
Add: Cash and cash equivalents at the beginning of the year	6,569.25	10,242.84
Cash and cash equivalents at the end of the year	5,954.64	6,569.26
The accompanying notes including other explanatory information form an integral part of consolidated financial statements		
Notes:		
1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows		
2. # less than Rs. 1,000		

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	Land - Freehold	Building	Plant & Equipment	Furniture & Fixtures	Office equipment	Air Conditioners	Computers & Peripherals	Motor Car	Total
3 Property, Plant and Equipment									
Gross Carrying amount									
Deemed cost as at 1st April, 2015	201.31	725.69	10.42	485.54	20.00	85.97	26.07	162.12	1,717.12
Additions	-	-	0.64	2.75	5.90	2.28	10.25	-	21.82
Disposals	-	-	(1.03)	-	-	-	-	-	(1.03)
Balance as at 31st March, 2016	201.31	725.69	10.03	488.29	25.90	88.25	36.32	162.12	1,737.91
Additions	-	-	13.65	11.59	4.57	1.53	8.49	9.28	49.11
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	201.31	725.69	23.68	499.88	30.47	89.78	44.81	171.40	1,787.02
Accumulated Depreciation									
Balance as at 1st April, 2015	-	-	-	-	-	-	-	-	-
Expense for the year*	-	12.51	0.73	116.68	7.78	16.32	15.89	30.11	200.02
Disposals	-	-	(0.06)	-	-	-	-	-	(0.06)
Balance as at 31st March, 2016	-	12.51	0.67	116.68	7.78	16.32	15.89	30.11	199.96
Expense for the year*	-	12.48	1.31	117.75	6.54	16.40	12.01	29.81	196.30
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	-	24.99	1.98	234.43	14.32	33.72	27.90	59.92	396.26
Balance as at 1st April, 2015	201.31	725.69	10.42	485.54	20.00	85.97	26.07	162.12	1,717.12
Balance as at 31st March, 2016	201.31	713.18	9.36	371.61	18.12	71.93	20.43	132.01	1,537.95
Balance as at 31st March, 2017	201.31	700.70	21.70	265.45	16.15	56.06	16.91	111.48	1,390.76

*Includes Depreciation transferred to Construction work in progress (Inventories) of Rs. 6.13 lakh for 31st March, 2017 (31st March, 2016 - Rs. 12.95 lakh)

Refer note 36 for information on Property, Plant and Equipment pledged as security by the Group.

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	Amount
4 Investment Property - Land & Building	
Gross Carrying amount	
Deemed cost as at 1st April, 2015	2,678.26
Additions	-
Disposals	-
Balance as at 31st March, 2016	2,678.26
Additions	1,540.99
Disposals	(1,540.99)
Balance as at 31st March, 2017	2,678.26
Accumulated Depreciation	
Balance as at 1st April, 2015	-
Expense for the year	29.96
Disposals	-
Balance as at 31st March, 2016	29.96
Expense for the year	29.96
Disposals	-
Balance as at 31st March, 2017	59.92
Net Carrying amount	
Balance as at 1st April, 2015	2,678.26
Balance as at 31st March, 2016	2,648.30
Balance as at 31st March, 2017	2,618.34

(Rs. in lakhs)

(i) Amounts recognised in statement of profit and loss for investment properties given on lease			
	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
	Rental income	237.58	346.59
	Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period	180.39	51.63
	Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period	16.47	0.20
	Profit from investment properties	40.71	294.76

(Rs. in lakhs)

(ii) Fair value Investment properties	Amount
As at 1st April, 2015	15,465.95
As at 31st March, 2016	16,265.24
As at 31st March, 2017	16,671.03

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	Amount
5 Other Intangible Assets	
Computer Software	
Gross Carrying amount	
Deemed cost as at 1st April, 2015	25.48
Additions	7.49
Disposals	-
Balance as at 31st March, 2016	32.97
Additions	3.49
Disposals	-
Balance as at 31st March, 2017	36.46
Accumulated Amortisation	
Balance as at 1st April, 2015	
Expense for the year*	9.82
Disposals	-
Balance as at 31st March, 2016	9.82
Expense for the year*	8.03
Disposals	-
Balance as at 31st March, 2017	17.85
Net Carrying amount	
Balance as at 1st April, 2015	25.48
Balance as at 31st March, 2016	23.15
Balance as at 31st March, 2017	18.61
*Includes Amortisation transferred to Construction work in progress (Inventories) of Rs. 1.14 lakhs for 31st March, 2017 (31st March, 2016 - Rs. 4.25 lakhs).	

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
6(a) Non-current investments			
A. Investments in an Associate and Joint ventures			
Associate			
1 Investments in LLP			
Topzone Mercantile Company LLP**	-	0.50	754.01
Joint Ventures			
1 Investment in equity instruments			
Unquoted, fully paid up			
Piramal Sunteck Realty Private Limited	4,876.88	5,247.52	5,387.20
500,001 (31st March, 2016 : 500,001, 1st April, 2015 : 500,001) equity shares of Rs.10 each			
GGICO Sunteck Limited	11,627.03	11,766.15	-
7,050 (31st March, 2016 : 7,050, 1st April, 2015 : Nil) equity shares of AED 10,000 each			
2 Investment in Partnership Firms* (refer note no. 49)			
Kanaka & Associates	500.00	500.00	500.00
3 Investment in LLP			
Assable Buildcon LLP	-	0.50	0.50
Nariman Infrastructure LLP	1.12	1.12	1.12
Pathway Buildcon LLP	-	0.50	0.50
Uniworth Realty LLP	0.50	0.50	0.50
Total Investment in an Associate and Joint ventures	17,005.54	17,516.79	6,643.83
B. Other Investments			
1 Investment in equity instruments (At fair value through other comprehensive income unless otherwise stated)			
Quoted, fully paid up			
Punjab Communication Limited	0.43	0.41	0.51
1,000 (31st March, 2016 : 1,000, 1st April, 2015 : 1,000) equity shares of Rs. 10 each			
MRPL Limited	5.33	3.35	3.36
5,000 (31st March, 2016 : 5,000, 1st April, 2015 : 5,000) equity shares of Rs. 10 each			
PSL Limited	0.11	0.15	0.19
2,000 (31st March, 2016 : 2,000, 1st April, 2015 : 2,000) equity shares of Rs. 10 each			
Unquoted, fully paid up			
Essar Steel Limited	0.18	0.44	0.29
4,500 (31st March, 2016 : 4,500, 1st April, 2015 : 4,500) equity shares of Rs.10 each			
Janakalyan Sahakari Bank Limited (at cost)	0.10	0.10	0.10
1,000 (31st March, 2016 : 1,000, 1st April, 2015 : 1,000) equity shares of Rs.10 each			
Mandavi Bank Limited (at cost)	0.02	0.02	0.02
200 (31st March, 2016 : 200, 1st April, 2015 : 200) equity shares of Rs.10 each			
North Canara Bank Limited (at cost)	# 0.00	# 0.00	# 0.00
2 (31st March, 2016 : 2, 1st April, 2015 : 2) equity shares of Rs.25 each			
Samhrutha Habitat Infrastructure Private Limited	25.67	24.33	36.25
220,378 (31st March, 2016 : 220,378, 1st April, 2015 : 220,378) equity shares of Rs.10 each			
Saraswat Co-op. Bank Limited (at cost)	0.02	0.02	0.02
150 (31st March, 2016 : 150, 1st April, 2015 : 150) equity shares of Rs.10 each			
Shamrao Vithal Bank Limited (at cost)	0.01	0.01	0.01
50 (31st March, 2016 : 50, 1st April, 2015 : 50) equity shares of Rs.10 each			
SW Capital Private Limited	51.60	42.09	44.51
150,000 (31st March, 2016 : 150,000, 1st April, 2015 : 150,000) equity shares of Rs.10 each			
Total Investment in equity instruments	83.47	70.92	85.26
2 Investment in debentures or bonds (At fair value through profit and loss)			
In Joint Venture			
Unquoted, fully paid up			
Piramal Sunteck Realty Private Limited	9,647.52	9,149.77	8,175.93
94,257,750 @ 1% (31st March, 2016 : 94,257,750, 1st April, 2015 : 94,257,750) optionally convertible debentures of Rs.10 each			
Total Investment in debentures	9,647.52	9,149.77	8,175.93
i. In LLP			
Topzone Mercantile Company LLP**	# 0.00	-	-
V3 Designs LLP	# 0.00	# 0.00	# 0.00
Total Investments in LLP	-	-	-
Total Other Investments	9,730.99	9,220.69	8,261.19
Total non-current investments(1+2+3+4)	26,736.53	26,737.48	14,905.02
Aggregate amount of quoted investments and market value	5.87	3.92	4.06
Aggregate amount of unquoted investments	26,730.66	26,733.56	14,900.96
Aggregate amount of impairment in the value of investments	-	-	-
# less than Rs. 1,000			
*Details of Investment in partnership firm			
Name of Partners	Total Capital	Total Capital	Total Capital
Sunteck Realty Limited (50%)	500.00	500.00	500.00
Kanaka & Associates (proprietor) (50%)	500.00	500.00	500.00
Total capital of firm	1,000.00	1,000.00	1,000.00
** Topzone Mercantile Company LLP is not an associate as at 31st March, 2017			

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
6(b) Current investments (Investment in current capital)			
A. Investments in an Associate and Joint Ventures			
Associate			
1 Investments in LLP			
Topzone Mercantile Company LLP**	-	2,397.68	275.91
Joint Ventures			
1 Investments in Partnership Firms (refer note no. 49)			
Kanaka & Associates	207.54	207.54	207.54
2 Investments in LLP			
Joint Ventures			
Assable Buildcon LLP	-	0.07	0.11
Nariman Infrastructure LLP	4,428.55	4,423.35	4,418.35
Pathway Buildcon LLP	-	0.06	0.10
Uniworth Realty LLP	503.38	491.08	481.35
Total Investments in an Associates and Joint Ventures	5,139.47	7,519.78	5,383.36
B. Other Investments			
1 Others			
Topzone Mercantile Company LLP**	292.96	-	-
Total Other Investments	292.96	-	-
Total current investments	5,432.43	7,519.78	5,383.36
Aggregate amount of quoted investments at market value	-	-	-
Aggregate amount of unquoted investments	5,432.43	7,519.78	5,383.36
Aggregate amount of impairment in the value of investments	-	-	-
** Topzone Mercantile Company LLP is not an associate as at 31st March, 2017			
7 Trade receivables			
Secured, considered good	1,689.62	69.34	29.94
Unsecured, considered good			
Receivables from related parties (refer note no. 37)	518.17	-	-
Others parties	13,885.04	15,831.78	20,756.33
Total trade receivables	16,092.83	15,901.12	20,786.27
Refer to note 36 for trade receivables pledged as security against borrowings.			
Refer to note no. 39 for credit risk and market risk of trade receivables			
8(a) Cash and cash equivalents			
Balances with Banks			
In current accounts	5,595.38	6,468.35	10,194.46
Term deposits with original maturity of less than three months	2.55	28.33	-
Cash on hand (refer note no. 34 in respect of Specified Bank Notes Held and Transacted)	356.72	72.57	48.38
Total cash and cash equivalents	5,954.65	6,569.25	10,242.84
8(b) Bank balances other than (note no.8(a)) above			
Deposits with banks with original maturity of less than 12 months	-	325.50	311.32
Earmarked bank balances			
Unpaid dividend account	17.75	18.17	18.51
Deposit with original maturity for more than 12 months*	3,888.49	2,252.47	240.18
Total Bank balances other than above	3,906.24	2,596.14	570.01
* Held as lien by the bank against term loan amounting to Rs.708.84 Lakhs (31st March, 2016 Rs. 669.01 lakhs ;1st April, 2015 Rs. 550.40 lakhs) and pledged with bank against bank guarantee amounting to Rs.303.99 Lakhs (31st March, 2016 Rs. 305.19 lakhs ;1st April, 2015 Rs. 1.10 lakhs)			
9 Loans			
Current			
Unsecured, considered good			
Loans to related parties (refer note no. 37)	3,645.62	9,505.59	70.40
Loans to directors and employees	36.68	19.81	14.00
Loans to body corporates & others	4,408.40	4,802.52	19,574.65
Other advances and receivables	54.69	438.50	15.00
Total loans	8,145.39	14,766.42	19,674.05
Refer note no. 39 for credit risk			
10 Other financial assets			
10(a) Non-current			
Security Deposits	60.86	51.38	95.90
Interest accrued on fixed deposit	-	-	13.24
Interest accrued on Investment	-	178.92	-
Capital advance	-	-	5.00
Total Non-current other financial assets	60.86	230.30	114.14
10(b) Current			
Security Deposits	545.01	186.61	123.69
Accrued Interest	51.49	54.31	16.82
Unbilled revenue	5,971.50	12,991.19	61,125.99
Other advances and receivables	-	-	179.84
Total Current other financial assets	6,568.00	13,232.11	61,446.34
Refer note no. 39 for credit risk			

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	
11 Deferred tax assets/(liabilities)				
11(a) Deferred tax assets				
The balance comprises temporary differences attributable to:				
Property, Plant and Equipment, Investment property and Intangible assets	0.46	150.58	46.23	
Financial Assets	2,349.44	2,351.61	-	
Others	(14.75)	(14.84)	-	
Net deferred tax assets	2,335.15	2,487.35	46.23	
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	
11(b) Deferred tax liabilities				
The balance comprises temporary differences attributable to:				
Property, Plant and Equipment, Investment property and Intangible assets	-	71.24	(5.42)	
Financial Assets	-	-	(435.40)	
Others	-	-	6,850.33	
Net deferred tax liabilities	-	71.24	6,409.51	
Movement in deferred tax assets/(liabilities)				
Particulars	Property, plant and equipment and investment	Financial assets at fair value through profit or loss	Other items	Total
At 1st April, 2015	51.65	435.40	(6,850.33)	(6,363.28)
(Charged)/credited:				
- to profit or loss	(29.99)	(1,916.20)	(6,835.49)	(8,781.69)
- to other comprehensive income	-	-	-	-
- Others	2.30	-	-	2.30
At 31st March, 2016	79.34	2,351.60	(14.84)	2,416.10
(Charged)/credited:				
- to profit or loss	79.13	2.17	(0.10)	81.20
- to other comprehensive income	-	-	-	-
- Others	(0.24)	-	-	(0.24)
At 31st March, 2017	0.46	2,349.43	(14.76)	2,335.14

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
12 Other non-current assets			
Prepaid Expenses	9.99	17.33	82.01
Total other non-current assets	9.99	17.33	82.01
13 Other current assets			
Advance to suppliers	868.20	1,688.49	2,401.70
Balance with statutory/government authority	1,356.67	1,097.40	621.05
Interest accrued	-	3.22	-
Prepaid expenses	1,479.98	3,239.30	2,112.36
Advances towards transferable development rights	191.39	191.39	96.88
Other advances and receivables	545.46	30.03	660.07
Total other current assets	4,441.70	6,249.83	5,892.06
14 Inventories (valued at lower of cost and net realisable value)			
(As certified by management)			
Construction Materials	1,126.84	-	-
Construction Work-in-Progress	2,13,706.38	2,37,933.13	2,56,741.73
Completed Units	65,339.26	75,023.30	33,432.63
Total inventories	2,80,172.48	3,12,956.43	2,90,174.36
Refer to note no. 36 for inventories hypothecated as security for borrowings.			

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

		(Rs. in lakhs)				
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015			
15 Equity Share capital						
Authorised						
93,800,000 (31st March, 2016 : 93,800,000, 1st April, 2015 : 93,800,000) Equity Shares of Rs. 2 each	1,876.00	1,876.00	1,876.00			
1,250,000 (31st March, 2016 : 1,250,000, 1st April, 2015 : 1,250,000) Preference Shares of Rs. 10 each	125.00	125.00	125.00			
Total authorised share capital	2,001.00	2,001.00	2,001.00			
Issued, Subscribed and Paid up						
59,966,207 (31st March, 2016 : 59,966,207, 1st April, 2015 : 59,966,207) Equity Shares of Rs. 2 each fully paid up (Refer note no. iii below)	1,199.32	1,199.32	1,199.32			
Total issued, subscribed and fully paid up share capital	1,199.32	1,199.32	1,199.32			
(i) Reconciliation of Equity share capital			(Rs. in lakhs)			
			Number of Shares	Amount		
Issued, Subscribed and Paid up Equity share capital						
As at 1st April, 2015						
Equity Shares of Rs. 2 each		5,99,66,207		1,199.32		
Increase / Decrease during the year		-		-		
As at 31st March, 2016						
Equity Shares of Rs. 2 each		5,99,66,207		1,199.32		
Increase / Decrease during the year		-		-		
As at 31st March, 2017						
Equity Shares of Rs. 2 each		5,99,66,207		1,199.32		
(ii) Terms and rights attached to equity shares						
The Company has only one class of equity share having value of Rs. 2 each with an entitlement of one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors are subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.						
(iii) Shares of holding Company held by subsidiaries						
30,00,000 (As at 31st March, 2016 - 30,00,000, As at 1st April, 2015 - 30,00,000) equity shares of Rs. 2 each fully paid up, are held by subsidiaries Companies which have been eliminated for the purpose of consolidation						
(iv) Details of shareholders holding more than 5% shares in the Company						
Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Number of shares	%holding	Number of shares	%holding	Number of shares	%holding
Matrabhav Trust	2,19,53,398	34.87%	2,46,53,398	39.15%	-	-
Paripurna Trust	1,07,74,454	17.11%	1,07,74,454	17.11%	1,07,74,454	17.11%
Astha Trust	79,80,923	12.67%	50,63,485	8.04%	-	-
Kotak Mahindra Trusteeship Services Limited -A/c Kotak Alternate Opportunities (India) Fund	-	-	40,99,633	6.51%	40,99,633	6.51%
Manisha Khetan	-	-	-	-	2,42,51,487	38.52%
(v) Aggregate number of Bonus shares issued and shares issued for consideration other than cash during the last five years:						
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015			
Equity Shares allotted pursuant to the scheme of amalgamation on 14th February, 2015	88,63,845	88,63,845	88,63,845			
(vi) Shares reserved for issue under options						
Information relating to ESOP, including details of options issued, exercised and lapsed during the financial year and options outstanding at end of the reporting period, is set out in note no. 35.						

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
16 Other Equity			
Share Application Money Pending Allotment	78.26	-	-
Reserves & Surplus			
- Securities Premium Account	32,114.08	32,114.08	32,114.08
- Share Based Payment Reserve	157.31	148.64	152.85
- General Reserve	152.79	152.79	152.79
- Capital Reserve on Consolidation	87,560.77	87,560.77	85,816.05
- Capital Reserve on Merger	3.12	3.12	3.12
- Statutory Reserve	7.21	7.21	7.21
- Debenture Redemption Reserve	875.00	1,375.00	-
- Retained earnings	57,654.09	37,960.28	37,197.38
Other Comprehensive Income			
- Equity Instrument through Other Comprehensive Income	(1.78)	(14.32)	-
- Remeasurments of net defined benefit plans	19.22	9.85	-
- Foreign Currency Translation Reserve	(285.17)	(669.63)	0.68
Total Other Equity	1,78,334.89	1,58,647.77	1,55,444.16
Particulars	As at 31st March, 2017	As at 31st March, 2016	
(i) Share Application Money Pending Allotment			
Opening balance	-	-	
Received during the year	78.26	-	
Closing balance	78.26	-	
(ii) Securities Premium Account			
Opening balance	32,114.08	32,114.08	
Exercise of options - proceeds received	-	-	
Closing balance	32,114.08	32,114.08	
(iii) Share Based Payment Reserve			
Opening balance	148.64	152.85	
Employee stock options	8.67	37.83	
Transferred to retained earning	-	(42.04)	
Closing balance	157.31	148.64	
(iv) General Reserve			
Opening balance	152.79	152.79	
Addition during the year	-	-	
Closing balance	152.79	152.79	
(v) Capital Reserve on Consolidation			
Opening balance	87,560.77	85,816.05	
Addition during the year	-	1,744.72	
Closing balance	87,560.77	87,560.77	
(vi) Capital Reserve on Merger			
Opening balance	3.12	3.12	
Addition during the year	-	-	
Closing balance	3.12	3.12	
(vii) Statutory Reserve			
Opening balance	7.21	7.21	
Addition during the year	-	-	
Closing balance	7.21	7.21	
(viii) Debenture Redemption Reserve			
Opening balance	1,375.00	-	
Transferred (to) / from retained earnings	(500.00)	1,375.00	
Closing balance	875.00	1,375.00	

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
(ix) Retained earnings		
Opening balance	37,960.28	37,197.38
Net profit for the year	20,395.70	2,296.80
Transferred (to) / from debenture redemption reserve	500.00	(1,375.00)
Transferred from Share Based Payment Reserve	-	42.04
Income relating to previous years	184.52	-
Dividend on equity shares (Dividend per share Re.2 to all shareholders; 31st March,2016 - Re.1 to shareholders other than promoters)	(1,259.32)	(166.95)
Dividend Distribution Tax	(256.37)	(33.99)
Dividend Distribution Tax Credit	129.28	-
	-	-
Closing balance	57,654.09	37,960.28
(x) Other Comprehensive Income		
- Equity Instrument through Other Comprehensive Income		
Opening balance	(14.32)	-
Income for the year	12.54	(14.32)
Closing balance	(1.78)	(14.32)
- Remeasurments of net defined benefit plans		
Opening balance	9.85	-
Income for the year	9.37	12.26
Other benefits	-	(2.41)
Closing balance	19.22	9.85
- Foreign Currency Translation Reserve		
Opening balance	(669.64)	0.68
Addition during the year	384.47	(670.32)
Closing balance	(285.17)	(669.64)
Nature & Purpose of other Equity and Reserves :		
(a) Share Application Money Pending Allotment		
Share application money received towards employee stock option plan 2013.		
(b) Securities Premium Account:		
Securities Premium Account is used to record the premium on issue of financial securities such as Equity shares, Preference Shares, Compulsory Convertible Debentures. The Account is utilised in accordance with the provision of the Act.		
(c) Share based Payment Reserve Account:		
Share based payment Reserve Account is used to recognise the fair value of options on the grant date issued to employees under value Ind AS employee stock option plan.		
(d) General Reserve:		
General Reserve are created out of profits & kept aside for general purpose and financial strengthening of the Company, they don't have any special purpose to fulfill and can be used for any purpose in future.		
(e) Capital Reserve on Consolidation :		
Capital Reserve is created out of capital profits and is usually not distributed as dividend to shareholders.		
(f) Debenture Redemption Reserve:		
The group creates a debenture redemption reserve out of the profits which is available for distribution to shareholders for the purpose of redemption of debentures.		
(g) Foreign Currency Translation Reserve:		
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.		

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
17 Borrowings			
17(a) Non-current borrowings			
Secured			
Non Convertible Debentures	2,960.91	3,457.11	-
Term loans			
From banks	-	-	6.56
Total non-current borrowings	2,960.91	3,457.11	6.56
17(b) Current borrowings			
Secured			
Non-Convertible debentures	496.14	1,947.80	-
Term loans			
From banks	44,722.97	62,207.52	64,023.97
Others	27,575.17	8,223.55	5,410.21
Bank overdrafts	1,945.88	1,701.79	1,538.94
Unsecured			
Non-Convertible debentures	-	-	8,076.44
Optionally Convertible debentures	-	-	8.99
From related parties (refer note no. 37)	16,569.33	33,791.95	13,454.35
From Body Corporates and others	125.00	12,059.50	13,913.37
Total current borrowings	91,434.49	1,19,932.11	1,06,426.27
Refer note no. 39 for liquidity risk			
Refer note no. 36 for nature of security and terms of repayment			
Secured borrowings include prepaid finance charges			
18 Trade Payables			
Trade payable - Micro and small enterprises*	-	-	-
Trade payable - Other than micro and small enterprises	13,807.08	12,678.81	13,921.74
Total Trade Payables	13,807.08	12,678.81	13,921.74
* Based on the information available with the group Company, there are no dues outstanding in respect of Micro, Small and Medium Enterprises as of Balance Sheet date.			
Refer note 39 for information about liquidity risk and of trade payables.			
19 Other financial liabilities			
19(a) Non-current			
Security deposits	162.16	283.76	256.09
Total non-current other financial liabilities	162.16	283.76	256.09
19(b) Current			
Current maturities of borrowings	-	6.56	7.45
Unpaid dividends	194.64	18.17	18.51
Interest accrued but not due on borrowings	1,574.35	2,720.52	4,430.81
Security deposits	308.32	740.96	481.83
Payable in respect of capital expenditure / investment	-	-	4,715.81
Total current other financial liabilities	2,077.31	3,486.21	9,654.41
Refer note no. 39 for information about liquidity risk			
20 Provisions			
20(a) Non-current			
Gratuity	46.12	49.48	38.63
Leave obligation	36.56	39.97	5.11
Total Non-current provisions	82.68	89.45	43.74
20(b) Current			
Provision for project expenses	32.74	7,515.08	1,977.50
Gratuity	3.10	1.00	2.69
Leave obligation	3.22	1.72	5.02
Total Current provisions	39.06	7,517.80	1,985.21
21 Other current liabilities			
Statutory dues	641.88	820.80	2,133.26
Advance received from customers	2,438.89	3,363.05	1,24,044.71
Advance received towards society maintenance	5,535.21	4,376.41	376.32
Amount payable towards flat cancellation	-	200.99	-
Unearned Rent Income	9.60	38.09	61.06
Billed in advance	57,273.75	92,800.27	5,820.81
Debenture Redemption Premium Payable	-	-	2,539.97
Others	-	12.97	8.87
Total other current liabilities	65,899.33	1,01,612.58	1,34,985.00

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
22 Revenue from Operations		
Sale of Products		
Sales of residential and commercial units	87,993.42	23,079.75
Sale of services		
Rent from properties	789.33	817.21
Project management fees	-	361.18
Maintenance services	42.29	78.72
Other operating revenues		
Divestment of stake (subsidiary) in a project	6,394.61	-
Total Revenue from Operations	95,219.65	24,336.86
23 Other Income		
Interest income from		
Fixed deposit with banks	249.60	62.80
Loans and Advances	104.40	128.84
Non - current Investments	97.88	95.19
Others	50.55	422.37
Dividend income from current investments	2.33	2.21
Sundry balances written back (Net)	56.46	-
Net gain on sale of long term investments	-	-
Gain on Fair Valuation of Debentures (through profit and loss)	229.60	1,067.11
Other income	25.56	9.71
Total Other Income	816.38	1,788.23
24 Operating Costs		
Opening work-in-progress	2,37,933.13	2,56,741.74
Opening Completed units	75,023.30	33,432.63
Total (A)	3,12,956.43	2,90,174.37
Cost of construction materials consumed		
Opening Inventory	-	-
Add: Purchase during the year	3,100.97	4,610.31
Less: Closing Inventory	1,126.84	-
Total (B)	1,974.13	4,610.31
Other Project Cost		
Contractor Cost	7,797.58	15,249.91
Legal and Professional fees	164.95	522.02
Finance cost	5,417.32	11,470.83
Employee benefits expenses	942.39	1,643.11
Rates and taxes	3,052.78	8,459.44
Brokerage & Commission	2,019.89	218.44
Other expenses	1,278.01	154.06
Total (C)	20,672.92	37,717.81
Closing work-in-progress	2,13,706.37	2,37,933.13
Closing Completed units	65,339.26	75,023.30
Total (D)	2,79,045.63	3,12,956.43
Total (A+B+C-D)	56,557.85	19,546.06
25 Employee benefits expense		
Salaries and wages	1,236.31	930.33
Contribution to provident and other funds	34.35	20.03
Staff welfare expenses	4.94	0.59
Share based payment to employees	10.98	41.47
Total Employee benefits expense	1,286.58	992.42
26 Finance costs		
Interest expenses	3,712.08	660.32
Other borrowing costs	829.34	1,027.43
Bank Charges	10.99	-
Total Finance costs	4,552.41	1,687.75
27 Depreciation and amortisation expense		
Depreciation of Property, Plant and Equipment (refer note no. 3)	190.16	187.06
Depreciation on Investment properties (refer note no. 4)	29.96	29.96
Amortization on Intangible assets (refer note no. 5)	6.89	5.57
Total Depreciation and amortisation expense	227.01	222.59

SUNTECK REALTY LIMITED

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
28 Other expenses		
Advertising expenses	359.31	280.74
Payment to auditors	26.89	19.48
Business promotion expenses	66.22	78.81
Director's sitting fees	4.35	3.06
Electricity expenses	55.95	100.61
Exchange rate difference (Net)	397.55	23.62
Legal and professional fees	521.49	277.94
Membership fees and entrance fees	16.61	18.49
Rates and taxes	239.60	108.35
Repairs and maintenance		
- to building	19.83	45.21
- to others	14.47	16.20
Telephone and communication expenses	20.89	20.95
Traveling and conveyance expenses	29.81	37.70
Insurance	18.96	12.99
Rent	169.12	177.17
Donation	1.05	1.50
Contribution towards CSR Activity (refer note no. 45)	70.60	15.08
Fixed assets / non-current investment written off	-	1.69
Discount on Resale of Unit	329.39	-
Loss on sale of non-current investment	115.86	-
Miscellaneous expenses	90.20	166.85
Total Other Expenses	2,568.15	1,406.44

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

29 Income tax expense

This note provides an analysis of the group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax positions.

Tax expense recognised in the Statement of Profit and Loss

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
(a) Income tax expense		
Current tax on profits for the year	8,671.43	8,148.20
Adjustments for current tax of prior periods	5.23	1.61
Total current tax expense	8,676.66	8,149.81
Deferred tax charge/(credit) - P&L	81.20	(8,781.69)
Other Comprehensive Income-Remeasurments of net defined benefit plans	-	2.42
Mat Credit(taken)/utilised	(37.60)	-
Total deferred tax expense/(benefit)	43.60	(8,779.27)
Income tax expense	8,720.26	(629.46)

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Enacted income tax rate in India applicable	34.608%	34.608%
Profit before income tax expense	30,334.28	2,100.41
Current Tax Expense on Profit/(Loss) before tax expenses at enacted income tax rate in India	10,498.09	726.91
Tax effects of :		
Disallowable expenses	44.36	82.83
Exempt income	(2,213.85)	(23.58)
Share of loss in associate and joint ventures	176.41	58.63
Unabsorbed losses of certain entities of the group	743.77	607.26
Difference in tax rates for certain entities of the group	(25.59)	(4.09)
Tax in respect of earlier years	5.23	1.61
Other items	(508.16)	(2,079.03)
Income tax expense	8,720.26	(629.46)

Consequent to reconciliation items shown above, the effective tax rate is 28.75% (2015-16 : Nil).

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

30 Contingent Liabilities and Commitments

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a. Contingent Liabilities (to the extent not provided for)			
Disputed Income Tax matters	2,443.21	2,496.69	2,375.74
b. The group's pending litigations comprise mainly claims against the Group, proceedings pending with Tax and other Authorities and certain litigation for property acquired by it for construction purposes, through outright purchases, the impact of which is not quantifiable. The group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its consolidated financial statements. The group does not reasonably expect the outcome of these proceedings to have a material impact on its consolidated financial statements.			

31 Leases

1 As a Lessor

- a. The Group has given offices and other facilities under "non-cancellable operating leases", which are renewable on a periodic basis with escalation as per agreement. All the initial direct income/payment relating to lease are charged to Statement of Profit and Loss.

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
b. Premises given on operating lease:			
The total future minimum lease rentals receivable at the balance sheet date is as under:			
For a period not later than one year	288.14	272.33	419.97
For a period later than one year and not later than five years	185.00	79.00	351.33
For a period later than five years	-	-	
c. Lease income (including income in respect of certain cancellable leases) recognised in statement of profit and loss for the year ended 31st March, 2017 is Rs. 780.00 lakhs, (previous year Rs. 752.65 lakhs)			

- d. Gross carrying amount of Investment in Property given on lease is Rs. 2,133.15 lakhs as on 31st March, 2017 (31st March, 2016 Rs. 2,529.70 lakhs; 1st April, 2015 Rs. 2,559.66 lakhs).

2 As a Lessee

The Group has taken certain premises under cancellable operating lease. These lease agreements are normally renewed on expiry. The rental expenditure is accounted for in statement of profit and loss of the Group in accordance with Ind AS-17 on lease transactions.

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

32 Employee benefit obligations

(Rs. in lakhs)

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
Leave obligations (i)	3.22	36.56	39.78	1.72	39.97	41.69	5.02	5.11	10.13
Gratuity (ii)	3.10	46.12	49.22	1.00	49.48	50.48	2.69	38.63	41.32
Total	6.32	82.68	89.00	2.72	89.45	92.17	7.71	43.74	51.45

(i) **Leave obligations**

The leave obligations cover the Group's liability for sick and earned leave.

The amount of the provision of Rs. 3.22 lakhs (31st March, 2016 Rs. 1.72 lakhs, 1st April, 2015 Rs. 5.02 lakhs) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

(ii) **Post-employment obligations**

Gratuity

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

(iii) **Defined contributions plans**

The group also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. Amount recognized as an expense during the period towards defined contribution plan is Rs. 34.35 lakhs (Previous Year - Rs. 20.03 lakhs).

Balance sheet amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017			Year ended 31st March, 2016		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
As at 1st April	50.48	-	50.48	41.32	-	41.32
Current service cost	13.62	-	13.62	20.97	-	20.97
Interest expense/(income)	3.24	-	3.24	3.13	-	3.13
Total amount recognized in profit or loss	16.86	-	16.86	24.10	-	24.10
Remeasurements	-	-	-	-	-	-
Return on plan assets, excluding amounts included in interest	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	3.29	-	3.29	(0.39)	-	(0.39)
Experience (gains)/losses	(19.29)	-	(19.29)	(14.22)	-	(14.22)
Total amount recognised in other comprehensive income	(16.00)	-	(16.00)	(14.61)	-	(14.61)
Employer contributions	(2.12)	-	(2.12)	(0.33)	-	(0.33)
Benefit payments	-	-	-	-	-	-
As at 31st March	49.22	-	49.22	50.48	-	50.48

Particulars	(Rs. in lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unfunded plans	49.22	50.48	41.32
Deficit of gratuity plan	49.22	50.48	41.32

(iv) **Post-Employment benefits (gratuity)**

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Discount rate	7.52%	8.08%	8.00%
Attrition rate	2.00%	2.00%	2.00%
Salary escalation rate	6.50%	6.50%	6.50%

(v) **Sensitivity analysis**

(Rs. in lakhs)

Particulars	(Rs. in lakhs)	
	As at 31st March, 2017	As at 31st March, 2016
Projected Benefit Obligation on Current Assumptions	49.22	50.48
Delta Effect of +0.5% Change in Rate of Discounting	(2.95)	(2.38)
Delta Effect of -0.5% Change in Rate of Discounting	3.23	2.59
Delta Effect of +0.5% Change in Rate of Salary Increase	3.25	2.62
Delta Effect of -0.5% Change in Rate of Salary Increase	(2.99)	(2.42)
Delta Effect of +0.5% Change in Rate of Employee Turnover	0.15	0.11
Delta Effect of -0.5% Change in Rate of Employee Turnover	(0.17)	(0.14)

Additional Details	
Methodology Adopted for Assured Life Mortality (ALM) -	Projected Unit Credit Method
Usefulness and Methodology adopted for Sensitivity analysis -	Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.
Stress Testing of Assets -	Not Applicable - as benefit is unfunded
Investment Strategy -	Not Applicable - as benefit is unfunded
Comment on Quality of Assets -	Not Applicable - as benefit is unfunded
Management Perspective of Future Contributions -	Not Applicable - as benefit is unfunded

(vi) **Defined benefit liability and employer contribution**

The weighted average duration of the defined benefit obligation is 14 years as on 31st March 2017 (14 years as on 31st March, 2016). The expected maturity analysis of undiscounted gratuity is as follows:

(Rs. in lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31st March, 2017					
Defined benefit obligation (gratuity)	3.10	1.06	4.40	24.24	32.80
As at 31st March, 2016					
Defined benefit obligation (gratuity)	0.69	1.98	3.37	11.07	17.12

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

33 Earnings per share

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Earning Per Share has been computed as under :		
Profit for the year (Rs.in lakhs) (A)	20,395.71	2,296.80
Weighted average number of equity shares (B)	5,99,66,207	5,99,66,207
Add : Potential equity shares on account of share application money pending allotment	5,977	-
Weighted average number of Equity shares adjusted for the effect of dilution (C)	5,99,72,184	5,99,66,207
Basic EPS (Amount in Rs.) (A/B) (Face value of Rs. 2 per share)	34.01	3.83
Diluted EPS (Amount in Rs.) (A/C) (Face value of Rs. 2 per share)	34.01	3.83

34 Disclosure in Respect of Specified Bank Notes Held and Transacted :

Particulars	Specified Bank Notes (SBNs)	Other denomination notes & Coins	Total
Closing cash in hand as on 8th November, 2016	33.50	352.60	386.10
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount Deposited in Banks	33.50	-	33.50
Closing cash in hand as on 30th December , 2016	-	-	352.60

(Rs. in lakhs)

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

The disclosures with respects to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on 30th December, 2016 is understood to be applicable in case of SBNs only.

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

35 Share-based payments

(a) Employee option plan

The establishment of the Sunteck Realty Limited Employee Option Plan (ESOP 2013) was approved by shareholders of the holding Company at the annual general meeting held on 28th March, 2013. The ESOP 2013 is designed to provide incentives to eligible directors and employees of the Company and its subsidiaries, the details of which are given here under :

No. of options granted	3,53,851
Grant date	1st October, 2013
Grant Price (per share)	295
Graded vesting plan :	
Series 1	25% every year, commencing after one year from the grant date 1st October, 2013 (i.e. 30th September, 2014)
Series 2	25% every year, commencing after two years from the grant date 1st October, 2013 (i.e. 30th September, 2015)
Maximum exercise period	7 years from the date of grant

When exercisable, each option is convertible into one equity share. The exercise price of the options is based on the weighted average exercise price which the Company's shares were traded on the stock exchange during the week up to and including the date of the grant. Options are granted under the plan for no consideration and carry no dividend or voting rights.

Set out below is a summary of options granted under the plan:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Average exercise price per share option	Number of units	Average exercise price per share option	Number of units
Opening balance	295	1,11,123	295	2,59,204
Granted during the year	-	-	-	-
Exercised during the year	295	(26,528)	-	-
lapsed during the year	295	(7,866)	295	(35,064)
Forfeited during the year	295	(7,073)	295	(1,13,017)
Closing balance	295	69,656	295	1,11,123
Vested and exercisable	295	34,396	295	36,547

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Vesting Date	Expiry date	Exercise price	Share options 31st March, 2017	Share options 31st March, 2016	Share options 1st April, 2015
01-10-2014	31-03-2016	295	-	-	55,215
01-10-2015	31-03-2017	295	-	36,547	64,801
01-10-2016	31-03-2018	295	34,396	36,547	64,801
01-10-2017	31-03-2019	295	34,395	36,546	64,801
01-10-2018	31-03-2020	295	865	1,483	9,586
Total			69,656	1,11,123	2,59,204
Weighted average remaining contractual life of options outstanding at end of year			1.52	2.03	2.65

(i) Fair value of options granted

The Fair Value of options granted during under the ESOP Scheme -

Date of Grant	Series	Option Fair Value (in Rs.)
01-10-2013	Series 1	117.86
01-10-2013	Series 2	134.96

The fair value at grant date is determined by a valuer using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of each option is estimated on the date of grant based on the following assumptions :

Volatility*	41.70%
Dividend yield	0.05%
Risk - free interest rate	8.00%

*The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(ii) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in Statement of Profit and Loss as part of employee benefit expense were as follows:

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Employee option plan	11.19	34.62

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

36 Nature of Security and terms of repayment

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	Interest Rate	Security details	Repayment terms
(A) Long-Term Borrowings						
Non Convertible Debentures						
a) 2,000 (31st March 2016 : 2,000, 1st April 2015 : Nil) Non-Convertible Debentures Series "D" of Rs. 100,000 each	2,000.00	2,000.00	-	11.75%	a) First pari passu charge by way of mortgage over certain immovable property situated Vileparle (East), Mumbai.	Redeemable at par on 13th January, 2020
b) 1,000 (31st March 2016 : 1,000, 1st April 2015 : Nil) Non-Convertible Debentures Series "C" of Rs. 100,000 each	1,000.00	1,000.00	-	11.75%	b) First pari passu charge on unsold inventory including escrow of rent receivables (both present and future) from the above mentioned mortgaged properties.	Redeemable at par on 13th January, 2019
Others						
Kotak Mahindra Prime Ltd	-	-	6.56	9.75%	Secured by hypothecation of car	Tenure 3 years from date of agreement i.e. 26th February, 2014.
(B) Short-Term Borrowings						
Secured Loans						
Non-Convertible Debentures (NCD)						
a) 500 (31st March 2016 : 1,000, 1st April 2015 : Nil) Non-Convertible Debentures Series "B" of Rs. 100,000 each	500.00	-	-	11.75%	a) First pari passu charge by way of mortgage over certain immovable property situated Vileparle (East), Mumbai.	Redeemable at par on 13th January, 2018
b) 2,000 (Previous year Nil) Non-Convertible Debentures Series "A" of Rs. 100,000 each	-	2,000.00	-	11.75%	b) First pari passu charge on unsold inventory including escrow of rent receivables (both present and future) from the above mentioned mortgaged properties.	Redeemable at par on 13th January, 2017
Term Loans from Banks						
Term Loan	2,998.10	1,998.09	-	9 - 11%	First mortgage charge over the property (i.e land situated at Andheri, in the name of Poonam CHS, to be developed by the Company for Project - Signia Pride) and the rights to develop the said property. Charge on all present and future current assets relating to the said project.	Repayable in 5 quarterly installments commencing from July - September 2017.
Term Loan	26,949.38	23,015.93	12,962.93	10 - 12%	First mortgage charge over the property (i.e project land and structure thereon of project "Sunteck City" situated at Goregaon and assignment of receivables from the project.	Repayment in 8 installments after 41th month of loan i.e. for Avenue 2- April 2019 and for Avenue 1 - July 2018
Term Loan	8,059.46	18,197.65	18,132.34	10 - 12%	First mortgage charge over the property (i.e project land and structure thereon of project "Signia Pearl" situated at "Bandra" and assignment of receivables from the project.	Repayable in 18 monthly installments for : tranche-I commencing from 15th December, 2015 Repayable in 12 monthly installments for: tranche-II commencing from 15th January, 2018.
Term Loan	7,721.28	15,758.11	14,055.75	2.2%+Libor	Term loan facility of USD 5.25 Crore sanctioned from Deutsche Bank secured by way of Stand-by Letter of Credit (SBLC) facility.	Repayment of first installment equivalent to 10% of first disbursement and second installment equivalent to 10% of second disbursement after 12th and 18th month from the 2nd July, 2014 respectively, thereafter, four equal half yearly installments equivalent to 22.5% of the outstanding loan amount starting from the 24th month from the 2nd July, 2014.
Term Loan	-	4,475.16	20,165.20	12% - 14%	First mortgage charge over the property (i.e project land and structure thereon of project "Signia Isles" situated at "Bandra" and assignment of receivables from the project.	Repayable in 7 monthly installments commencing from 30th month of loan.

Term Loan From others							
Term Loan	3,369.19	8,248.63	5,450.00	13 - 14%	First mortgage charge over the property (i.e project land and structure thereon of project "Signia High" situated at Borivali and assignment of receivables from the project - Signia High	Repayable in 18 monthly installments commencing from 19th month of loan i.e. September 2016	
Term Loan	1,747.89	-	-	10 - 12%	(i) Registered mortgage of identified /demarcated unsold area admeasuring 1941.94 sq mtrs of saleable area as part of Basement , ground , Mezzanine and entire 6th Floor (hereinafter referred to as Identified Area) of commercial project "Sunteck Grandeur" at West side of Swami Vivekanand Road at Taluka Andheri in the Bombay Suburban District bearing N.A. No.61 (part) C.T.S. No. 42, Andheri West, Mumbai.(the area to be mortgaged shall be demarcated and identified in the plan) (Security coverage is to be maintained minimum at 1.50 times of the Outstanding loan at all times) (ii) Hypothecation of future receivables from the Identified Area of commercial project "Sunteck Grandeur" of approximately Rs. 31 crores at Swami Vivekanand Road, Navneeth Colony , Amboli , Andheri West, Mumbai (iii) Registration of charge with ROC	Repayable in 36 Monthly installments starting from 30th September 2016	
Term Loan	2,500.00	-	-	10 - 12%	(a) First and Exclusive charge by way registered mortgage on the leasehold land located at R-1.1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 alongwith: - 27 unsold units constructed/being constructed thereon - Balance receivables from locked sales - Future FSI of 5,641.27 sq.mts of area proposed to be used to construct from 21st to 24th Floors collectively forming part of project known as 'Signia Pearl' (b) Escrow of receivables from sale/lease/transfer of properties offered as security. (Charge has not been created till 31st March, 2017)	Repayable in 24 monthly installments commencing from 25th month of loan.	
Term Loan	13,606.97	-	-	10 - 12%	a) Exclusive charge by way of registered mortgage on all the pieces and parcels of leasehold land (with all buildings and structures thereon both present and future), and receivable from the project "Signia Pearl" situated at Bandra Kurla Complex, Mumbai	Repayment in 24 monthly Installments commencing on 15th December, 2017.	
Term Loan	6,500.00	-	-	10% - 11%	(i) Mortgage of project financed "Sunteck City" being constructed on land located, at Ram Mandir Road, off SV Road, Goregaon West, Mumbai and receivables/ Cash flows/Revenues including booking amounts arising out of or in connection with or relating to the projects.	48 months from the date of first disbursement i.e. 5th Jan 2017.(Redcution in limits starts from May 2020)	
Bank Overdraft	1,945.89	1,634.42	1,538.93	8%-10%	Secured by way of mortgage of a portion of 4th floor in wing A and wing B of the building "Sunteck Centre" situated in Vile Parle.	Annually Renewable	
Bank Overdraft	-	67.36	-	13 - 14%	First mortgage charge over the property (i.e project land and structure thereon of project "Signia Pearl" situated at "Bandra" and assignment of receivables from the project.	Limit gets reduced by Rs. 10 Crores starting from 15th Jan 2017 till 15 th May 2017	
Unsecured Loans							
Non Convertible Debentures (NCD)	-	-	8,076.44	0.01%		Repayable in 4 years from the Closing date i.e 14th December 2015	
Optionally Convertible Debentures (OCD)	-	-	8.99	0.01%			
From Body Corporates	-	3,038.50	13,413.37	10-15%	NA		
From Body Corporates	125.00	9,021.00	500.00	0.00%			
From Related Parties	9,457.84	27,341.51	13,448.32	10-15%		Repayable on demand	
From Related Parties	7,111.50	6,450.44	6.03	0			

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

37 Related Party Disclosures under Ind AS 24

1 Relationships:

a Joint Ventures

GGICO Sunteck Limited
Piramal Sunteck Realty Private Limited
Uniworth Realty LLP
Nariman Infrastructure LLP
Pathway Buildcon LLP (upto 24th March, 2017)
Assable Buildcon LLP (upto 24th March, 2017)
Kanaka and Associates (Partnership firm)

b Associates

Topzone Mercantile Company LLP (upto 1st October, 2016)

c Key Managerial Personnel:

Mr. Kamal Khetan – Chairman & Managing Director
Mr. Jignesh Sanghavi - Executive Director (Retired on 29th September, 2015)
Mr. Atul Poopal – Executive Director (From 29th September, 2015)
Mr. Sumesh Mishra – Chief Operating Officer (From 29th May, 2015)
Mrs. Rachana Hingarajia - Company Secretary

d Relatives of KMP and entities over which KMP with his relative having significant influence:

Jignesh Sanghvi (HUF)
Mrs.Manisha Khetan (Wife of Mr. Kamal Khetan)
Nivedita Mercantile and Financing Limited
SW Capital Private Limited
SW Commodities Private Limited
Stardeck Infraprojects Private Limited
SW Investment Limited

2 Transactions during the year

(Rs. in lakhs)

Particulars	Associates / Joint Venture		Key Managerial Personnel / Entities over which Key Managerial Personnel with his relative having significant influence	
	Year ended	Year ended	Year ended	Year ended
	31st March, 2017	31st March, 2016	31st March, 2017	31st March, 2016
a Sale of Commercial Units				
SW Capital Private Limited	-	-	1,320.16	-
SW Investment Limited	-	-	1,370.33	-
b Rent Income				
Nivedita Mercantile and Financing Limited	-	-	3.00	-
S W Capital Private Limited	-	-	16.52	40.59
S W Commodities Private Limited	-	-	4.84	13.53
SW Investment Ltd	-	-	3.00	-
Stardeck Infraprojects Private Limited	-	-	-	23.52
c Shares of profit/(Loss)				
Assable Buildcon LLP	(0.04)	(0.04)	-	-
Pathway Buildcon LLP	(0.04)	(0.04)	-	-
Piramal Sunteck Realty Private Limited	(370.65)	(1,259.40)	-	-
GGICO Sunteck Limited	(139.11)	(262.07)	-	-
Topzone Mercantile Company LLP	#0.00	1,352.05	-	-
d Interest income				
Nivedita Mercantile and Financing Limited	-	-	158.92	222.59
Piramal Sunteck Realty Private Limited	95.09	95.19	-	-
e Other income				
S W Capital Private Limited	-	-	-	1.44
f Interest expenses				
Nivedita Mercantile and Financing Limited	-	-	1,488.31	1,247.18
g Brokerage paid on purchase of Investments				
S W Capital Private Limited	-	-	-	0.87
h Reimbursement of expenses incurred by the Company for				
S W Capital Private Limited	-	-	-	0.27
Piramal Sunteck Realty Private Limited	3.14	-	-	-
Kanaka & Associates (refer note no. 49)	40.74	154.28	-	-
i Reimbursement of expenses incurred on behalf of the Company by				
Piramal Sunteck Realty Private Limited	176.25	8.08	-	-
j Sale of Investment				
Topzone Mercantile Company LLP	-	0.71	-	-
Assable Buildcon LLP	0.50	-	-	-
Pathway Buildcon LLP	0.50	-	-	-
k Current Investment - LLP - current capital (Net)				
Assable Buildcon LLP	(0.07)	(0.04)	-	-
Nariman Infrastructure LLP	5.20	5.00	-	-
Topzone Mercantile Company LLP	(2,104.72)	2,121.77	-	-
Uniworth Realty LLP	12.30	9.72	-	-
l Loans and advances given				
Nivedita Mercantile and Financing Limited	-	-	2,078.50	9,486.64
m Loans taken				
Nivedita Mercantile and Financing Limited	-	-	14,883.73	40,825.17
Stardeck Infraprojects Private Limited	-	-	-	6,360.42
n Security deposit received				
SW Investment Ltd	-	-	1.50	-
Nivedita Mercantile and Financing Limited	-	-	1.50	-

3 Outstanding balances at the year end

(Rs. in lakhs)

Particulars	Associates / Joint Venture			Key Managerial Personnel / Entities over which Key Managerial Personnel with his relative having significant influence		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a Security deposit payable						
S W Capital Private Limited	-	-	-	165.00	180.00	180.00
SW Investment Ltd	-	-	-	1.50	-	-
Nivedita Mercantile and Financing Limited	-	-	-	1.50	-	-
b Payable in respect of purchase of investment (including brokerage)						
S W Capital Private Limited	-	-	-	-	-	4,713.99
c Loans taken						
Nivedita Mercantile and Financing Limited	-	-	-	9,457.84	15,481.67	1,402.18
Piramal Sunteck Realty Private Limited	-	-	-	662.86	11,859.84	12,046.14
GGICO Sunteck Limited	-	-	-	88.21	90.02	-
Stardeck Infraprojects Private Limited	-	-	-	6,360.42	6,360.42	-
Manisha Khetan	-	-	-	-	-	6.03
d Interest accrued but not due on borrowings						
Nivedita Mercantile and Financing Limited	-	-	-	1,339.48	1,115.07	79.97
e Investment in Associates/Joint-Venture						
Kanaka & Associates (refer note no. 49)	500.00	500.00	500.00	-	-	-
Topzone Mercantile Company LLP	#0.00	#0.00	754.01	-	-	-
Piramal Sunteck Realty Private Limited	2,845.32	2,845.32	2,845.32	-	-	-
Assable Buildcon LLP	-	0.50	0.50	-	-	-
Nariman Infrastructure LLP	1.00	1.12	1.12	-	-	-
Pathway Buildcon LLP	-	0.50	0.50	-	-	-
Uniworth Realty LLP	0.50	0.50	0.50	-	-	-
f Trade receivables						
Mr. Kamal Khetan	-	-	-	11.24	2,339.81	215.00
Mrs. Manisha Khetan	-	-	-	-	1,878.73	1,374.50
Mr. Jignesh Sanghavi	-	-	-	-	-	125.00
Mr. Sumesh Mishra	-	-	-	1.50	140.81	-
S W Capital Private Limited	-	-	-	1.54	0.54	0.54
Piramal Sunteck Realty Private Limited	503.89	-	-	-	-	-
g Reimbursement receivable						
Kanaka & Associates (refer note no. 49)	3.72	3.72	-	-	-	-
h Reimbursement Payable						
Piramal Sunteck Realty Private Limited	-	0.57	-	-	-	-
i Loans and advances given						
Kanaka & Associates (refer note no. 49)	190.79	150.05	-	-	-	-
Nivedita Mercantile and Financing Limited	-	-	-	-	5,860.95	70.27
GGICO Sunteck Limited	-	-	-	3,424.62	3,494.60	-
S W Capital Private Limited	-	-	-	-	-	0.02
Mr. Sumesh Mishra	-	-	-	12.00	12.00	-
j Interest receivable on investment (Debentures)						
Piramal Sunteck Realty Private Limited	-	178.92	-	-	-	-
k Investment in current capital						
Topzone Mercantile Company LLP	292.96	2,397.68	275.91	-	-	-
Kanaka & Associates (refer note no. 49)	207.54	207.54	207.54	-	-	-
Assable Buildcon LLP	-	0.07	0.11	-	-	-
Nariman Infrastructure LLP	4,428.55	4,423.35	4,418.35	-	-	-
Pathway Buildcon LLP	-	0.06	0.10	-	-	-
Uniworth Realty LLP	503.38	491.08	481.35	-	-	-
l Salary payable						
Kamal Khetan	-	-	-	104.59	126.88	59.65
Atul Poopal	-	-	-	4.05	5.86	-
Rachana Hingarajia	-	-	-	1.42	1.32	-
Sumesh Mishra	-	-	-	5.92	3.91	-

4 Key managerial personnel compensation

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Short-term employee benefits		
a Remuneration		
Kamal Khetan	312.05	287.86
Jignesh Sanghavi	-	28.48
Atul Poopal	100.00	37.50
Rachana Hingarajia	17.95	19.54
Sumesh Mishra	105.88	64.30
Total	535.88	437.68

Notes:

- (i) No balances in respect of the related parties has been provided for/written off / written back, except what is stated above,
(ii) The provisions of Section 186 of the Companies Act, 2013 with respect to loans made, guarantee given or security provided, are not applicable to the Group, since the Group is engaged in the business of providing infrastructure facilities.
(iii) Related party relationship is as identified by the management and relied upon by the auditors.
(iv) # less than Rs. 1,000

5 Disclosure of accounts at the year end and maximum amount of loans & advances outstanding during the year are as follows:

(Rs. in lakhs)

Particulars	As at 31st March, 2017	Maximum outstanding during the year	As at 31st March, 2016	Maximum outstanding during the year
Name of the entity				
Loans and advances receivable				
Nivedita Mercantile and Financing Limited	-	6,996.70	5,860.95	7,064.16
GGICO Sunteck Limited	3,424.62	3,424.62	3,494.60	3,494.60
None of the above mentioned parties hold shares of the Parent Company				

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

38 Fair value measurements

(i) Fair value hierarchy

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of discounted cash flow for fair value at amortised cost

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March, 2017	Routed through Profit and loss				Routed through OCI				Carried at amortised cost				Total
	Level 1	Level 3	Carrying amount	Total	Level 1	Level 3	Carrying amount	Total	Level 1	Level 3	Carrying amount	Total	
Financial assets													
Investments													
- Equity instruments													
Quoted	-	-	-	-	5.87	-	-	5.87	-	-	-	-	5.87
Unquoted	-	-	-	-	-	-	77.60	77.60	-	-	-	-	77.60
- Debentures													
Unquoted	-	9,647.52	-	9,647.52	-	-	-	-	-	-	-	-	9,647.52
Trade receivables	-	-	-	-	-	-	-	-	-	16,092.83	16,092.83	16,092.83	16,092.83
Loans to Related Parties	-	-	-	-	-	-	-	-	-	3,645.62	3,645.62	3,645.62	3,645.62
Loans to Employees	-	-	-	-	-	-	-	-	-	36.68	36.68	36.68	36.68
Other advances and receivables	-	-	-	-	-	-	-	-	-	54.69	54.69	54.69	54.69
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	6,055.75	6,055.75	6,055.75	6,055.75
Other Bank Balances	-	-	-	-	-	-	-	-	-	25,240.77	25,240.77	25,240.77	25,240.77
Security deposits	-	-	-	-	-	-	-	-	-	1,625.68	1,625.68	1,625.68	1,625.68
Accrued Interest	-	-	-	-	-	-	-	-	-	51.49	51.49	51.49	51.49
Unbilled Revenue	-	-	-	-	-	-	-	-	-	5,971.50	5,971.50	5,971.50	5,971.50
Total financial assets	-	9,647.52	-	9,647.52	5.87	-	77.60	83.47	-	-	36,319.57	36,319.57	46,050.56
Financial liabilities													
Non Convertible Debentures	-	-	-	-	-	-	-	-	-	3,457.05	3,457.05	3,457.05	3,457.05
Loans from Bank and others	-	-	-	-	-	-	-	-	-	72,298.13	72,298.13	72,298.13	72,298.13
Bank Overdraft	-	-	-	-	-	-	-	-	-	1,945.88	1,945.88	1,945.88	1,945.88
Loans from related parties	-	-	-	-	-	-	-	-	-	16,569.33	16,569.33	16,569.33	16,569.33
Trade payables	-	-	-	-	-	-	-	-	-	13,807.08	13,807.08	13,807.08	13,807.08
Security deposits	-	-	-	-	-	-	-	-	-	470.49	470.49	470.49	470.49
Unpaid dividends	-	-	-	-	-	-	-	-	-	194.64	194.64	194.64	194.64
Interest accrued but not due on borrowings	-	-	-	-	-	-	-	-	-	1,574.35	1,574.35	1,574.35	1,574.35
Total financial liabilities	-	-	-	-	-	-	-	-	-	1,10,316.95	1,10,316.95	1,10,316.95	1,10,316.95

(Rs. in lakhs)

Financial Assets and Liabilities as at 31st March, 2016	Routed through Profit and loss				Routed through OCI				Carried at amortised cost				Total
	Level 1	Level 3	Carrying amount	Total	Level 1	Level 3	Carrying amount	Total	Level 1	Level 3	Carrying amount	Total	
Financial assets													
Investments													
- Equity instruments													
Quoted	-	-	-	-	3.92	-	-	3.92	-	-	-	-	3.92
Unquoted	-	-	-	-	-	-	67.01	67.01	-	-	-	-	67.01
- Debentures													
Unquoted	-	-	9,149.77	9,149.77	-	-	-	-	-	-	-	-	9,149.77
Trade receivables	-	-	-	-	-	-	-	-	-	15,901.12	15,901.12	15,901.12	15,901.12
Loans to Related Parties	-	-	-	-	-	-	-	-	-	9,505.59	9,505.59	9,505.59	9,505.59
Loans to Employees	-	-	-	-	-	-	-	-	-	19.81	19.81	19.81	19.81
Other advances and receivables	-	-	-	-	-	-	-	-	-	438.50	438.50	438.50	438.50
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	6,569.25	6,569.25	6,569.25	6,569.25
Other Bank Balances	-	-	-	-	-	-	-	-	-	2,596.14	2,596.14	2,596.14	2,596.14
Security deposits	-	-	-	-	-	-	-	-	-	237.99	237.99	237.99	237.99
Accrued Interest	-	-	-	-	-	-	-	-	-	233.23	233.23	233.23	233.23
Unbilled Revenue	-	-	-	-	-	-	-	-	-	12,991.19	12,991.19	12,991.19	12,991.19
Total financial assets	-	-	9,149.77	9,149.77	3.92	-	67.01	70.93	-	-	48,492.82	48,492.82	57,713.52
Financial liabilities													
Non Convertible Debentures	-	-	-	-	-	-	-	-	-	5,404.90	5,404.90	5,404.90	5,404.90
Loans from Bank and others	-	-	-	-	-	-	-	-	-	70,431.08	70,431.08	70,431.08	70,431.08
Bank Overdraft	-	-	-	-	-	-	-	-	-	1,701.79	1,701.79	1,701.79	1,701.79
Loans from related parties	-	-	-	-	-	-	-	-	-	33,791.95	33,791.95	33,791.95	33,791.95
Trade payables	-	-	-	-	-	-	-	-	-	12,678.81	12,678.81	12,678.81	12,678.81
Security deposits	-	-	-	-	-	-	-	-	-	1,024.72	1,024.72	1,024.72	1,024.72
Unpaid dividends	-	-	-	-	-	-	-	-	-	18.17	18.17	18.17	18.17
Interest accrued but not due on borrowings	-	-	-	-	-	-	-	-	-	2,720.52	2,720.52	2,720.52	2,720.52
Total financial liabilities	-	-	-	-	-	-	-	-	-	1,27,771.94	1,27,771.94	1,27,771.94	1,27,771.94

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

Financial Assets and Liabilities as at 1st April, 2015	Routed through Profit and loss				Routed through OCI				Carried at amortised cost				Total
	Level 1	Level 3	Carrying amount	Total	Level 1	Level 3	Carrying amount	Total	Level 1	Level 3	Carrying amount	Total	
Financial assets													
Investments													
- Equity instruments													
Quoted	-	-	-	-	4.06	-	-	4.06	-	-	-	-	4.06
Unquoted	-	-	-	-	-	-	81.19	81.19	-	-	-	-	81.19
- Debentures													
Unquoted	-	-	8,175.93	8,175.93	-	-	-	-	-	-	-	-	8,175.93
Trade receivables											20,786.27	20,786.27	20,786.27
Loans to Related Parties											70.40	70.40	70.40
Loans to Employees											14.00	14.00	14.00
Other advances and receivables											15.00	15.00	15.00
Cash and cash equivalents											10,242.84	10,242.84	10,242.84
Other Bank Balances											570.01	570.01	570.01
Security deposits											219.59	219.59	219.59
Accrued Interest											16.82	16.82	16.82
Unbilled Revenue											61,125.99	61,125.99	61,125.99
Total financial assets	-	-	8,175.93	8,175.93	4.06	-	81.19	85.25	-	-	93,060.92	93,060.92	1,01,322.10
Financial liabilities													
Loans from Bank and others											69,434.18	69,434.18	69,434.18
Bank Overdraft											1,538.94	1,538.94	1,538.94
Loans from related parties											13,454.35	13,454.35	13,454.35
Debentures											8,085.43	8,085.43	8,085.43
Trade payables											13,921.74	13,921.74	13,921.74
Security deposits											737.93	737.93	737.93
Unpaid dividends											18.51	18.51	18.51
Payable in respect of capital expenditure / investm											4,715.81	4,715.81	4,715.81
Interest accrued but not due on borrowings											4,430.81	4,430.81	4,430.81
Total financial liabilities	-	-	-	-	-	-	-	-	-	-	1,16,337.70	1,16,337.70	1,16,337.70

(iii) Fair value measurements using significant unobservable inputs (level 3)

(Rs. in lakhs)

Particulars	Unlisted equity securities
As at 1st April, 2015	81.19
Gains/(losses) recognised in other comprehensive income	(14.18)
As at 31st March, 2016	67.01
Gains/(losses) recognised in other comprehensive income	10.59
As at 31st March, 2017	77.60

(iv) Fair value of financial assets and liabilities measured at amortised cost

(Rs. in lakhs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Loans	3,737.00	-	9,963.90	-	99.40	-
Security deposits	605.87	-	231.83	237.99	228.91	219.59
Total financial assets	4,342.87	-	10,195.73	237.99	328.31	219.59
Financial liabilities						
Borrowings	94,270.39	-	1,06,111.50	1,11,329.71	84,357.85	84,427.47
Security deposits	658.91	470.49	1,055.36	1,024.72	800.35	737.93
Total financial liabilities	94,929.30	470.49	1,07,166.86	1,12,354.43	85,158.20	85,165.40

The carrying amounts of trade receivables, trade payables, other payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits is calculated based on cash flows discounted using a current lending rate. This is classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

SUNTECK REALTY LIMITED
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39 Financial risk management

The Groups activities expose it to business risk, interest rate risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, the groups risk management is carried out by a corporate treasury and corporate finance department under policies approved by the board of directors and top management. Groups treasury identifies, evaluates and mitigates financial risks in close cooperation with the Groups operating units. The board provides guidance for overall risk management, as well as policies covering specific areas.

(A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. Where loans or receivables have been written off, the group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

The group measures the expected credit loss of trade receivables and loans from individual customer based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material and hence, no additional provision considered.

Ageing of Account receivables :

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
0-3 months	6,918.30	4,189.00	12,352.74
3-6 months	376.10	570.07	275.29
6 months to 12 months	918.71	8,180.37	2,422.82
beyond 12 months	7,879.72	2,961.68	5,735.42
Total	16,092.83	15,901.12	20,786.27

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Group's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the group's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at Group level in accordance with practice and limits set by the group. These limits vary to take into account the liquidity of the market in which the Group operates.

(i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Rs. in lakhs)

Contractual maturities of financial liabilities 31st March, 2017	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 year and 5 years	Total
Non-derivatives						
Bank overdraft	1,945.88	-	-	-	-	1,945.88
Borrowings						
Non Convertible Debentures	-	-	500.00	1,000.00	2,000.00	3,500.00
Term loans from banks	1,214.97	3,958.73	6,854.13	19,699.23	20,501.15	52,228.22
Term loans from others	158.51	163.27	4,817.57	8,246.57	7,838.12	21,224.05
Loans from related parties	16,569.33	-	-	-	-	16,569.33
Loans from others	125.00	-	-	-	-	125.00
Trade payables*	13,807.08	-	-	-	-	13,807.08
Security deposits	433.11	-	159.80	-	65.29	658.20
Unpaid Dividend	194.64	-	-	-	-	194.64
Interest accrued but not due on borrowings	1,574.35	-	-	-	-	1,574.35
Total non-derivative liabilities	36,022.87	4,122.00	12,331.50	28,945.80	30,404.56	1,11,826.75

(Rs. in lakhs)

Contractual maturities of financial liabilities 31st March, 2016	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 year and 5 years	Total
Non-derivatives						
Bank overdraft	1,701.79	-	-	-	-	1,701.79
Borrowings:						
Non Convertible Debentures	-	-	2,000.00	500.00	3,000.00	5,500.00
Term loans from banks	4,475.16	5,604.15	11,119.72	12,478.97	29,766.93	63,444.94
Term loans from others	-	-	-	8,248.63	-	8,248.63
Loans from related parties	33,791.95	-	-	-	-	33,791.95
Loans from others	12,059.50	-	-	-	-	12,059.50
Trade payables	12,678.81	-	-	-	-	12,678.81
Others financial liabilities:						
Security deposits	237.24	-	272.72	134.40	-	644.36
Unpaid Dividend	18.17	-	-	-	-	18.17
Current maturities of borrowings	6.56	-	-	-	-	6.56
Interest accrued but not due on borrowings	2,720.52	-	-	-	-	2,720.52
Total non-derivative liabilities	67,689.70	5,604.15	13,392.44	21,362.00	32,766.93	1,40,815.23

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(Rs. in lakhs)

Contractual maturities of financial liabilities 1st April, 2015	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 year and 5 years	Total
Non-derivatives						
Bank overdraft	1,538.94	-	-	-	-	1,538.94
Borrowings :						
Term loans from banks	-	-	12,584.33	30,394.81	22,343.64	65,322.78
Term loans from others	-	-	-	-	5,450.00	5,450.00
Debentures	-	-	8,085.43	-	-	8,085.43
From related parties	13,454.35	-	-	-	-	13,454.35
From others	13,913.37	-	-	-	-	13,913.37
Trade payables	13,921.74	-	-	-	-	13,921.74
Security Deposits	398.91	-	12.10	254.95	134.40	800.35
Unpaid Dividend	18.51	-	-	-	-	18.51
Payable in respect of capital expenditure / investment	4,715.81	-	-	-	-	4,715.81
Current maturities of borrowings	7.45	-	-	-	-	7.45
Interest accrued but not due on borrowings	4,430.81	-	-	-	-	4,430.81
Total non-derivative liabilities	52,399.89	-	20,681.86	30,649.76	27,928.04	1,31,659.54

* Trade payables includes retention money which is payable after one year from the completion of contract

(C) Market risk

(i) Price risk

(a) Exposure

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet at fair value through Other Comprehensive Income.

(b) Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Group's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

Impact of Profit before tax

(Rs. in lakhs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
BSE Sensex 30- Increase 5%	0.29	0.20	0.20
BSE Sensex 30- Decrease 5%	(0.29)	(0.20)	(0.20)

(ii) Foreign Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the group's functional currency i.e (Rs.). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company does not cover foreign currency exposure with any derivative instruments. The group also imports certain materials which are denominated in USD which exposes it to foreign currency risk

Particulars	Currency Type	As at		As at		As at	
		31st March, 2017		31st March, 2016		1st April, 2015	
		Foreign Currency (In lakhs)	Indian Currency (Rs. In lakhs)	Foreign Currency (In lakhs)	Indian Currency (Rs. In lakhs)	Foreign Currency (In lakhs)	Indian Currency (Rs. In lakhs)
a. Foreign Exchange Currency Exposure not covered by derivatives instrument							
Other receivable	USD	20.09	1,301.79	12.29	812.81	4.95	309.52
Loans and advances receivable	USD	182.35	1,816.70	47.25	3,124.97	-	-
Loans and advances receivable	AED	-	-	-	-	0.32	5.37
Other payables	USD	-	83.77	-	-	-	-

(iii) Cash flow and fair value interest rate risk

- Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates. The risk is managed by the group by maintaining an appropriate mix between fixed and floating rate borrowings.

- Interest rate risk exposure:

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rs. in lakhs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
Variable rate borrowings	91,967.48	1,03,865.38	1,07,258.85
Fixed rate borrowings	3,500.00	5,500.00	-
Total borrowings	95,467.48	1,09,365.38	1,07,258.85

- Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs. in lakhs)

Particulars	As at	As at
	31st March, 2017	31st March, 2016
50 bp increase would decrease the profit before tax by*	194.65	222.22
50 bp decrease would Increase the profit before tax by*	(194.65)	(222.22)

* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

40 Capital management

(a) Risk management

The Group's objectives when managing capital are to :

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

(Rs. in lakhs)

Particulars	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
Net debt (Total Debt - Cash & cash equivalent - Other Bank Balances)	85,606.59	1,00,200.00	96,446.00
Total equity	1,86,591.62	1,65,686.19	1,63,790.99
Net debt to equity ratio	46%	60%	59%

Loan covenants : The group intends to manage optimal gearing ratios.

(b) Dividends

(Rs. in lakhs)

Particulars	As at	As at
	31st March, 2017	31st March, 2016
Equity shares		
Final dividend for the year ended 31st March, 2016 of Rs. 2.00 (31st March, 2015 – Rs. 1.00 other than promoters) per fully paid share	1,259.32	166.95
Dividends not recognised at the end of the reporting period*		
In addition to the above dividends, since year end, the directors have recommended the payment of a final dividend of Rs. 3.00 (31st March, 2016 - Rs.2) per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,888.99	1,259.32

*Calculation is based on the no. of shares outstanding as at year end.

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41 Interest in other entities

(a) Subsidiaries

The group's subsidiaries at 31st March, 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group			Ownership interest held by non-controlling interests		
		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
		%	%	%	%	%	%
Starlight Systems Private Limited	India	100	100	100	-	-	-
Satguru Infocorp Services Private Limited	India	100	100	100	-	-	-
Amenity Software Private Limited	India	100	100	100	-	-	-
Magenta Computer Software Private Limited	India	100	100	100	-	-	-
Skystar Buildcon Private Limited	India	100	100	100	-	-	-
Sunteck Property Holding Private Limited	India	100	100	100	-	-	-
Sahrish Construction Private Limited	India	100	100	100	-	-	-
Sunteck Lifestyle International Private Limited	Mauritius	100	100	100	-	-	-
Sunteck Lifestyles Limited	UAE	100	100	100	-	-	-
Sunteck Lifestyle Management JLT	UAE	100	100	100	-	-	-
Sunteck Realty Holdings Private Limited	India	100	100	100	-	-	-
Sunteck Fashions & Lifestyles Private Limited	India	100	100	100	-	-	-
Advaith Infraprojects Private Limited	India	100	100	100	-	-	-
Satguru Corporate Services Private Limited.	India	100	100	98	-	-	2
Stardeck Lifestyles Private Limited	India	100	100	100	-	-	-
Starlight Systems (I) LLP	India	80	80	80	20	20	20
Mithra Buildcon LLP	India	99	99	99	1	1	1
Sunteck Real Estates Private Limited	India	100	100	-	-	-	-
Sunteck Infraprojects Private Limited	India	100	100	-	-	-	-
Denise Realities Private Limited	India	-	100	-	-	-	-
Eleanor Lifespaces Private Limited	India	-	100	-	-	-	-
Clarissa Facility Management LLP	India	100	-	-	-	-	-

(b) Interests in associates and joint ventures

Set out below are the associates and joint ventures of the group as at 31st March, 2017 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business	% of ownership interest	Relationship	Carrying amount		
				As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Piramal Sunteck Realty Private Limited	India	50%	Joint Venture	4,876.88	5,247.52	5,387.20
Nariman Infrastructure LLP	India	50%	Joint Venture	4,429.67	4,424.47	4,419.47
Uniworth Realty LLP	India	50%	Joint Venture	503.88	491.58	481.85
GIGCO Sunteck Limited	UAE	50%	Joint Venture	707.54	707.54	707.54
Assable Buildcon LLP	India	50%	Joint Venture	11,627.03	11,766.15	-
Pathway Buildcon LLP	India	50%	Joint Venture	-	0.57	0.61
Kanaka & Associates	India	50%	Joint Venture	-	0.56	0.40
Topzone Mercantile Company LLP	India	25%	Associate	-	2,398.18	1,029.92
Total equity accounted investments				22,145.00	25,036.57	12,027.19

(i) Commitments and contingent liabilities in respect of associates and joint ventures

	Rs. in lakhs		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Contingent liabilities - joint ventures			
Piramal Sunteck Realty Private Limited			
Disputed Income Tax demand	9.75	9.75	9.75
Total commitments and contingent liabilities	9.75	9.75	9.75

SUNTECK REALTY LIMITED
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(ii) Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not Sunteck Realty Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Rs. in lakhs

Summarised balance sheet	Piramal Sunteck Realty Private Ltd			GIGCO Sunteck Limited		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current assets						
Cash and cash equivalents	385.13	64.31	186.25	2.20	2.25	-
Other assets	36,042.55	41,726.10	42,085.90	72,205.29	73,674.26	1,141.48
Total current assets	36,427.68	41,790.41	42,272.15	72,207.49	73,676.50	1,141.48
Total non-current assets	1,798.15	1,910.38	1,156.32	349.44	363.47	25,562.60
Current liabilities						
Financial liabilities	4,042.94	12,704.40	13,372.67	-	-	-
Other liabilities	4,898.81	1,644.36	1,861.31	1,675.48	1,520.50	891.96
Total current liabilities	8,941.76	14,348.76	15,233.99	1,675.48	1,520.50	891.96
Non-current liabilities						
Financial liabilities	19,295.04	18,657.38	16,351.83	46,441.32	47,602.44	720.13
Other liabilities	49.12	13.44	878.01	-	-	-
Total non-current liabilities	19,344.15	18,670.82	17,229.85	46,441.32	47,602.44	720.13
Net assets	9,939.92	10,681.21	10,964.63	24,440.13	24,917.03	25,091.99

Rs. in lakhs

Summarised balance sheet	Nariman Infrastructure LLP			Uniworth Realty LLP		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current assets						
Cash and cash equivalents	0.20	5.16	5.33	1.31	4.59	4.50
Other assets	8,859.26	8,844.09	8,833.92	1,016.21	988.67	969.12
Total current assets	8,859.46	8,849.25	8,839.25	1,017.52	993.26	973.62
Total non-current assets	-	-	-	0.10	0.07	0.18
Current liabilities						
Financial liabilities	0.25	0.34	0.34	15.54	14.45	12.79
Other liabilities	-	-	-	0.08	0.16	0.03
Total current liabilities	0.25	0.34	0.34	15.62	14.61	12.81
Non-current liabilities						
Financial liabilities	-	-	-	-	-	-
Other liabilities	-	-	-	0.00	0.01	0.04
Total non-current liabilities	-	-	-	0.00	0.01	0.04
Net assets	8,859.21	8,848.91	8,838.91	1,002.00	978.70	960.95

less than Rs. 1,000

Rs. in lakhs

Summarised statement of profit and loss	Piramal Sunteck Realty Private Ltd		GIGCO Sunteck Limited		Nariman Infrastructure LLP		Uniworth Realty LLP	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
Revenue	1,085.80	2,413.80	-	-	-	-	-	-
Other income	301.10	1,415.14	-	-	-	-	-	-
Cost of revenue	896.21	2,054.43	-	-	-	-	-	-
Depreciation and amortisation	6.97	10.89	10.86	29.98	-	-	-	-
Interest expense	192.24	1,316.18	87.97	-	-	-	-	-
Other expense	1,023.60	2,267.64	179.39	143.09	-	-	-	-
Income tax expense	(12.28)	(1,536.04)	-	-	-	-	-	-
Profit from continuing operations	(719.85)	(284.16)	(278.22)	(173.08)	-	-	-	-
Profit from discontinued operations	-	-	-	-	-	-	-	-
Profit for the year	(719.85)	(284.16)	(278.22)	(173.08)	-	-	-	-
Other comprehensive income	(21.45)	0.74	-	-	-	-	-	-
Total comprehensive income	(741.29)	(283.42)	(278.22)	(173.08)	-	-	-	-

Reconciliation to carrying amounts

Rs. in lakhs

	Piramal Sunteck Realty Private Ltd		GIGCO Sunteck Limited		Nariman Infrastructure LLP		Uniworth Realty LLP	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
Opening net assets	10,681.21	10,964.63	24,917.03	25,091.99	8,848.91	8,838.91	978.70	960.95
Capital Contributed during the year	-	-	304.11	-	10.30	10.00	23.30	17.75
Profit for the year	(719.85)	(284.16)	(278.22)	(173.08)	-	-	-	-
Other comprehensive income	(21.45)	0.74	-	-	-	-	-	-
Foreign Currency Translation reserve	-	-	(502.79)	(1.88)	-	-	-	-
Closing net assets	9,939.92	10,681.21	24,440.13	24,917.03	8,859.21	8,848.91	1,002.00	978.70
Group's share in %	50%	50%	50%	50%	50%	50%	50%	50%
Group's share in Rs.	4,969.96	5,340.61	12,220.06	12,458.52	4,429.60	4,424.45	501.00	489.35
Others	(93.08)	(93.08)	(593.03)	(692.37)	0.06	0.01	2.88	2.23
Carrying Amount	4,876.88	5,247.52	11,627.03	11,766.15	4,429.67	4,424.47	503.88	491.58

Note : The carrying amount for Piramal Sunteck Realty Private Limited includes Goodwill worth Rs. 2,795.32 lakhs (previous year Rs. 2,795.32 lakhs)

SUNTECK REALTY LIMITED
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42 First-time adoption of Ind AS

Transition to Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31st March, 2017, the comparative information presented in these financial statements for the year ended 31st March, 2016 and in the preparation of an opening Ind AS balance sheet at 1st April, 2015 (the group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Company's Act 2013 (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position and financial performance is set

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Cumulative translation differences

Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with Ind AS 21 from the date a subsidiary or equity method investee was formed or acquired.

The group elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

A.1.2 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Accordingly, the group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

A.1.3 Joint ventures

Ind AS 101 provides an exemption for changing from proportionate consolidation to the equity method. As per the exemption, when changing from proportionate consolidation to the equity method, an entity should recognise its investment in the joint venture at transition date to Ind AS. That initial investment should be measured as the aggregate of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any goodwill arising from acquisition. The balance of the investment in joint venture at the date of transition to Ind AS, determined in accordance with the above is regarded as the deemed cost of the investment. The group has elected to apply this exemption for its joint venture.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

1. Investment in equity instruments carried at FVPL or FVOCI;
2. Investment in debt instruments carried at FVPL

A.2.2 Non-controlling interest

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B.1 Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

SUNTECK REALTY LIMITED
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B.1.1 Reconciliation of Balance sheet as at date of transition (1st April, 2015)

Rs. in lakhs

Particulars	Regrouped Previous GAAP	Share of JV*	Previous GAAP(Excluding share of JV)	Ind AS adjustments	Ind AS
ASSETS					
Non-current assets					
Property, Plant and Equipment	1,290.82	(13.85)	1,276.96	440.16	1,717.12
Investment properties	1,913.57	-	1,913.57	764.68	2,678.26
Goodwill	5,979.33	(2,795.32)	3,184.01	-	3,184.01
Other intangible assets	30.14	(4.66)	25.48	-	25.48
Financial Assets					
Investments	899.41	12,773.71	13,673.12	1,231.89	14,905.01
Other financial assets	27.71	95.75	123.45	(9.32)	114.14
Current Tax Assets (Net)	694.72	(136.69)	558.03	-	558.03
Deferred tax assets	46.52	(0.29)	46.23	-	46.23
Other non-current assets	82.01	-	82.01	-	82.01
Current assets					
Inventories	3,45,955.70	(18,884.89)	3,27,070.81	(36,896.45)	2,90,174.36
Financial Assets					
Investments	275.91	5,107.45	5,383.36	-	5,383.36
Trade receivables	20,976.55	(190.28)	20,786.27	-	20,786.27
Cash and cash equivalents	10,348.36	(105.53)	10,242.84	-	10,242.84
Bank balances other than above	570.01	-	570.01	-	570.01
Loans	21,130.51	(1,456.47)	19,674.05	-	19,674.05
Other financial assets	4,301.11	(409.84)	3,891.24	57,555.10	61,446.34
Other current assets	7,514.50	(140.57)	7,373.93	(1,481.87)	5,892.06
Total assets	4,22,036.88	(6,161.48)	4,15,875.40	21,604.19	4,37,479.57
EQUITY AND LIABILITIES					
EQUITY					
Equity Share capital	1,199.32	-	1,199.32	-	1,199.32
Other Equity	1,45,828.88	(3,884.66)	1,41,944.22	13,499.94	1,55,444.16
Non-controlling interest	6,284.93	(1.28)	6,283.65	863.86	7,147.51
LIABILITIES					
Non-current liabilities					
Financial liabilities					
Borrowings	6.56	-	6.56	-	6.56
Other financial liabilities	298.50	-	298.50	(42.40)	256.09
Provisions	47.27	(3.53)	43.74	-	43.74
Deferred tax liabilities (Net)	63.58	(0.02)	63.56	6,345.95	6,409.51
Current liabilities					
Financial Liabilities					
Borrowings	1,07,048.40	(335.43)	1,06,712.97	(286.70)	1,06,426.27
Trade payables	12,966.31	(462.00)	12,504.30	1,417.44	13,921.74
Other financial liabilities	9,801.30	(126.88)	9,674.43	(20.01)	9,654.41
Other current liabilities	1,35,608.90	(684.95)	1,34,923.94	61.06	1,34,985.00
Provisions	2,882.86	(662.73)	2,220.14	(234.93)	1,985.21
Current Tax Liabilities (Net)	0.07	-	0.07	-	0.07
Total equity and liabilities	4,22,036.88	(6,161.48)	4,15,875.40	21,604.19	4,37,479.59

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

B.1.2 Reconciliation of Balance Sheet as at 31st March, 2016

Rs. in lakhs

Particulars	Regrouped Previous GAAP	Share of JV*	Previous GAAP(Excluding share of JV)	Ind AS adjustments	Ind AS
ASSETS					
Non-current assets					
Property, Plant and Equipment	1,204.59	(102.68)	1,101.91	436.04	1,537.95
Investment properties	1,913.57	-	1,913.57	734.73	2,648.30
Goodwill	5,986.66	(2,795.32)	3,191.34	-	3,191.34
Other intangible assets	26.00	(2.85)	23.15	-	23.15
Financial Assets					
Investments	552.65	24,301.93	24,854.58	1,882.91	26,737.49
Loans	429.59	(429.59)	-	-	-
Other financial assets	45.97	178.17	224.14	6.16	230.30
Current tax assets (Net)	799.79	(125.02)	674.77	-	674.77
Deferred tax assets	71.89	(1.54)	70.34	2,417.01	2,487.35
Other non-current assets	17.33	-	17.33	-	17.33
Current assets					
Inventories	3,76,805.45	(57,502.61)	3,19,302.84	(6,346.41)	3,12,956.43
Financial Assets					
Investments	2,605.22	4,914.56	7,519.78	-	7,519.78
Trade receivables	15,961.32	(122.55)	15,838.76	62.35	15,901.12
Cash and cash equivalents	6,608.76	(39.51)	6,569.25	-	6,569.25
Bank balances other than above	2,697.72	(101.59)	2,596.14	-	2,596.14
Loans	14,691.08	75.34	14,766.42	-	14,766.42
Other financial assets	8,728.56	(8.05)	8,720.52	4,511.60	13,232.11
Other current assets	6,348.70	(91.78)	6,256.92	(7.09)	6,249.83
Total assets	4,45,494.86	(31,853.11)	4,13,641.76	3,697.29	4,17,339.05

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EQUITY AND LIABILITIES					
Equity					
Equity Share capital	1,199.32	-	1,199.32	-	1,199.32
Other Equity	1,62,229.71	(8,922.51)	1,53,307.20	5,340.57	1,58,647.77
Non-controlling interest	5,547.46	-	5,547.46	291.64	5,839.10
LIABILITIES					
Non-current liabilities					
Financial liabilities					
Borrowings	3,457.11	-	3,457.11	-	3,457.11
Other financial liabilities	314.40	-	314.40	(30.64)	283.76
Provisions	96.18	(6.73)	89.45	-	89.45
Deferred tax liabilities (Net)	71.25	(0.01)	71.24	-	71.24
Current liabilities					
Financial Liabilities					
Borrowings	1,20,697.88	949.05	1,21,646.94	(1,714.83)	1,19,932.11
Trade payables	34,326.18	(23,064.81)	11,261.38	1,417.44	12,678.81
Other financial liabilities	3,519.52	(33.31)	3,486.21	-	3,486.21
Other current liabilities	1,02,287.67	(713.17)	1,01,574.50	38.09	1,01,612.58
Provisions	9,224.39	(61.62)	9,162.77	(1,644.97)	7,517.80
Current Tax Liabilities (Net)	2,523.79	-	2,523.79	-	2,523.79
Total equity and liabilities	4,45,494.86	(31,853.11)	4,13,641.76	3,697.29	4,17,339.05

B.1.3 Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2016

Rs. in lakhs

Particulars	Previous GAAP	Share of JV*	Previous GAAP(Excluding share of JV)	Ind AS adjustments	Ind AS
Income					
Revenue from Operations	78,649.31	(1,206.90)	77,442.41	(53,105.56)	24,336.86
Other Income	758.65	(100.15)	658.50	1,129.73	1,788.23
Total income	79,407.96	(1,307.05)	78,100.92	(51,975.83)	26,125.08
Expenses					
Cost of materials consumed	51,211.73	1,265.18	52,476.92	(32,930.86)	19,546.06
Employee benefits expense	763.87	187.08	950.95	41.47	992.42
Finance costs	1,429.85	576.94	2,006.79	(319.04)	1,687.75
Depreciation and amortization expense	208.95	(20.44)	188.51	34.08	222.59
Other expenses	1,672.74	(266.30)	1,406.44	-	1,406.44
Total expenses	55,287.15	1,742.46	57,029.61	(33,174.35)	23,855.26
Profit before share of profits of an associate and joint venture	24,120.82	(3,049.51)	21,071.31	(18,801.48)	2,269.83
Add: Share of Profit of an associate and joint ventures	1,352.05	-	1,352.05	(1,521.47)	(169.42)
Profit before tax	25,472.86	(3,049.51)	22,423.36	(20,322.95)	2,100.41
Tax expense					
Current tax	8,204.25	(54.44)	8,149.81	-	8,149.81
Deferred tax	(15.21)	1.25	(13.96)	(8,767.73)	(8,781.69)
Profit for the year (A)	17,283.81	(2,996.32)	14,287.50	(11,555.22)	2,732.28
Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit plans	-	-	-	12.26	12.26
Equity Instruments through Other Comprehensive Income	-	-	-	(14.32)	(14.32)
Items that will be reclassified to profit or loss					
Exchange difference in translating the financial statements of foreign operations	-	-	-	(668.34)	(668.34)
Total comprehensive income for the year (B)	-	-	-	(670.40)	(670.40)
Total comprehensive income for the year (A+B)	17,283.81	(2,996.32)	14,287.50	(12,225.62)	2,061.88

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

B.1.4 Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP:

Rs. in lakhs

	Notes	Net Profit	Other Equity	
		Year ended 31st March, 2016	As at 31st March, 2016	As at 1st April, 2015
Net Profit / Other Equity as per Previous Indian GAAP		14,287.50	1,68,976.49	1,53,313.14
Adjustment Impact: Gain/(loss)				
Fair Valuation of Investments	1	1,067.10	1,882.91	1,231.89
Deferred Tax on Ind AS Adjustment	2	8,767.73	2,417.01	(6,345.95)
Reversal of Proposed ordinary dividends payable and DDT	5	-	1,644.97	234.93
IND AS adjustment on Joint Venture	8	-	(8,922.51)	(3,885.94)
Revenue from Operations	10	(20,174.70)	1,495.34	21,670.04
Others	6,7,11	306.12	(1,808.02)	(2,427.11)
Add: Share of Profit from an Associate		(1,521.47)	-	-
Other Comprehensive income/(loss) (net of tax)	9	(670.40)	-	-
Total Ind As Adjustment		(12,225.62)	(3,290.30)	10,477.86
Net Profit / Other Equity as per Ind AS		2,061.88	1,65,686.19	1,63,790.99

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B.2 Notes to first-time adoption:

1 Fair valuation of investments

Under the previous GAAP, investments in equity instruments and debentures were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value (other than investments in subsidiaries and joint

2 Deferred tax

“Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Previous GAAP.”

3 Foreign currency translation reserve

The group elected to reset the balance appearing in the foreign currency translation reserve to zero as at 1st April, 2015. Accordingly, translation reserve balance under previous GAAP has been transferred to retained earnings.

4 Borrowings

Under previous GAAP, transaction costs were charged to profit or loss as and when incurred with a corresponding adjustment to inventories. IND AS 109 these transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

5 Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. However, under IND AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend and Dividend distribution tax included under provisions has been reversed with corresponding adjustment to retained earnings.

6 Employee stock option expense

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. However, under IND AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. The amount recognised in share option outstanding account has been considered as investment in Joint Venture as shown under other current assets.

7 Security deposits

Under the previous GAAP, interest free lease security deposits (that are refundable and receivable in cash on completion of the lease term) are recorded at their transaction value. Under IND AS, all financial liabilities and financial assets are required to be recognised at fair value. Accordingly, the group has fair valued these security deposits under IND AS. Difference between the fair value and transaction value of the security deposits has been recognised as prepaid rent or unearned rent income as per

8 Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

9 Other Comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'Other comprehensive income' includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under

10 Revenue Recognition

Under IND AS, method of Revenue recognition is required to be 'Percentage of completion method' from the earlier followed 'completed units method'. Consequent to the change in the method, cost of construction, commission & brokerage, unbilled revenue and prepaid expense have been changed accordingly. (refer point (d) of significant accounting policies for revenue recognition conditions).

11 Interest free loan given to joint ventures

Under Ind AS the interest free loan given needs to be shown at fair value. The resulting impact increases the trade receivables and profit and loss as at 31st March, 2016

12 Reconciliation of Cash Flow Statement

The IND AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, IND AS adoption has no impact on the net cash flow for the year ended 31st March, 2016 as compared with the previous GAAP.

SUNTECK REALTY LIMITED
CONSOLIDATED NOTES TO FINANCIAL STATEMENTS

43 The details of Income tax assets and Income tax liabilities as of 31st March, 2017, 31st March, 2016 and 1st April, 2015 are as follows:-

(Rs. in lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income tax assets	27,157.37	20,666.48	15,621.50
Current income tax liabilities	(31,170.71)	(22,515.49)	(15,063.54)
Net current income tax assets/(liabilities) at the end	(4,013.34)	(1,849.01)	557.96

44 Details regarding project-in-progress

The Completion of projects and Management estimation of future cost to be incurred on projects in progress for calculating their net realizable value have been relied upon by the auditors, these being matters of technical nature and owing to the future uncertainties.

(Rs. in lakhs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
The amount of project revenue recognised as revenue in the reporting period;	65,171.90	4,511.60

Particulars	As at 31st March, 2017	As at March 31, 2016	As at April 1st, 2015
The aggregate amount of costs incurred and profits recognised (less recognised losses) to date;	69,683.49	4,511.60	-
The amount of advances received;	1,15,524.49	91,797.25	66,096.17
The amount of work in progress and the value of inventories; and	2,14,833.22	2,37,933.13	2,56,741.74
Excess of revenue recognised over actual bills raised (unbilled revenue).	-	-	-

45 Details Corporate Social Responsibility (CSR) Expenditure

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
Amount required to be spent as per Section 135 of the Act	120.32	128.36
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	70.60	15.08
Total	70.60	15.08

46 Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group's Chief operating officer (COO) and Chairman and Managing director (CMD) are identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators, however the Group is primarily engaged in only one segment viz., 'Real Estate/Real Estate Development and Related Activities' and that most of the operations are in India. Hence, the Group does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

47 The Group's normal operating cycle in respect of operations relating to under construction real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects and other business is based on 12 months period. Assets and liabilities have been classified into current and non-current based on the operating cycle of respective businesses.

48 The accounts of certain trade receivables, trade payables, loans and advances and banks are, however, subject to formal confirmations/ reconciliations and consequent adjustments, if any. However, there is no indication of dispute on these accounts, other than those mentioned in the financial statements. The management does not expect any material difference affecting the Current Year's financial statements on such reconciliation / adjustments.

49 The Holding Company is a partner in a partnership firm, Kanaka & Associates, a joint-venture, in which the Group has total exposure comprising of capital invested, loan given and other receivables aggregating to Rs. 902.05 lakhs. Pending settlement of dispute with the other 50% partner and non availability of financial statements, the Group has not accounted share of profit / loss for the year from the said joint venture in the consolidated financial statements. Necessary steps for resolving the dispute, including filing arbitration petition in the High Court, have been taken. The management does not expect any material financial impact on settlement of dispute.

50 Event Occurring After Balance Sheet Date:

The Board of Directors has recommended Equity dividend of Re. 3 per share (Previous year Re. 2 per share) for the year. (refer note no. 40).

51 The Group has overdue trade receivables of Rs. 1203.50 lakhs (31st March, 2016 : Rs. 1203.50 lakhs) in respect of which necessary steps for its recovery has been taken including filing of legal case . The management is confident of recovering the said dues and therefore, no provision, in their opinion, is considered necessary at this stage.

52 In the opinion of the board, all the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which these are stated.

53 Figures pertaining to Previous Year have been regrouped / reclassified wherever found necessary to conform to Current year presentation.

LIMITED REVIEW REPORT

To the Board of Directors
SUNTECK REALTY LIMITED

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **SUNTECK REALTY LIMITED** ("the Parent Company"), its subsidiaries and joint ventures, collectively referred to as "the Group", for the quarter ended June 30, 2017, being submitted by the Company Management pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Parent Company's management and has been approved by the Board of Directors of the Parent Company. Our responsibility is to issue a report on these consolidated financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Parent Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. **Emphasis of Matter**

Without qualifying our opinion, we draw your attention to following matters:

- a) The Group has overdue trade receivable amounting to Rs. 1,203.50 lakhs from a customer against sale of a commercial unit. The management has taken necessary steps for recovery of this receivable, including filing of legal case and is hopeful of recovering the same in due course of time. In their opinion, therefore, no provision is considered necessary at this stage.
- b) The Parent Company is a partner in a partnership firm, Kanaka & Associates, a joint venture, in which the Group has total exposure comprising of capital invested, loans given and other receivables aggregating to Rs 902.64 lakhs. Since, there is some dispute with the other partner, the financial statements of the firm are not available and therefore, the same has not been consolidated for the



quarter, which as explained by the management, would be immaterial. The management is hopeful of recovering/realising the aforesaid exposure in due course of time, as concerted efforts are being made to resolve the dispute, including filing of an arbitration petition in the High Court. In their opinion, therefore, no provision is considered necessary at this stage.

4. Other Matters:

We have not reviewed the unaudited financial statements of:

- a) (i) twenty subsidiaries included in the unaudited consolidated financial results, whose financial statements reflect total assets of Rs. 377,652.28 lakhs as at June 30, 2017 and the total revenue of Rs. 11,923.12 lakhs for the quarter ended June 30, 2017.
- (ii) two joint ventures, included in the unaudited consolidated financial results, whose financial statements reflect net profit of Nil for the quarter ended June 30, 2017.

These financial statements of the said subsidiaries and joint ventures have been reviewed by other auditors whose review reports have been furnished to us, and our opinion is based solely on the reports of such other auditors.

- b) a foreign joint venture company included in the consolidated financial results, whose financial statements reflect net loss of Rs. 21.40 lakhs for the quarter ended June 30, 2017, out of which the Group's share of loss is Rs. 10.70 lakhs. These financial statements have been certified by the Company's management and furnished to us, and our opinion, in so far as it relates to the amount included in respect of the said joint venture company is solely based on these management certified financial statements provided to us.

5. The statement includes the financial results of following entities:

Companies reviewed by us:

- 1) Sunteck Realty Limited (Parent Company)
- 2) Piramal Sunteck Realty Private Limited (Joint venture)

Subsidiaries reviewed by other auditors:

- 1) Amenity Software Private Limited
- 2) Magenta Computer Software Private Limited
- 3) Satguru Infocorp Services Private Limited
- 4) Skystar Buildcon Private Limited
- 5) Sunteck Property Holdings Private Limited



- 6) Sunteck Realty Holdings Private Limited
- 7) Starlight Systems Private Limited
- 8) Sahrish Constructions Private Limited
- 9) Sunteck Fashions & Lifestyles Private Limited
- 10) Starteck Lifestyle Private Limited
- 11) Advait Infraprojects Private Limited
- 12) Satguru Corporate Services Private Limited
- 13) Sunteck Real Estates Private Limited
- 14) Sunteck Infraprojects Private Limited
- 15) Starlight Systems (I) LLP
- 16) Mithra Buildcon LLP
- 17) Clarissa Facility Management LLP
- 18) Sunteck Lifestyle Limited (UAE)
- 19) Sunteck Lifestyles International Private Limited (Mauritius)
- 20) Sunteck Lifestyle Management JLT (UAE)

Joint ventures reviewed by other auditors:

- 1) Nariman Infrastructure LLP
- 2) Uniworth Realty LLP

Joint venture not reviewed:

- 1) GGICO Sunteck Limited (UAE)

6. Based on our review, conducted as above and upon consideration of the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results, prepared in accordance with applicable Indian Accounting Standards (IND AS) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circulars issued from time to time including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place : Mumbai
Date : August 10, 2017

For Lodha and Co.
Chartered Accountants
Firm Registration No. 301051E

R. P. Baradiya
R. P. Baradiya
Partner
Membership No: 44101

SUNTECK REALTY LIMITED
CONSOLIDATED BALANCE SHEET

(Rs. in lakhs)

Particulars	As at 30th June, 2017	As at 31st March, 2017
ASSETS		
Non - current assets		
Property, Plant and Equipment	1,356.88	1,390.76
Investment Property	2,616.26	2,618.34
Goodwill on Consolidation	3,184.01	3,184.01
Other Intangible Assets	16.72	18.61
Financial Assets		
(i) Investments		
- Investments in an Associate and Joint ventures	16,986.72	17,005.54
- Other Investments	9,775.15	9,730.98
(ii) Other financial assets	61.60	60.86
Current tax assets (Net)	668.09	637.26
Deferred tax assets (Net)	2,409.51	2,335.15
Other non-current assets	14.91	9.99
Current assets		
Inventories	2,83,806.74	2,80,172.48
Financial Assets		
(i) Investments		
- Investments in an Associate and Joint ventures	5,142.47	5,139.47
- Other Investments	3,993.88	292.96
(ii) Trade receivables	15,013.68	16,092.83
(iii) Cash and cash equivalents	5,100.51	5,954.65
(iv) Bank balances other than (iii) above	4,823.38	3,906.24
(v) Loans	11,118.07	8,145.39
(vi) Other financial assets	12,974.21	6,568.00
Other current assets	4,562.03	4,441.70
Total Assets	3,83,624.82	3,67,705.22
EQUITY AND LIABILITIES		
EQUITY		
Equity Share capital	1,199.85	1,199.32
Other Equity	1,81,855.85	1,78,334.89
Non-controlling interests	7,232.49	7,057.40
LIABILITIES		
Non - current liabilities		
Financial liabilities		
(i) Borrowings	2,964.99	2,960.91
(ii) Other financial liabilities	161.70	162.16
Provisions	101.70	82.68
Deferred tax liabilities(Net)	-	-
Current liabilities		
Financial Liabilities		
(i) Borrowings	1,00,696.60	91,434.49
(ii) Trade payables	16,346.01	13,807.08
(iii) Other financial liabilities	1,000.21	2,077.31
Other current liabilities	68,116.58	65,899.33
Provisions	38.97	39.06
Current Tax Liabilities (Net)	3,909.87	4,650.59
Total Equity and Liabilities	3,83,624.82	3,67,705.22

SUNTECK REALTY LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Rs. in lakhs)

Particulars	Year ended 30th June, 2017	Year ended 30th June, 2016
INCOME		
Revenue from operations	13,337.44	52,452.63
Other income	207.61	380.25
Total Income	13,545.05	52,832.88
EXPENSES		
Operating costs	5,668.48	40,130.18
Employee benefits expense	232.98	366.73
Finance costs	1,028.01	1,167.73
Depreciation and amortisation expense	36.45	49.66
Other expenses	362.38	452.97
Total Expenses	7,328.30	42,167.27
Profit before share of profits / (loss) of an associate and joint ventures	6,216.75	10,665.61
Add: Share of profit / (loss) of an associate and joint ventures accounted for using the equity method	(18.81)	(368.55)
Profit before tax	6,197.94	10,297.06
Tax expense		
Current tax	2,308.48	3,802.25
Deferred tax	(75.11)	46.54
Profit for the year (A)	3,964.57	6,448.27
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		
Remeasurments of defined benefit plans	0.52	-
Equity Instruments through Other Comprehensive Income	0.55	-
Income tax relating to above items	0.92	-
Items that will be reclassified to profit or loss		
Exchange difference in translating the financial statements of foreign operations	20.45	20.15
Other comprehensive income for the year (B)	22.44	20.15
Total comprehensive income for the year (A+B)	3,987.01	6,468.42
Profit attributable to:		
Equity holders of the parent	3,496.46	6,012.20
Non - controlling interests	468.11	436.07
Total comprehensive income attributable to:		
Equity holders of the parent	3,518.90	6,032.35
Non - controlling interests	468.11	436.07
Earnings per equity share of face value Rs. 2 each		
Basic	2.91	5.01
Diluted	2.91	5.01

SUNTECK REALTY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS

Particulars	Quarter ended 30th June, 2017 (Rs. In Lakhs)	Quarter ended 30th June, 2016 (Rs. In Lakhs)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before share of profits / (loss) of an associate and joint ventures	6,216.75	10,665.60
Adjustments for:		
Depreciation and amortisation expenses	36.45	49.66
Gain / (Loss) in fair value of financial assets through Other Comprehensive Income	1.99	
(Gain) / Loss in fair value of financial assets through Statement of Profit & Loss	(43.62)	(244.33)
Share-based payments to Employees	2.07	6.29
Dividend income	(4.25)	
Interest income	(93.08)	(120.15)
Finance costs	1,028.01	1,167.73
Foreign Currency Translation Reserve	20.45	(300.54)
Operating profit before working capital changes	7,164.77	11,224.27
Adjustments for:		
(Increase)/decrease in trade receivables	1,079.15	2,999.40
(Increase)/decrease in other financial assets, other non-current and current assets	(1,993.76)	(47,808.56)
(Increase)/decrease in inventories	(3,925.32)	28,389.90
Increase/(decrease) in trade payables	2,538.93	3,625.15
Increase/(decrease) in other financial liabilities, provisions and other current liabilities	2,208.60	7,611.97
Cash flows (used in)/ generated from operating activities	7,072.37	6,042.13
Less: Direct taxes paid (net of refunds)	(3,079.29)	(3,808.68)
Net cash flows (used in)/ generated from operating activities - [A]	3,993.07	2,233.45
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment and Intangible assets	(0.56)	(14.08)
Investment in Equity Shares / Capital (Associates and Joint Ventures including LLP and	(3.00)	(4.54)
Investment in Mutual Funds	(3,700.92)	
Investment towards Earnest Money deposit	(5,000.00)	
Loans given to / (repaid by) Subsidiaries, related parties and body corporate	(3,383.17)	3,683.32
Dividend received	4.25	
Interest received	47.98	10.53
Net cash (used in) / generated from investing activities - [B]	(12,035.43)	3,675.24
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from / (Repayment of) borrowings	9,123.46	(3,523.45)
Interest paid	(1,935.25)	(4,169.70)
Net cash (used in) / generated from financing activities - [C]	7,188.22	(7,693.14)
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES - [A+B+C]	(854.14)	(1,784.45)
Add: Cash and cash equivalents at the beginning of the Quarter	5,954.65	9,165.38
Cash and cash equivalents at the end of the Quarter	5,100.51	7,380.93

DECLARATION

Our Company certifies that all relevant provisions of Chapter VIII and Schedule XVIII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VIII and Schedule XVIII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

Kamal Khetan

Chairman and Managing Director

Place: Mumbai

Date: October 24, 2017

DECLARATION

We, the Directors of the Company certify that:

- (i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the offer shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

Signed by:

Kamal Khetan
Chairman and Managing Director

I am authorized by the Capital Raising Committee, a committee of the Board of Directors of the Company, vide resolution dated May 26, 2017 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Kamal Khetan
Chairman and Managing Director

Place: Mumbai
Date: October 24, 2017

SUNTECK REALTY LIMITED

Registered and Corporate Office

5th Floor, Sunteck Centre
37-40, Subhash Road, Vile Parle (East)
Mumbai 400 057

Contact Person: Rachana Hingarajia, Company Secretary & Compliance Officer

Address of Compliance Officer:

5th Floor, Sunteck Centre
37-40, Subhash Road, Vile Parle (East)
Mumbai 400 057

Tel: +91 22 4287 7800; **Fax:** +91 22 4287 7890; **Email:** rachana@sunteckindia.com

BOOK RUNNING LEAD MANAGERS

Axis Capital Limited

1st Floor, Axis House, C-2, Wadia International Centre,
P.B. Marg, Worli,
Mumbai 400 025

Kotak Mahindra Capital Company Limited

1st Floor, 27 BKC, Plot No. 27, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051

LEGAL ADVISOR TO OUR COMPANY AND THE BOOK RUNNING LEAD MANAGERS

As to Indian law

Khaitan & Co

One Indiabulls Centre
13th Floor, Tower 1
841 Senapati Bapat Marg
Mumbai 400 013

INTERNATIONAL LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

As to U.S Federal and New York law

Allen & Overy

9/F, Three Exchange Square
Central
Hong Kong

AUDITORS TO OUR COMPANY

Lodha & Co., Chartered Accountants

6, Karim Chambers, 40,
A. Doshi Marg (Hamam Street)
Mumbai 400 001