

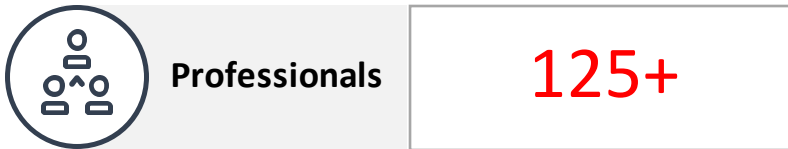
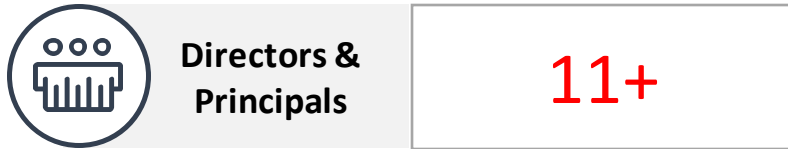


ACQU**SORY**
Your Growth, Our Business

Real Estate- Sales Audit

- ✓ **Acquisory** was incorporated in 2010, by highly credentialed and experienced professionals, from PricewaterhouseCoopers, Arthur Andersen and Protiviti.
- ✓ The management team among themselves represent extensive experience in specialized services across M&A Advisory, Investment Banking, Asset Management and Operations & Risk Consulting.
- ✓ We have an appreciation for dynamics of business, operations, transactions and necessary skills to blend practical business & commercial insights with tax & regulatory knowledge to identify effective solutions to all business problems.
- ✓ We partner with our clients through the entire business continuum from identification of the problem, to solution, to implementation.





OUR FOCUS

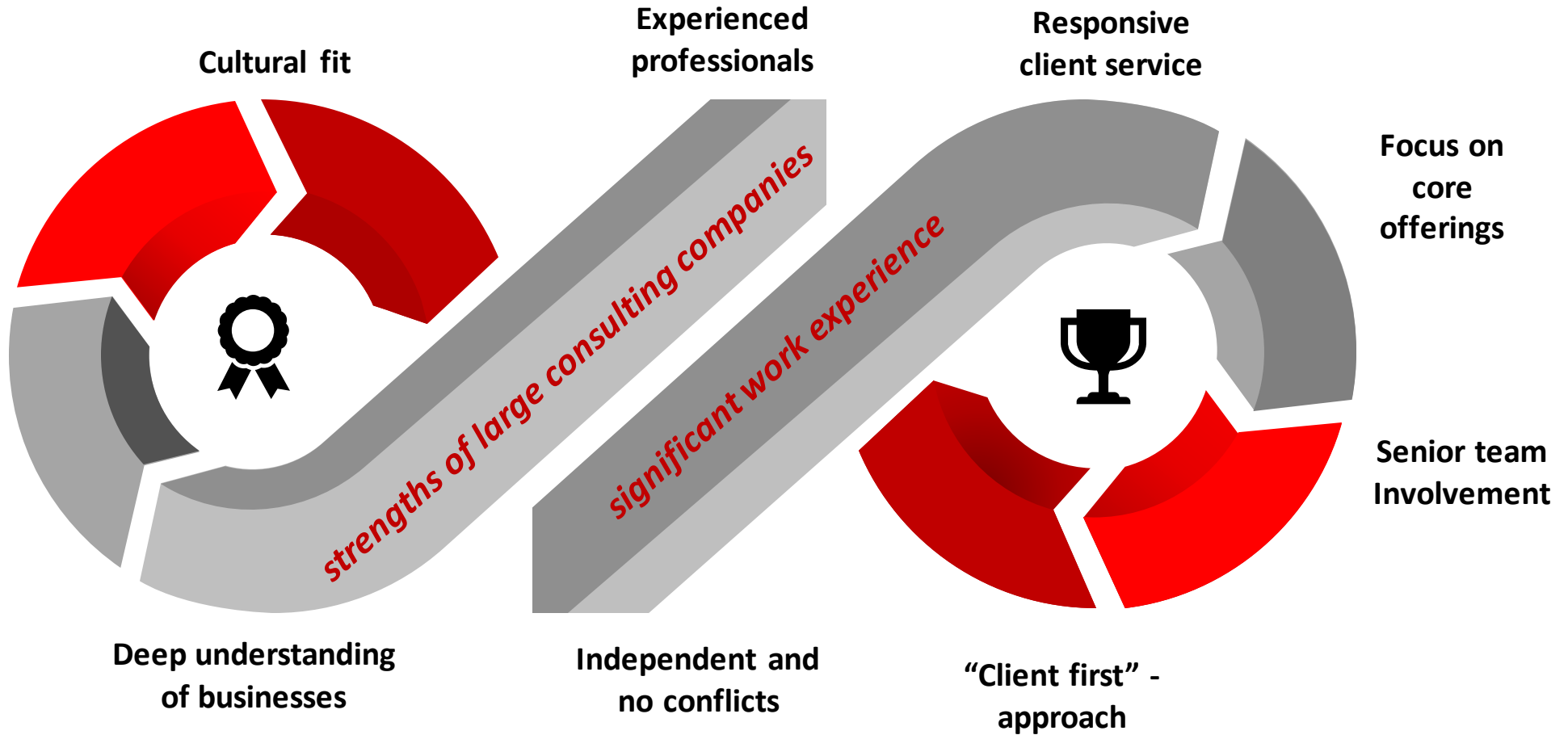
Acquisory assists clients ranging from global enterprises to small and middle market companies that are both publicly held or privately owned, as well as large, mid and small-cap private equity firms, corporate management and boards of directors.

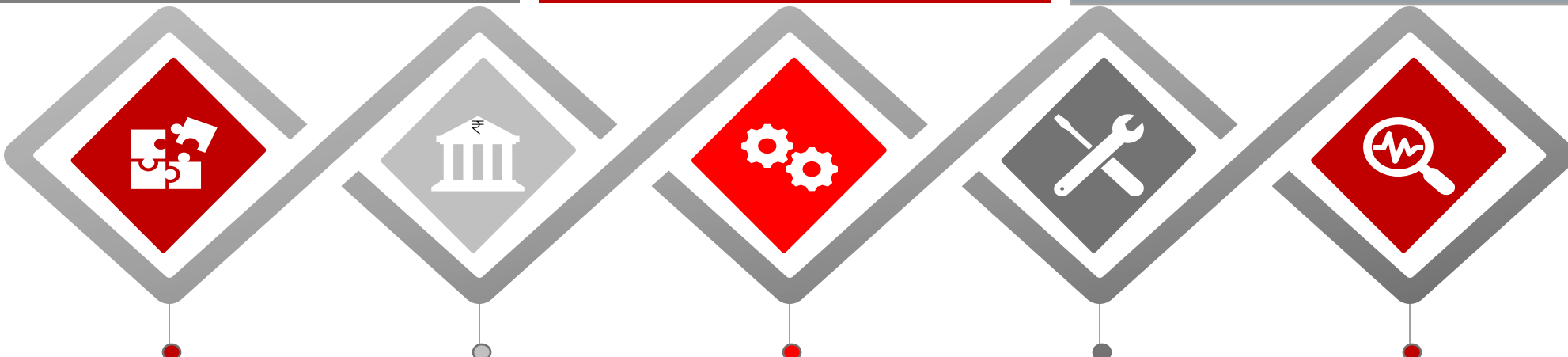
We provide specialist advice for a range of sectors. A personal, partner-led approach, with rich experience have taught us that an understanding of the business, structure and practices of our clients' industries is critical to providing the services our clients' need to reach their goals.

- Real Estate & Infrastructure
- Manufacturing
- Media and Entertainment
- Healthcare and Hospitals
- Hotel, Hospitality and Leisure
- Start-ups
- Private Equity
- Retail
- Telecommunication
- Consumer Products
- Education
- Services



Acquisory fills a unique and valuable position in the market, as depicted below. We bring a unique blend of knowledge and experience to the table which combine the focus, dedication and independence of a boutique firm, with the methodologies & deep skill-sets of the Big 4.





| M&A – Lead Advisory | Asset Management | Operations & Risk Consulting | Assurance & Regulatory | IT Risk, Forensics |
|--|---|--|---|---|
| <ul style="list-style-type: none"> ✓ Fund Raising (Debt & Equity) ✓ Buy Side / Sell Side advisory ✓ Due Diligence ✓ Valuation ✓ Financial Modelling ✓ Corporate Restructuring ✓ Deal Structuring / Negotiation ✓ M&A Integration | <ul style="list-style-type: none"> ✓ Portfolio Management and Investment Monitoring ✓ Strategic Advice ✓ Dispute Resolution and litigation Management ✓ Exit advice & Maximization of Investors return ✓ Asset Management Software | <ul style="list-style-type: none"> ✓ Internal Audit ✓ Process Reengineering ✓ Cost reduction ✓ Working capital Optimization ✓ IFC Review ✓ Sox Compliance ✓ SOP Development | <ul style="list-style-type: none"> ✓ Accounting & Reporting ✓ Financial Audits ✓ Compliance <ul style="list-style-type: none"> ✓ Secretarial ✓ FEMA ✓ Conversion support towards IFRS, IND AS accounting | <ul style="list-style-type: none"> ✓ Information Security Management Services ✓ Forensics ✓ Technology Risk Solution ✓ Security Risk Management ✓ Creative Training Solution |



Construction

- Project budgeting, forecasting, planning and execution
- Contractor selection
- Bidding and tendering
- Site development and improvement
- Construction monitoring
- Project accounting and timelines
- Project records and project management
- Compliances of local laws and regulations

Sales and Marketing

- Budgeted vs. actual sales price realizations
- Budgeted saleable area and actual area sold
- Leasable Area and Rentals
- Exit Rates
- Marketing process
- Customers relations
- Enquiry capturing and records



 Strategic Management

 Core Business

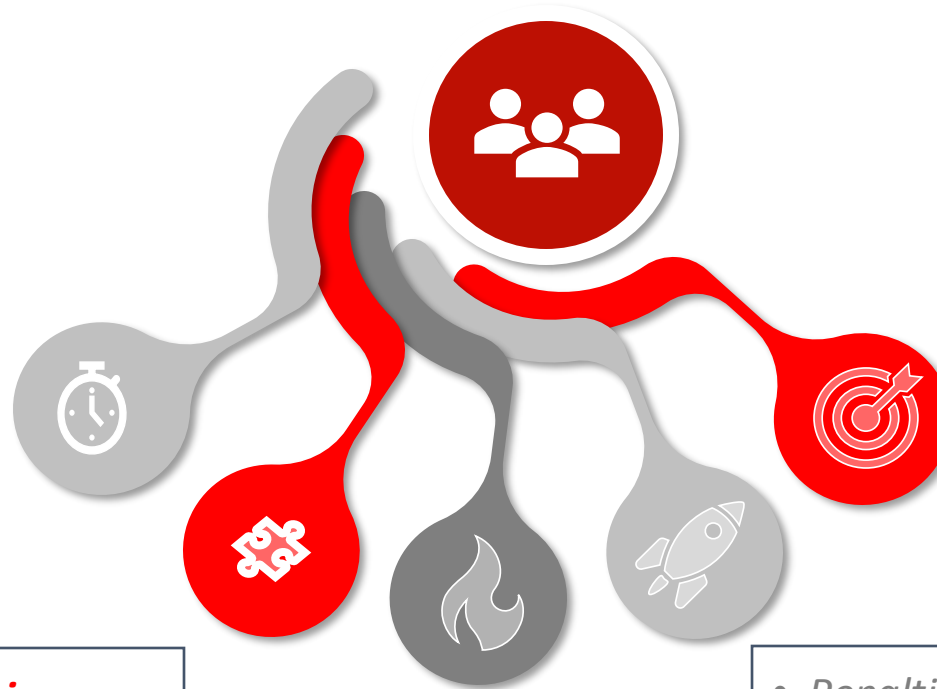
 Resource Management



As per our experience and understanding of industry, the following are significant 'Focus Areas' for Sales Audit:

Analysis of Total sales

- Total Unit available for Sale,
- Units Sold and
- Inventory held



Reconciliation

- Reconciliation of Collection in Bank to Customer SOA

Collection Analysis

- Demand raised v/s to be raised.
- Delinquent Sales

Compliance Analysis

- Statutory Compliances

- Penalties in case of delay in Possession
- Compliance with the RERA Regulations

Analysis of Total Sales

- Analysis of Area Sold, Sales Value, Volume and Average Realization as per the budget/business plans.
- Revenue booked & Deferred Revenue
- Delinquent sales as per payment schedule.
- Significant Pattern in Sales of specific type of unit or units by tower/wing
- Analysis of saleable area, sales cancellation and subsequent resale.
- Monthly sales Velocity and price Movements.
- Status of balance inventory
- Age Wise analysis of receivables.
- Age Wise analysis of the units sold but not registered.

Collection Analysis

- Verification of Sales amount collected with the bank statement.
- Analysis of amount demanded vs demands to be raised as per builder buyer agreement.
- Analysis of self vs bank funded units.
- Analysis of amount forfeited in case of Cancelled Units.
- Quantification of penalties in case of delay in possession.

Reconciliations

- Between bank collections and collections as per sales MIS.
- Between Collections as per escrow and collections as per sales MIS
- Between Customer SOA and Bank Statement.
- Reconciliation of tax records with sales.
- Between the Units sold as per RERA and Actual Sales as per Sales MIS (CRM Dump)
- Between the inventory records as per the sales team and the inventory as per the system

Review

- Review of the revenue recognition policy.
- Review and Comment on Related Party Transactions pertaining to sales and advances.
- Review and Comment on the overdue receivables.

Policies and Procedures

- Understanding the broad organization structure of sales and marketing team.
- Obtaining the list of significant marketing agreements and contract with customer and brokers.
- Understanding the Target's policy on advertising and marketing including the brokerage cost and analyzing it with the past value.

Verification

- Verification documents like registration, builder buyer agreement, MOU etc.
- Verification of details in Sales MIS with the actual booking forms, KYC and agreement to sell.
- Verification of the Units Sold, discount given, purchase options opted, amount called and collected with the buyer's agreement.
- Obtaining Balance Confirmation from customers.
- Background Check of the parties (if required).
- Verification of transfer documents in case the Units are being transferred from one customer to another customer.

Awards

- Acquisory received the award of “M&A Advisory Firm of the Year” in 2013
- Acquisory received the award of “Due Diligence Experts of the Year” in 2014



Report Letter

November 2, 2010
Board of Directors
XXXXXXXXXXXX
XXXXXXXXXXXX Centre

New Delhi 110066, India

Dear Sir,

Sub – Report on recommendation of allotment ratio of equity shares of XXXXXXXXXXXX Limited (“XXXXXXXXXXXX”) to the equity shareholders of XXXXXXXXXXXX (“XXXXXXXXXXXX”) or “the Company” or “the Client”), upon the demerger of the “Demerged Undertaking” of XXXXXXXXXXXX into XXXXXXXXXXXX.

This report summarizes results of workings and analysis for allotment ratio for issue of equity shares of “XXXXXXXXXXXX” to the equity shareholders of XXXXXXXXXXXX (“XXXXXXXXXXXX” or “the Company”), upon the demerger of the “Demerged Undertaking” of XXXXXXXXXXXX into XXXXXXXXXXXX as at January 1, 2011 (Appointed Date).

For the purposes of recommending allotment ratio, we have carried out the analysis of XXXXXXXXXXXX and XXXXXXXXXXXX on the basis of Net Assets Value Method, Market Price Method and Paidup share Capital Method and our report on the same is enclosed herewith for your reference. Read with underlying assumptions, scope of work and limitations defined in our report, the proposed allotment ratio is one equity share of XXXXXXXXXXXX to be issued for every five shares of XXXXXXXXXXXX.

As per information and explanation given to us by the Company, the allotment ratio has been arrived at after considering the future capital expenditure requirements in the business, equity servicing capacity, capital employed in the business, shareholders’ profile and other relevant factors.

Scope of Work : We understand that the Management of XXXXXXXXXXXX is contemplating a restructuring exercise wherein it proposes to realign the specified investments and specified loan and advances (“Demerged Undertaking”) in a separate company, XXXXXXXXXXXX Limited, by way of demerger to achieve synergies through focused business segments and leverage on its operations for future growth (“Transaction”).

This would be achieved by a Scheme of Arrangement and Demerger (“Scheme”) under the provisions of Sections 391-394 of the Companies Act, 1956. We understand that the XXXXXXXXXXXX has been incorporated and will be wholly owned by XXXXXXXXXXXX. XXXXXXXXXXXX would hold nominal shares in

Executive Summary

Scope of Work

- We understand that the Management of XXXXXXXXXXXX is contemplating a restructuring exercise wherein it proposes to demerger the following investments along with loans and advances given to group companies (“Demerged Undertaking”) in a wholly owned subsidiary, XXXXXXXXXXXX Limited, by way of demerger to achieve synergies through focused business segments and leverage on its operations for future growth.
- For the purposes of demerger, the Company requires XXXXXXXXXXXX (“XXXXXXXXXXXX”) to provide share allotment ratio for the issue of equity shares of XXXXXXXXXXXX to the shareholders of XXXXXXXXXXXX, under the restructuring exercise of demerger of Demerged Undertaking as on Appointed Date.

Approach

- We have conducted an analysis of XXXXXXXXXXXX and XXXXXXXXXXXX as per Market Price Method, Net Assets Value method and Paidup Share Capital Method. These are generally accepted approaches for the computation of share allotment ratio.
- The analysis and result relies upon the info provided by the Management of XXXXXXXX authority.
- We have given the appropriate weights to considering the business risks and other app
- Business forecasts and information (the Appointed Date) has not been provided.

Results

Results of ratio

Approach and Methodology

STEP 1
Obtained from the Management, the book value of all assets and liabilities including contingent liabilities proposed to be transferred to XXXXXXXXXXXX under scheme of arrangement for demerger.

STEP 2
Obtained from the Management, the book value of all assets and liabilities of XXXXXXXXXXXX Saw (Residual) net off assets and liabilities transferred to XXXXXXXXXXXX under the scheme of arrangement for demerger. The Management informed us that in absence of information of projected balance sheet at December 31, 2010, balance as at March 31, 2010 can be used for JSW Steel, XXXXXXXXXXXX as on NAV of the Companies

putation of a share allotment ratio on the basis of historical net assets. Share allotment ratio based on the historical cost of its tangible assets and liabilities may not always serve as reflecting its real worth on the transaction date.

- This is for the reason that the value of assets acquired in the past would not be static but would either appreciate or depreciate in value depending upon the nature of the asset, its economic life, demand in the market and several other factors.
- In evaluating the real worth of the assets, therefore, the intrinsic worth or realizable value of the assets on the valuation date needs to be determined.

- Report Letter
- Project Details
- Executive Summary
- Key Risk
- Scope limitation
- Annexures

- In absence of information from the Management, NAV of the investments of Hexa securities has not been taken into consideration and NAV of Hexa Securities has been considered in our workings.

Based on information provided, contingent liabilities appearing in the financial statements as at March 31, 2010 has been considered as on December 31, 2010 and has been adjusted (Residual) and XXX Management, all financial statement book values.

Discounted Cash Flow

- The Discounted by discounting perpetuity value Equity (FCFE) or to high debt . Discounted Cash equity share ho
- The free cash flow Cost of Capital (

Scope Limitations

There is no indisputable single ratio. We have performed our analysis as per agreed upon procedures with the management and do not provide any opinion on the valuation thereof. While we have provided our analysis of indicative values based on the information provided and within our scope and constraints of our engagement, others may place a different value to the same.

The share allotment ratio and fair exchange ratio recommended herein are arrived based on generally accepted principles. These do not consider specific provisions of tax laws prevalent in India. The ratios specified are not to be construed as compliant with the tax regulations. Also, we have been given to understand by the Management of XXXXXXXXXXXX that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt.

- We provide no assurance that a transaction can be completed successfully at or close to our recommended ratio within a particular timeframe. Our share allotment ratio recommendation only represents the most likely ratio around which a demerger should happen.

We make no representation or warranty as to the accuracy or completeness of the information used for our analysis, including any estimates, and shall have no liability for any representations (expressed or implied) contained in, or for any omission from, these procedures.

- Analysis performed by us are not and should not be construed to constitute an audit. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of our work.
- In the course of performing our procedures, we have relied on financials and other information, including estimates of future financial performance and assumptions thereof, provided by management. Our conclusions will be dependent on such information being complete and correct in all material respects. We have not conducted an independent audit, due diligence review or validation of such information including the estimates of future financial performance for the purpose of this assignment. Accordingly, we will not express an opinion or any other form of assurance thereon and we accept no responsibility or liability for any losses occasioned to XXXXXXXXXXXX, XXXXXXXXXXXX, its directors, or shareholders or to any other party as a result of our reliance on such information.
- We have not performed any evaluation of the accounting and commercial systems.
- We have performed our analysis of the Companies and no account has been taken of any discount or premium that may be negotiated in the market in the event of a distress sale.

ILLUSTRATIVE



Highlights for the period..

Construction in progress

For discussions with management and project management consultants we understand that the project progress in the months of February and March was as per budgeted timelines, however there was a delay of 9-10 days in slab casting due to non availability of steel and delay in issuing the tenders as per the schedule provided, please refer annexure. We observed that the Company has reduced 3 days to cast one slab across all towers in order.

Sales Analysis

| Sales Area | Total Area (sq. ft) | Area sold till Mar | Avg Sale Price (Rs/sq.ft) | Total Sales (Rs. in Lakhs) | Revenue | | Expenses | | Gross Profit (Rs. in Lakhs) | Net Profit (Rs. in Lakhs) |
|--------------|---------------------|--------------------|---------------------------|----------------------------|------------|-----------|-----------|-----------|-----------------------------|---------------------------|
| | | | | | Actual | Target | Actual | Target | | |
| Office 53 | 1,00,000 | 45,000 | 30% | 4,500 | 1% | 9 | 10 | 20 | 25 | 10 |
| Office 52 | 1,00,000 | 46,000 | 47% | 4,600 | 10% | 10 | 10 | 20 | 24 | 14 |
| Office 51 | 1,00,000 | 5,740 | 2% | 5,740 | 3% | 3 | 3 | 3 | 3 | 0 |
| Parking | 10,00,000 | 50,000 | 5% | 500 | 0% | 0 | 0 | 0 | 0 | 0 |
| Total | 3,00,00,000 | 1,46,740 | 5% | 14,674 | 11% | 22 | 23 | 43 | 52 | 24 |

Sales Analysis

7% of the total sales is from the sale of plots. Out of the total 25% and balance 75% is from the sale of flats. There has been an increase in the sales of plots in Gurgaon and Bangalore. Agreement of sale witnessed cancella reasons for delay in completion of cost September - Octob Mail and Multiple appointed. Proceed the retailers.

Balance Sheet Analysis

- Developing business relations in Gurgaon and Bangalore. Commercial team had met recently.
- Follow-up on existing 500 int immediate sales under Assure
- Targeting the active IPC and A improve the sale and leasing a commercial office proposals (3)

Balance Sheet Analysis

| Particulars | Rs (in Lakhs) | 30-Apr-11 | 30-Jun-12 | Difference |
|------------------------------------|---------------|-----------|-----------|------------|
| Equity and Liabilities | | | | |
| Share Capital | | | | |
| Reserve and Surplus | | | | |
| Secured Loans | | | | |
| Current Liabilities & Provisions | | | | |
| Assets | | | | |
| Administrative Cost | 116 | 158 | 81 | |
| Management Fees | 135 | 82 | -87 | |
| Marketing | 114 | 118 | 3 | |
| Legal | 14 | 18 | 2 | |
| Consultancy Fees | 105 | 125 | 20 | |
| Civil Works Cost | 1,796 | 1,904 | 167 | |
| Revenue Sharing with APN | 69 | 69 | - | |
| Sub Station Shifting Cost | 63 | 63 | - | |
| Bank charges | - | - | - | |
| Interest & Provision on Debentures | - | - | - | |
| Interest on Loan | - | - | - | |
| Land Cost | - | - | - | |
| Deferred Tax Asset | - | - | - | |
| Cost of Inv to P&L A/C | - | - | - | |
| Total Application of Funds | | | | |

Recent Activities Sales, Leads – August 2012

| | No. Leads | Site Visits | Warm | Closings |
|----------------------|-----------|-------------|------|----------|
| Eenadu Property Show | 465 | 15 | 8 | 0 |
| Magic Bricks | 181 | 11 | 6 | 0 |
| Deccan Chronicle | 162 | 4 | 2 | 0 |

Performance Report

- Project highlights
- Executive summary – key risks and challenges in sales and cash flows
- Sales analysis – collection and rates
- Financial analysis

Executive Summary.. Budget Vs Actual..

Project IRR and Investor IRR

- Project and Investor IRR has decreased primarily on account of delay and increased cost of construction. Investor IRR has been computed based on the distribution as per waterfall structure as agreed in the shareholders agreement.

Projected Cash Flows

| Applications | Till March 31, 2011 | To Completion | | Total | |
|---------------------|---------------------|---------------|------------------|---------------|------------------|
| | | Revised BP | As per Acquisory | Revised BP | As per Acquisory |
| Construction Cost | 983 | 3,344 | 3,545 | 4,327 | 4,528 |
| Interest | 363 | 341 | 341 | 704 | 704 |
| Income Tax | - | 846 | 846 | 846 | 846 |
| Other Expenses | 299 | 707 | 743 | 1,007 | 1,042 |
| Land Cost | 1,281 | - | - | 1,281 | 1,281 |
| Term Loan Repayment | - | 2,500 | 2,500 | 2,500 | 2,500 |
| Total Expenditure | 2,926 | 7,739 | 7,975 | 10,665 | 10,901 |
| Sources | | | | | |

- At this point of time it has become very important to raise cash flows from new pre sales otherwise there could be pressure on the cash flows going forward.
- Company has assumed that this gap will be funded through pre sales in their business plan. Discussions with management indicated that there will not be any deficit in cash flows, but analysis of data indicated that there might be pressure on cash flows in Mar 12, June 12 and September 12.

Sales Analysis

| Description | Average Rate (with car parking) Rs. Per sq.ft | | | Selling Rate | | |
|----------------|---|---------------------------|---------------|---------------------|---------------------------|---------------------------|
| | Revised BP for Feb & Mar 2011 | Actual Rate for Feb & Mar | Difference | Original BP (Total) | Revised BP as at Mar 2011 | Actual Rate till Mar 2011 |
| Residential 53 | 3,411 | 3,383 | -29 | 3,800 | 3,399 | 3,309 |
| Office 53 | 4,444 | 4,312 | -132 | 4,300 | 4,243 | 3,575 |
| Shops 53 | 6,364 | 7,500 | 1,136 | 6,500 | 6,375 | 7,227 |
| Retail 52 | 60 | - | -60 | 70 | 80 | - |
| Office 52 | 4,623 | - | -4,623 | 4,500 | 4,583 | 4,000 |
| Parking | - | - | - | - | - | - |
| Total | 4,335 | 4,287 | -3,708 | 4,750 | 4,657 | 4,158 |

Customer Profile – No. of Companies Visited Site 52

| Category | No. of companies Visited |
|------------|--------------------------|
| IT | 85 |
| Banking | 8 |
| Gaming | 6 |
| Industrial | 6 |
| Pharma | 5 |
| Others | 39 |

The given pie chart represents the total number of companies that visited Trinity Corporate in the past 3 months. A total of 149 companies visited. It represents there has been a significant amount of demand from the corporate clients.

| Nature of Service Client Served | Investment Advisory | Due Diligence | SOP Development | Asset Management | Internal audit | Project Review |
|---------------------------------|---------------------|---------------|-----------------|------------------|----------------|----------------|
| Edelweiss | ✓ | ✓ | | | | |
| Hines | ✓ | ✓ | | | | |
| Piramal NBFC | ✓ | ✓ | | | | |
| Phoenix Mills | | ✓ | | | | |
| Brookfield | | ✓ | | ✓ | | ✓ |
| Ansal API | | ✓ | | | ✓ | ✓ |
| KKR | ✓ | ✓ | | ✓ | | |
| L&T Phoenix | | ✓ | | | | |
| Clearwater | ✓ | ✓ | | | ✓ | |
| Oxford properties | | ✓ | | ✓ | | |
| Rustomjee | | ✓ | | ✓ | | |
| Emaar MGF | | ✓ | ✓ | | | |
| Manjeera | | ✓ | ✓ | ✓ | ✓ | ✓ |
| IL & FS | | ✓ | | | | |
| Logix | | ✓ | | | | |
| Trinity Capital | | ✓ | ✓ | ✓ | ✓ | |
| Euramco | ✓ | ✓ | | ✓ | ✓ | |
| Religare | ✓ | ✓ | ✓ | ✓ | | |
| Sun Apollo | | ✓ | | | | |



| Nature of Service Client Served | Investment Advisory | Due Diligence | SOP Development | Asset Management | Internal audit | Project Review |
|---------------------------------|---------------------|---------------|-----------------|------------------|----------------|----------------|
| DB Realty | | ✓ | | | ✓ | |
| HDFC Fund | | ✓ | | ✓ | | ✓ |
| Brookfield | | ✓ | | | | ✓ |
| Kalpataru | | | | | ✓ | |
| IREP | ✓ | | | ✓ | | |
| Tata Realty | | | | | ✓ | |
| Kotak Realty | ✓ | ✓ | | ✓ | ✓ | |
| BCC Builders | | | ✓ | | ✓ | |
| Kautilya Finance | | ✓ | | ✓ | | ✓ |
| Reliance Capital | | ✓ | | ✓ | | ✓ |
| Indiabulls | ✓ | | | | | |
| Supertech | ✓ | ✓ | | | | |
| SS Group | ✓ | | | | ✓ | |
| Saya Homes | ✓ | | | | | |
| Shri Group | ✓ | | | | | |





Middle Eastern Global
Sovereign Fund



IndusInd Bank







**Sumchit Anand**

Qualification - CA
Experience - 20+ Years
Registered Valuer- IBBI

**Krishan Goyal**

Qualification - CA
Experience - 16+ Years
Registered Valuer- IBBI

**Kinnari Gandhi**

Qualification - CA
Experience - 15+ Years

**Puneet Batra**

Qualification - CA
Experience - 10+ Years

**Chirag Shah**

Qualification - CA
Experience - 9+ Years

**Jasmine Agarwal**

Qualification - CA
Experience - 8+ Years

Contact us

Your Growth, Our Business

OUR OFFICES

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