TRILEGAL

DUE DILIGENCE REPORT

Ramky Selenium

For Mr Sharad J. Kadakia

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1. INTRODUCTION

1.1 Mr Sharad J. Kadakia, S/o Late Mr Jayantilal M. Kadakia, resident of 14252 Culver Dr Suite A358 Irvive Ca 92604 (**Buyer**), proposes to acquire approximately 50,647 sq.ft. in the 2nd Floor and 3rd Floor of Block A in the building known as Ramky Selenium (**Building**) situated in Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Andhra Pradesh from Ramky Estates and Farms Limited (**REFL**). In this regard, we have been instructed to conduct a legal due diligence in respect of the title of the Building and undivided share of Land (*as defined hereinafter*), the details of which are provided in Section 6 of this Report.

1.2 This report sets out the key findings of the legal due diligence exercise conducted by us (**Report**).

2. GENERAL SCOPE OF WORK

Our scope of work, as discussed and agreed, involved the following:

2.1 Reviewing the documents provided by the Buyer (**Documents**) relevant to the transaction;

2.2 Preparing this Report on the findings of the legal due diligence exercise; and

2.3 Identifying issues and the implications of the identified issues.

3. METHODOLOGY

3.1 We have reviewed the Documents provided by the Buyer, a list of which is annexed hereto as **Annex A**. The Documents have been provided pursuant to (i) the preliminary checklist sent on 21 March 2013, attached hereto as **Annex B**, (ii) additional checklists sent on 5 April 2013 and 10 April 2013, attached hereto as **Annex C** and **Annex D**, respectively, (iii) discussions in the meeting held on 10 April 2013 between Mr Madhusudhan Rao from REFL, Mr Raju Swaroop and Mr Sandeep Singh from Jones Lang LaSalle, and Mr Pavan Kumar, Ms Sahiti Gopalajosyula and Mr Vishnu Shankar from Trilegal, and (iv) discussions in the meeting held on 6 May 2013 between Mr Madhusudhan Rao from REFL, Mr Raju Swaroop from Jones Lang LaSalle, and Mr Pavan Kumar and Ms Sahiti Gopalajosyula from Trilegal. The detailed scope of work performed has been outlined in this Report.

4. LIMITATION OF SCOPE

The scope of our review is limited by the following:

4.1 This Report sets out our findings as of 14 May 2013 (**Review Date**) and therefore the contents of this Report are valid only as on the Review Date.

4.2 We have assumed that the Buyer has provided us all material facts and not held back any material information. We have further relied on and assumed that the Documents provided in connection with the Building and Land are the only documents relating to the Building and Land.

4.3 We have assumed that all signatures, stamps, seals and dates, if any, on all Documents supplied to us as originals, or as copies of originals, are genuine.

4.4 We have assumed that each party to the Documents reviewed has the right, power and authority and has taken all actions necessary to execute and deliver, and to exercise its rights and perform its obligations under the Documents reviewed.

4.5 We have assumed that each executed Document supplied to us is in full force and has not been terminated or amended and that no obligation under that Document has been waived.

4.6 We have not examined the value or conducted a physical verification of the Building or the Land.

4.7 Our review addresses only the issues which we, in our absolute discretion, have considered significant, from a legal perspective. We do not accept responsibility for assessing the commercial or technical implications of the Documents reviewed by us or matters referred to therein.

4.8 This Report is restricted to issues of a legal nature which have come out of the Documents and other information reviewed by us. It does not purport to and is not intended to cover issues which are of an accounting, tax, technical or non-legal nature nor does it purport or intend to cover issues on agreements not made available to us, including matters relating to or governing the inter-relationship between disclosed and undisclosed agreements.

4.9 This Report is intended solely for the use of the Buyer. We specifically disclaim any responsibility or liability to any person other than the Buyer as regards this Report and the contents thereof, irrespective of whether this Report is made available to such person with our consent. We further disclaim any responsibility or liability as regards any matters outside the scope of our review described in Section 2 above.

5. STRUCTURE OF THE REPORT

This Report is divided into different heads detailing our findings in respect of the Building and the Land and wherever considered necessary, we have made our observations. Please note that any such observations highlighted by us are preliminary observations. It is recommended that specific advice be sought before taking any remedial steps in pursuance of such observations.

6. DESCRIPTION OF LAND AND BUILDING

The Buyer has informed us that the Buyer proposes to acquire approximately 50,647 sq.ft. in the 2nd Floor and 3rd Floor of Block A in the Building, situated in Plot Nos. 31/Part and 32 on land admeasuring 3.38 acres located in the Financial District, Hyderabad (**Financial District**) in Survey Numbers 115/22, 115/24 and 115/25 of Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District (**Land**), along with proportionate undivided share of the Land.

7. FLOW OF TITLE

7.1 The District Collector, Ranga Reddy District, Revenue Department, Government of Andhra Pradesh (**District Collector**), by way of letter dated 4 September 2002 bearing Letter Number

[01]/2051/2002 [1] addressed to the Mandal Revenue Officer, Serilingampally Mandal (**MRO**), directed the MRO to resume land to the extent of 33.23 acres situated in Survey Numbers 115/16, 115/19, 115/20, 115/22, 115/24, 115/25, 115/27, 115/29, 115/30 and 115/32, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Andhra Pradesh and hand over the said lands to the Andhra Pradesh Industrial Infrastructure Corporation Limited (**APIIC**), subject to payment of ex-gratia of Rs. 2,00,000 (Rupees Two Lakhs) per acre.

7.2 Panchnama dated 14 September 2002 written in the presence of the District Collector and the MRO states that three persons, namely, (i) Beerakat Satyaji, S/o B. Chatoba, residing at Nanakramguda Village, (ii) Sri Dharmagiri Narender, S/o Venkat Reddy, residing at Nanakramguda Village and (iii) Gone Krishna Reddy, S/o Mohan Reddy, residing at Nanakramguda Village, handed over possession of parcels of lands to APIIC to the extent of 29.03 acres, the details of which are provided as follows (**APIIC Lands**):

(i) 5.00 acres in Survey Number 115/22
(ii) 4.31 acres in Survey Number 115/24
(iii) 4.39 acres in Survey Number 115/25
(iv) 5.00 acres in Survey Number 115/27
(v) 5.00 acres in Survey Number 115/30
(vi) 4.13 acres in Survey Number 115/32

The Panchnama, and the plan showing the details of APIIC Lands annexed thereto, contain an endorsement made by APIIC that possession of the APIIC Lands has been taken over by the APIIC from the abovementioned three persons under the Panchnama.

7.3 We note that Shriram Group Companies, by way of letter dated 30 November 2005 addressed to the APIIC, sought for allotment of land in their favour[2]. APIIC, by way of letter dated 19 December 2005 bearing Letter Number 1269/PM(IPU)/APIIC/2005(S) to Shriram Group Companies, decided to allot 3.00 acres of land in Plot Nos. 31/Part and 32 in the Financial District to Shriram Life Insurance Company Limited. APIIC requested Shriram Group Companies to file an application in the prescribed format to the APIIC in this regard and make the payment of Earnest Money Deposit (**EMD**) of Rs. 30,36,000 (Rupees Thirty Lakhs Thirty Six Thousand), i.e., 10% of the total cost of the land along with a process fee of Rs. 10,000 (Rupees Ten Thousand).

7.4 Pursuant to the above, Shiram Financial Services Holdings Private Limited (**SFSHPL**) filed the application dated 31 December 2005 with the APIIC requesting for allotment of land in the Financial District. The details of the land and the proposed development thereon as set out in the application are as follows:

Extent of land requirement	3.00 acres
Facilities proposed to be developed on the land	Corporate office, back office and IT support and training centre
Built-up area proposed	1,50,000 sq.ft.
Likely time to commence construction	9 months to 1 year
Likely time to complete construction	24 months from commencement

[1] The letter number is unclear in the copy of the letter provided to us.
[2] Please note we have not been provided a copy of the letter dated 30 November 2005.

Likely time to commence operations	Immediate

Shriram Group Companies, by way of letter dated 31 December 2005 addressed to APIIC filed along with the abovementioned application, requested for execution of the land allotment agreement in the name of SFSHPL, since, at the time, SFSHPL held 70% of the paid up capital of Shriram Life Insurance Company Limited.[3]

7.5 APIIC, by way of provisional allotment order dated 16 January 2006 bearing Letter Number 1269/P M (IPU)/APIIC/2005(S) (**Provisional Allotment Order**), provisionally allotted to SFSHPL, on "as is where is basis", land admeasuring 3.00 acres in Plot Nos. 31/Part and 32 in the Financial District situated in Survey Numbers 115/22, 115/24 and 115/25 of Nanakramguda Village within the Serilingampally Mandal, Ranga Reddy District, Andhra Pradesh to establish corporate office, back office and IT support and training centre and requested SFSHPL to pay the total provisional cost for the allotted land. The Provisional Allotment Order also set out the conditions on the basis of which the provisional allotment was being granted, which are as follows:

(i) The total provisional cost of the land amounting to Rs. 3,03,52,500 (Rupees Three Crore Three Lakh Fifty Two Thousand Five Hundred), less EMD of Rs. 30,36,000 (Rupees Thirty Lakhs Thirty Six Thousand) was to be paid within 90 days from the date of receipt of the Provisional Allotment Order. If the payment of the total provisional cost is not made within the stipulated time period, the allotment shall stand cancelled and the EMD paid shall remain forfeited. The Provisional Allotment Order acknowledges the payment of the EMD by SFSHPL by way of Receipt No. 107465 dated 12 January 2006.

(ii) Construction work should be commenced on the land within 6 months and envisaged activity should be commenced within 24 months from the date of possession. If the project is not commenced and implemented within the stipulated time, the allotment of the land shall stand cancelled.

(iii) The land should be utilised for the purpose for which it was allotted within 2 years before registering the land in favour of SFSHPL. The land shall not be transferred or conveyed to any other company without first obtaining the permission of the APIIC.

(iv) Interest at the rate of 12% per annum shall be collected for the payments made after 90 days.

(v) The allotment of land shall be confirmed in favour of SFSHPL through a final allotment letter after payment of the total provisional cost of the land.

7.6 The Provisional Allotment Order was partially modified by way of letter dated 23 March 2006 bearing Letter Number 751/P M (IPU)/APIIC/2006 addressed by APIIC to SFSHPL to reflect an allotment of 3.39 acres instead of 3.00 acres to SFSHPL and the total provisional cost of the land was increased to Rs. 3,08,69,000 (Rupees Three Crores Eight Lakhs Sixty Nine Thousand), after adjusting the EMD amount.

[3] Please note that while the letter dated 31 December 2005 has been addressed by Shriram Group Companies to APIIC, the abovementioned application dated 31 December 2005 was filed in the name of SFSHPL.

7.7 The allotment of Land in favour of SFSHPL was confirmed by way of the letter dated 9 May 2006 addressed by APIIC to SFSHPL[4]. Further, by way of this letter, (i) the Provisional Allotment Order was subsequently modified to reflect an allotment of 3.38 acres to SFSHPL as per revised site plan dated 5 May 2006 of Zonal Manager, Cyberabad[5], (ii) the total sale consideration was revised to Rs. 3,42,35,000 (Rupees Three Crores Forty Two Lakhs Thirty Five Thousand) and (iii) the payment of the total sale consideration was made by SFSHPL by way of (a) Cheque number 733841 dated 31 December 2005 drawn on UTI Bank, (b) Demand Draft number 234269 dated 9 March 2006 drawn on ING Vysya Bank Limited and (c) Demand Draft number 636040 dated 12 April 2006 drawn on City Union Bank, and the said payments have been acknowledged as received by APIIC.

7.8 On 18 May 2006, APIIC executed an Agreement for Sale of Land bearing registration number 11682/2006 (**Agreement for Sale**) for the allotment and handing over of possession of land admeasuring 3.38 acres on an "*as is where is basis*" situated at the Financial District bearing Plot Nos. 31/Part and 32 in Survey Numbers 115/22, 115/24 and 115/25 of Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District for a total consideration of Rs. 3,42,35,000 (Rupees Three Crores Forty Two Lakhs Thirty Five Thousand) in favour of SFSHPL. The Agreement for Sale provided that SFSHPL has made the payment of the amount of Rs. 3,42,35,000 for the Land pursuant to the Provisional Allotment Order and modifications thereof, and thereby, APIIC allotted and handed over possession of the Land in favour of SFSHPL for establishment of corporate office, back office and IT support and training centre. The Agreement for Sale sets out *inter alia* the following terms and conditions:

(i) SFSHPL shall utilise the Land only for the purpose for which it was allotted and not for any other purpose without first obtaining written permission from APIIC. Further, SFSHPL shall not put up any structure or building other than the building approved by APIIC and the competent authorities.

(ii) The sale deed pursuant to the Agreement for Sale shall be executed and registered by APIIC in favour of SFSHPL only after SFSHPL implements the project for which the Land was allotted and all dues and charges are paid to APIIC. In the event of delay in implementation for bonafide reasons, the allottee shall have at least completed the project substantially. Substantial implementation has been explained to mean investment on ground and completed civil works to an extent of at least 80% of the project cost or double the prevailing market value of the Land.

(iii) SFSHPL shall commence construction of buildings on the Land, after obtaining building permission from APIIC and other authorities, within 6 months from the date of taking possession of the Land and shall complete construction and implement the project not later than 24 months thereof. In the event of failure to comply with this condition, APIIC has the right to cancel allotment of the land and resume possession of the land.

[4] Please note that the reference number of the letter dated 9 May 2006 in the copy provided to us is unclear. Further, please note that the letter dated 9 May 2006 has references to letters dated 22 December 2005, 20 January 2006, 16 February 2006 and 10 March 2006. We have not been provided with copies of these letters.

[5] We have not been provided with a copy of the letter dated 5 May 2006.

(iv) SFSHPL shall not "*transfer or change the ownership/ constitution of the business relating to the unit*" without first obtaining written permission from APIIC.

(v) In the event of breach of any of the covenants contained in the Agreement of Sale, the allotment shall stand cancelled and SFSHPL shall be treated as an encroacher and a trespasser on the Land. In the event of cancellation of allotment / resumption of Land, the payments made by SFSHPL to APIIC shall be forfeited; however, APIIC may, at its option, consider the refund of the amounts paid by SFSHPL towards the Land subject to deduction of the EMD amount.

7.9 On 5 November 2007, SFSHPL and Ramky Estates and Farms Private Limited (**REFPL**) executed an unregistered Agreement of Sale Cum General Power of Attorney, whereby, REFPL agreed to construct 1,00,000 (One Lakh) sq.ft. of built up area along with 45,000 (Forty Five Thousand) sq.ft. of car parking area on the Land for SFSHPL in consideration for a total sum of Rs. 14,00,00,000 (Rupees Fourteen Crores) paid by SFSHPL to REFPL, and transfer of undivided share of the Land to the extent of 12,738 sq.yds. by SFSHPL to REFPL, subject to APIIC executing a sale deed in favour of SFSHPL for the Land.

The Schedule of Property in the Agreement of Sale Cum General Power of Attorney describes the Land as follows:

Schedule of Property

All land forming part of Plot Nos. 31/Part and 32 comprising 3.38 acres (13,694 sq. metres / 16,789 sq.yds.) in Financial District situated at Survey Numbers 115/22, 115/24 and 115/25, Nanakramguda (V), Serilingampally Mandal, Ranga Reddy District and is bounded by:

NORTH	*Existing 24 metres wide road*
SOUTH	*Plot Nos. 31/Part and 30/Part*
EAST	*Plot Nos. 27 and 28*
WEST	*Existing 24 metres wide road*

7.10 SFSHPL and REFPL subsequently entered into a Memorandum of Understanding (**MOU**) on 19 February 2008, whereby REFPL has agreed to undertake the work of completing the project as agreed between SFSHPL and APIIC in accordance with the Agreement for Sale. Further, the MOU provides that a separate joint venture company shall be incorporated under the name and style of '*Shriram Financial Services Holdings Private Limited – Nanakramguda*' for developing the project. Clause 3 of the MOU states that on completion of the project and upon transfer of Land by APIIC to SFSHPL, SFSHPL shall transfer half of the Land to REFPL.

7.11 We are given to understand that SFSHPL converted to a public company by the name of Shriram Financial Services Holdings Limited[6]. We note from the certificate of incorporation issued consequent upon change of name dated 12 March 2008 that subsequently, Shriram Financial Services Holdings Limited changed its name to Shriram Capital Limited.

[6] We have not been provided with a certificate of incorporation issued consequent upon change of name on conversion to public company in this regard.

7.12 On 4 August 2009, APIIC and Shriram Capital Limited executed the Deed of Sale bearing registration number 4064/2009 (**Deed of Sale**) for the transfer of land admeasuring 3.38 acres situated at the Financial District in Survey Numbers 115/22, 115/24 and 115/25, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District for a total consideration of Rs. 3,42,35,000 (Rupees Three Crores Forty Two Lakhs Thirty Five Thousand). By way of the Deed of Sale, APIIC transferred the Land to Shriram Capital Limited only for the purpose of establishment of a corporate office, back office and IT support and training centre building. The Schedule of Property in the Deed of Sale describes the Land as follows:

Schedule of Property

District: R R District	*Mandal: Serilingampalli*
Village: Nanakramguda	*Municipality: Serilingampalli*
Survey Numbers: 115/22, 115/24 and 115/25	*Notified Area: APIIC-IALA*

Plot Nos. 31/Part and 32 measuring an extent of 3.38 acres (13,694 sq. metres) in Financial District situated at Survey Numbers 115/22, 115/24 and 115/25, Nanakramguda (V), Serilingampally Mandal, Ranga Reddy District and is bounded by:

NORTH	*Existing 24 metres wide road*
SOUTH	*Plot Nos. 31/Part and 30/Part*
EAST	*Plot Nos. 27 and 28*
WEST	*Existing 24 metres wide road*

7.13 Shriram Capital Limited, along with Shriram Infrastructure Holdings Private Limited and Shriram Entrepreneurial Ventures Limited, filed Company Petitions Numbers 189, 190 and 191 of 2011 before the High Court of Judicature at Madras for sanction of Scheme of Amalgamation and Arrangement among the parties. The High Court of Judicature at Madras passed an order dated 28 March 2012 (**Madras High Court Order**) in Company Petition Numbers 189, 190 and 191 of 2011 sanctioning the Scheme of Amalgamation and Arrangement between Shriram Capital Limited, Shriram Infrastructure Holdings Private Limited and Shriram Entrepreneurial Ventures Limited (**Scheme**). Clause 4.7 of the Scheme provides that all assets and liabilities of Shriram Capital Limited, including the Land, stands transferred to and vested in Shriram Entrepreneurial Ventures Limited. Further, Form 21 has been filed with the Registrar of Companies (**ROC**) by Shriram Capital Limited, by way of which the ROC was notified of the Madras High Court Order.

7.14 We note from the certificate of incorporation issued consequent upon change of name dated 29 November 2012 that Shriram Entrepreneurial Ventures Limited changed its name to Shriram Venture Limited.

7.15 On 30 January 2013, Shriram Venture Limited and REFL executed a Sale Deed bearing registration number 1218/2013 (**Sale Deed**) for the transfer of land admeasuring 12,835 sq.yds. at Plot Nos. 31/Part and 32 in Survey Numbers 115/22, 115/24 and 115/25 at Financial District, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District. Pursuant to the completion of construction on the Land by REFL and fulfillment of the terms and conditions agreed between the parties in the Agreement of Sale Cum General Power of Attorney dated 5 November 2007, Shriram Venture Limited transferred its title over undivided share of the Land admeasuring 12,835 sq.yds. and paid a sum of Rs. 14,00,00,000 (Rupees Fourteen Crores) to REFL as consideration for REFL constructing

98,225 sq.ft. of built-up space at the 5th, 6th, 7th and 8th floors in Tower-A of the Building and 45,000 sq.ft. of space at the cellars with car parking for 125 cars at the basement of Tower-A of the Building on the retained proportionate undivided share of Land belonging to Shriram Venture Limited admeasuring 3,543 sq.yds. The Sale Deed describes the Schedule Property as follows:

Schedule Property-A

All that land and building admeasuring 3.38 Acres of land or 16,378 sq.yds. situated at Plot Nos. 31/Part and 32 in Survey Numbers 115/22, 115/24 and 115/25 at Financial District, Nanakramguda, Serilingampally, R.R. District which is bounded by:

NORTH	*Existing 24 metres wide road*
SOUTH	*Plot Nos. 31/Part and 30/Part*
EAST	*Plot Nos. 27 and 28*
WEST	*Existing 24 metres wide road*

Schedule Property-B

All that undivided share of land admeasuring 12,835 sq.yds. out of 16,378 sq.yds. at Plot Nos. 31/Part and 32 in Survey Numbers 115/22, 115/24 and 115/25 at Financial District, Nanakramguda, Serilingampally, R.R. District in the Schedule Property-A.

Schedule Property-C

All that undivided share of land retained by Shriram Venture Limited admeasuring 3,543 sq.yds. with built-up space of 98,225 sq.ft. at 5th, 6th, 7th, and 8th floors in Tower-A and 45,000 sq.ft. space at cellars with effective car parking of 125 numbers at basement of Tower-A, constructed by REFL in the Schedule Property-A.

8. APPROVALS

8.1 By way of No Objection Certificate dated 22 December 2006 bearing number AAI/M/0-23/NCC, the Airports Authority of India, Chennai Airport (**AAI**) issued a no-objection to SFSHPL for the proposed construction on the Land, conditional on the height of the structure not exceeding 616 metres, which was valid for a period of 3 years from the date of issue.

8.2 The Municipal Commissioner, Serilingampally Municipality, Ranga Reddy District, by way of order dated 12 April 2007 bearing proceedings number G/1093/BP/406/2007 accorded sanction to SFSHPL for the construction of an office building consisting of 2 basements, a ground floor and 2 floors. This permission was valid up to 11 April 2010 and if the sanctioned construction was not completed within the stipulated period, the permission shall have lapsed.

Pursuant to application filed by SFSHPL[7] to the GHMC, Building Permit Order dated 2 November 2010 bearing Permit Number 95/HO/WZ/Cir-11/2010 was issued by the GHMC to SFSHPL, which sanctioned permission for the construction of a multi-storied commercial complex consisting of 2 basements for parking, ground floor and 7 upper floors for an office building on the Land. Subsequently, pursuant to application dated 1 December 2010 filed by Shriram Capital Limited with the GHMC, Building Permit Order dated 27 December 2012 bearing Permit Number

[7] The date of the application has not been mentioned in this Building Permit Order. We have been informed by REFL, by way of email dated 23 April 2013, that "*the copy of the said application is not available*".

18505/HO/WZ/Cir-11/2010 was issued by the GHMC to SFSHPL sanctioning permission to construct partly 7th, 8th and partly 9th floor over the permitted and existing construction on the Land for commercial purpose. We have been informed by REFL in the meeting dated 6 May 2013 that the construction of the partly 7th, 8th and partly 9th floors of the Building commenced prior to the issue of the Building Permit Order dated 27 December 2012 by the GHMC. In this regard, we have been provided with a letter dated 14 August 2012 addressed by the GHMC to SFSHPL whereby the GHMC levied compounding fees of Rs. 52,21,609 (Rupees Fifty Two Lakhs Twenty One Thousand Six Hundred and Nine) on SFSHPL for construction of the partly 7th, 8th and partly 9th floors without the prior permission of the GHMC.

8.3 By way of the provisional No Objection Certificate dated 13 April 2007 bearing Rc. No. 1489/E4/2007 (**Provisional NOC**) addressed by the Director General of Fire Services, Hyderabad to Vice Chairman, Hyderabad Urban Development Authority, no objection was granted for construction of multi-storeyed building on the Land with 2 basements and 8 upper floors with a height of 34 metres for business occupancy. Subsequently, the Director General, State Disaster Response and Fire Services issued a No Objection Certificate dated 23 February 2012 bearing Rc. No. 1489/E4/2007 (**NOC**) to the Commissioner, Greater Hyderabad Municipal Corporation (**GHMC**) granting no objection for occupancy of multi-storeyed building with a height of 41 metres on the Land for business occupancy, which was valid for a period of one year from the date of issue.

8.4 By way of letter dated 21 November 2011 bearing Letter Number CEIG/TS/HV/RR-431/D.No.5736/2011 addressed by the Chief Electrical Inspector, Government of Andhra Pradesh to Shriram Capital Limited, HV Electrical Installation for energisation was approved as described in the annexure to the letter. By way of letter dated 26 November 2011 bearing Letter Number CEIG/AO/Duty-1/ED2/RR-III/135/D.No.5856/11, the Chief Electrical Inspector, Government of Andhra Pradesh, called upon Shriram Capital Limited to submit monthly returns for every month and undertake payment of electricity duty accordingly.

8.5 The Commissioner, GHMC issued sanctioned plan for the Building dated 27 December 2012 bearing Permit No. 18505/HO/WZ/Cir.11/2010 (**Sanctioned Plan**) to SFSHPL for construction of 2 basements, ground floor and 9 floors for commercial purpose on the Land. Clause 27 of the Sanctioned Plan provides that SFSHPL should not deliver the possession of any part of the built-up area of the Building proposed to be constructed by way of sale/ lease unless and until occupancy certificate is obtained from the Municipal Commissioner, Hyderabad after providing all the regular service connections to each portion of the Building by submitting the following:

(i) Building completion certificate issued by the architect duly certifying that the Building is completed as per the Sanctioned Plan.

(ii) Structural stability certificate issued by the structural engineer duly certifying that the Building is structurally safe and the construction is in accordance with the specified designs.

(iii) An extract of the site registers containing inspection reports of the site engineer, structural engineer and architect.

(iv) Insurance policy for the completed Building for a minimum period of 3 years in terms of G.O.Ms.No. 541 M.A. dated 17 November 2010 as per the undertaking dated 29 November 2010 No. 29085.

Clause 46 of the Sanctioned Plan states that the entire ground floor of the Building has been handed over for mortgage as per GO MS No 86 MA dated 3 March 2006, 171 MA dated 19 April 2006 and 623 MA dated 1 February 2006 to the GHMC through affidavit dated 3 November 2011. In this regard, we have been provided with a copy of the unexecuted Mortgage Plan of the Building which states that 4157.46 sq. metres on the ground floor of the Building has been mortgaged to the GHMC. Further, Shriram Capital Limited and REFL executed a Mortgage Affidavit attested on 3 November 2011, which states that Shriram Capital Limited and REFL, being the owners of the Building, have, at this stage, already mortgaged 3238.90 sq. metres of built-up area on the ground floor of the Building to the GHMC by way of Building Permit Order dated 2 November 2010 bearing Permit Number 95/HO/WZ/Cir-11/2010, by which the GHMC accorded permission to construct 2 basements, a ground floor and 7 upper floors.[8] Subsequently, the Mortgage Affidavit attested on 3 November 2011 provides that the GHMC has provisionally sanctioned the construction of the 8th and 9th floors of the Building and in this regard, Shriram Capital Limited and REFL agree to mortgage the remaining 918.56 sq. metres on the ground floor of the Building in favour of GHMC. Further, the Commissioner, GHMC has been authorised to dispose of this 918.56 sq. metres on the ground floor of the Building in the event of any violation or deviation from the terms of the sanctioned plan.

The Sanctioned Plan contains an endorsement from the Commissioner, GHMC which states that SFSHPL is required to follow the conditions insisted by:

(i) The AAI, by way of No Objection Certificate dated 22 December 2006 bearing number AAI/M/0-23/NCC;

(ii) The Director General, State Disaster Response and Fire Services in the NOC;

(iii) The Engineer by JNTU by way of letter dated 14 November 2012 bearing No. JNTU/CEH/CIVIL/ICS/Proof Checking/GHMC/0073/2013; and

(iv) Clause 7.2 of GO MS No 86 MA dated 3 March 2006.[9]

8.6 By way of G.O.Ms.No.587 MA dated 14 November 2006 issued by the Municipal Administration and Urban Development Department, Government of Andhra Pradesh, certain powers and functions of the Serilingampally Municipality were transferred to the APIIC. Pursuant to the same, the Zonal Manager and Commissioner, APIIC issued Occupancy Certificate dated 24 April 2013, which states that SFSHPL has provided APIIC with Building Completion Notice dated 30 November 2012 and that the Building has been completed as per the specification of the sanctioned plan. Thereby, the APIIC has certified the Building as inspected and declared the same as fit for occupation.

[8] Please note that we have not been provided a copy of the mortgage affidavit in relation to the Building Permit Order for the 2 basements, ground floor and 7 upper floors.

[9] Please note that the specific sub-sections of Clause 7.2 of GO MS No 86 MA dated 3 March 2006 as provided in the endorsement are unclear.

9. ENCUMBRANCES

9.1 The encumbrance certificate dated 9 April 2013 bearing No. 915369 issued by the Registration and Stamps Department, Government of Andhra Pradesh and certified by the Office of the Sub Registrar, Ranga Reddy records as follows:

(i) Shriram Capital Limited as the claimant over an extent of land admeasuring 158 guntas in Plot Nos. 31/Part and 32 in Survey Numbers 115/22, 115/24 and 115/25 situated at Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District; and

(ii) Of the land owned by Shriram Venture Limited[10], REFL as the claimant over an extent of land admeasuring 12,835 sq.yds. and built-up area to the extent of 1,43,225 sq.ft. in Plot Nos. 31/Part and 32 in Survey Numbers 115/22, 115/24 and 115/25 situated at Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District.

10. OBSERVATIONS

10.1 The District Collector directed the MRO to resume land to the extent of 33.23 acres in Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Andhra Pradesh and hand over the said lands to the APIIC, subject to payment of ex-gratia by the APIIC.[11] We have not been given any document evidencing payment of ex-gratia by APIIC; however, we have been informed by REFL, by way of email dated 8 April 2013, that REFL has made enquiries with APIIC, who have confirmed that the ex-gratia has been paid. In the event of non-payment of the ex-gratia amount by APIIC, the transfer of title of the Land to APIIC would be null and void and thereby, subsequent transfers by APIIC would also be rendered null and void.

10.2 **Provisional Allotment Order**

(i) Clause 4 of the Provisional Allotment Order states that construction work should be commenced on the Land within 6 months from the date of possession.[12] We note that the SFSHPL obtained the No Objection Certificate from the AAI on 22 December 2006, which is over 6 months from the date of possession. Subsequently, the Municipal Commissioner, Serilingampally Municipality, Ranga Reddy District sanctioned the construction of an office building consisting of 2 basements, a ground floor and 2 floors by way of order dated 12 April 2007, which is over 11 months from the date of possession. If there has been a delay in commencing construction work on the Land, APIIC has the right to cancel the allotment of the Land to SFSHPL. We have not been provided with any information/ documents evidencing waiver of the condition to commence construction work on the Land within a period of 6 months from date of possession by APIIC.

(ii) Clause 5 of the Provisional Allotment Order states that the land should be utilised for the purpose for which it was allotted within 2 years before registering the land in favour of

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[10] The said land was transferred from Shriram Capital Limited to Shriram Venture Limited by way of the Madras High Court Order.

[11] Refer to Section 7.1 of this Report.

[12] Refer to Section 7.5 (ii) of this Report.

SFSHPL. Further, prior written permission of the APIIC is required for transfer or conveyance of the land to any other company.[13] The land was allotted for commercial purpose. The Deed of Sale conveying absolute title and ownership of the Land in favour of Shriram Capital Limited was executed on 4 August 2009, which is over 2 years from the date of allotment. We have not been provided with (i) any information/ documents evidencing waiver of the condition to utilise the land for the purpose for which it was allotted within 2 years by APIIC or (ii) written permission from the APIIC for conveyance of the land to REFL.

(iii) Clause 7 of the Provisional Allotment Order states that the total provisional cost of the land was to be paid within 90 days from the date of receipt of the Provisional Allotment Order, failing which the allotment shall stand cancelled and the EMD paid shall remain forfeited.[14] Clause 8 of the Provisional Allotment Order states that for any payments made after 90 days, interest at the rate of 12% per annum shall be imposed. We have been informed by REFL that the total provisional cost of the land was paid within 90 days from the date of receipt of the Provisional Allotment Order. However, we have not been provided any information/ documents evidencing the payment of the total provisional cost of the land within the stipulated time period.

10.3 Clause 3 of the Agreement for Sale states that the sale deed pursuant to such Agreement for Sale shall be executed and registered by APIIC in favour of SFSHPL only after SFSHPL implements the project for which the Land was allotted and all dues and charges are paid to APIIC. In the event of delay in implementation for bonafide reasons, SFSHPL is required to have at least completed the project substantially. Clause 3 further states that SFSHPL shall implement the project within two years from the date of taking physical possession of the plot, failing which the allotment and the Agreement of Sale will be cancelled.[15] The Deed of Sale conveying absolute title and ownership of the Land in favour of Shriram Capital Limited was executed on 4 August 2009, which is above 2 years from the date of entering into the Agreement for Sale and taking possession of the Land. We have not been provided with any information/ documents evidencing APIIC's waiver of the condition of implementation of the project within two years from the date of taking possession of the Land and prior to registration of the Land in favour of SFSHPL.

10.4 MOU dated 19 February 2008 was executed between SFSHPL and REFPL, whereby REFPL agreed to undertake the work of constructing the Building on the Land, pursuant to the Agreement for Sale.[16] Further, the MOU stated that a joint venture company was proposed to be incorporated for the purpose of developing the project on the Land. We have been informed that no joint venture company has been incorporated by the parties.[17] Further, Clause 3 of the MOU provides for an arrangement, whereby, half of the Land shall be transferred by SFSHPL to REFPL. We note that this arrangement is contradictory to the arrangement between the parties in relation to demarcation of the Land as per the Agreement of Sale Cum General Power of Attorney dated 5 November 2007, the details of which are provided in Section 7.9 above. In addition, we have been informed by REFL in the meeting held on 10 April 2013 that though SFSHPL and REFPL executed the MOU, neither

[13] Refer to Section 7.5 (iii) of this Report.
[14] Refer to Section 7.5 (i) of this Report.
[15] Refer to Section 7.8 (iii) of this Report.
[16] Refer to Section 7.10 of this Report.
[17] Response to checklist sent by Trilegal in email dated 30 March 2013.

party performed its obligations under the MOU. Therefore, it is recommended that a formal termination of the MOU be undertaken by the parties.

10.5 **Sale Deed**

(i) The Provisional Allotment Order, along with the modifications thereto, the Agreement for Sale and the Deed of Sale confirm the sale and transfer of the Land admeasuring 3.38 acres or approximately 16,364 sq.yds. from APIIC to Shriram Capital Limited. However, the Sale Deed executed between Shriram Venture Limited and REFL states that APIIC allotted land admeasuring 16,378 sq.yds. to Shriram Capital Limited.[18] Further, the Sale Deed states that out of the abovementioned land admeasuring 16,378 sq.yds., an undivided share of 12,738 sq.yds. is transferred from Shriram Capital Limited to REFL and an undivided share of the land admeasuring 3,543 sq.yds. is retained by Shriram Capital Limited. Thus we note that the Sale Deed mentions an excess area of 14 sq.yds. of land over and above the Land admeasuring 16,364 sq.yds. allotted and transferred by APIIC to Shriram Venture Limited. In this regard, REFL, by way of email dated 9 May 2013, provided us with the letter dated 9 May 2006 addressed by the APIIC to SFSHPL whereby the allotment of land admeasuring 3.38 acres by APIIC to SFSHPL and the payment of total sale consideration of Rs. 3,42,35,000 by SFSHPL to APIIC was confirmed. Please note that this letter reflects 3.38 acres or approximately 16,364 sq.yds. as the extent of land allotted and paid for by SFSHPL. We have not been provided with any document evidencing payment by SFSHPL for the excess 14 sq.yds.

(ii) By way of the Sale Deed executed between Shriram Venture Limited and REFL, 12,835 sq.yds. of undivided share in Land was transferred by Shriram Venture Limited in favour of REFL and Shriram Venture Limited retained 3,543 sq.yds. of undivided share in Land with built-up space of 98,225 sq.ft. along with 45,000 sq.ft. of car parking space in Tower A. We note that the Schedule of Property in the Sale Deed does not identify the built-up area constructed and owned by REFL on the land transferred by Shriram Venture Limited to REFL.

10.6 A No Objection Certificate was issued by the AAI to SFSHPL for construction on the Land.[19] Clause 7 of the No Objection Certificate states that the validity period of the No Objection Certificate is 3 years from the date of issue and if the construction has not been completed within this stipulated time period, a fresh No Objection Certificate is required to be obtained. Therefore, the No Objection Certificate was valid up to 22 December 2009. Please note that we have been informed by REFL by way of the email dated 8 April 2013 that the construction activity has been completed within the stipulated time period. In this regard, we have been provided with a Form for Completion Certificate dated 15 January 2013 addressed to the GHMC stating that the construction of Block A and Block B of the Building has been completed on 30 November 2012. However, we have not been provided with any document evidencing the completion of the construction on the Land within the time period as stipulated in the No Objection Certificate issued by the AAI. We have been informed by REFL in the meeting dated 6 May 2013, that no fresh application has been made with the AAI for a fresh No Objection Certificate.

[18] Refer to Section 7.15 of this Report.
[19] Refer to Section 8.1 of this Report.

10.7 A Provisional NOC was granted by the Director General of Fire Services, Hyderabad for construction on the Land and subsequently, an NOC was granted by the Director General, State Disaster Response and Fire Services for occupancy of the Building.[20] Clause 9 of the Provisional NOC states that if the builder makes any deviation from the sanctioned plan, the entire building shall be demolished irrespective of the stage of construction. It is therefore advisable to ensure that there is no deviation from the sanctioned plan for the Building. Further, Clause 12 of the NOC states that the NOC is valid for one year and the builder is required to submit the application for the renewal of NOC two months before the due date of renewal. We have been informed by REFL in the meetings held on 10 April 2013 and on 6 May 2013 that an application has been submitted for the renewal of the no objection certificate for occupancy of the Building from the Director General, State Disaster Response and Fire Services, but that the no objection certificate has not yet been renewed. Further, we have not been provided with a copy of the application submitted by REFL in this regard.

10.8 Building Permit Orders dated 2 November 2010 and 27 December 2012 issued by the GHMC to SFSHPL in relation to construction of the Building on the Land reflect the name of the applicant as SFSHPL.[21] We note that for the Building Permit Order dated 27 December 2012, the application was made in the name of SFSHPL on 1 December 2010. However, as of 12 March 2008, SFSHPL had converted to a public company by the name of Shriram Financial Services Holdings Limited, which in turn changed its name to Shriram Capital Limited. Despite the same, the Building Permit Orders dated 2 November 2010 and 27 December 2012 are in the name of SFSHPL.

10.9 **Sanctioned Plan**

(i) Clause 46 of the Sanctioned Plan states that the entire ground floor of the Building has been handed over for mortgage as per GO MS No 86 MA dated 3 March 2006, GO MS No 171 MA dated 19 April 2006 and GO MS No 623 MA dated 1 February 2006 to the GHMC through affidavit dated 3 November 2011.[22] We have not been provided with information on whether such mortgaged area of the Building has been released by the GHMC. Further, the Sanctioned Plan requires SFSHPL to follow the conditions insisted by the Engineer by JNTU by way of letter dated 14 November 2012 bearing No. JNTU/CEH/CIVIL/ICS/Proof Checking/GHMC/0073/2013. Please note that we have not been provided with a copy of the said letter and therefore, we are unable to comment on the same. However, we are given to understand that the ground floor of the Building, which has been mortgaged as described above, is not proposed to be acquired by the Buyer.

(ii) Clause 27 of the Sanctioned Plan states that the occupancy certificate shall be issued after all regular service connections are provided to each portion of the Building and submission of (a) the Building completion certificate issued by the architect, (b) structural stability certificate issued by the structural engineer, (c) an extract of the site registers containing the inspection reports and (d) insurance policy for the completed Building for a minimum period of 3 years. We have been informed by REFL in the meeting dated 10 April 2013, that the application along with the aforementioned documents have been submitted to the GHMC for issue of the occupancy certificate. Please note that we have not been provided

[20] Refer to Section 8.3 of this Report.
[21] Refer to Section 8.2 of this Report.
[22] Refer to Section 8.5 of this Report.

with a copy of the application or the aforementioned documents submitted by REFL to the GHMC.

(iii) The Sanctioned Plan dated 27 December 2012 has been issued by GHMC to SFSHPL. However, we note that certain sheets[23] of the Sanctioned Plan dated 27 December 2012 have been issued by GHMC to "*Sriram Financial Holdings Private Limited*". Further, please note that as of 28 March 2012, the extent of the Land and built-up area of the Building owned by SFSHPL was transferred to Shriram Venture Limited pursuant to (a) the change of name and conversion to a public company of SFSHPL to Shriram Capital Limited and (b) the Madras High Court Order sanctioning the Scheme. Despite the same, the Sanctioned Plan has been issued in the name of SFSHPL.

10.11 The Deed of Sale reflects conveyance of title to land admeasuring 3.38 acres, i.e., 135 guntas from APIIC in favour of Shriram Capital Limited. However, we note that the encumbrance certificate in relation to the Land reflects Shriram Capital Limited as the claimant over an extent of land admeasuring 158 guntas.[24] We have been informed by REFL, by way of email dated 26 April 2013, that "*In the E.C it is wrongly mentioned as 158 guntas*". We have been informed by REFL in the meeting held on 6 May 2013 that REFL has submitted an application for a fresh encumbrance certificate to reflect the correct extent of land transferred from APIIC to Shriram Capital Limited. However, we have not been provided with a copy of the said application.

[23] Sheet No. 2/20 for the 5th floor, sheet No. 3/20 for the 7th floor, sheet No. 4/20 for the 2nd floor, sheet No. 5/20 for the lower basement layout, sheet No. 7/20 for the lift, sheet No. 9/20 for the 6th floor, sheet No. 10/20 for the 9th floor, sheet No. 11/20 for the section and elevation, sheet No. 12/20 for the 1st floor, sheet No. 14/20 for the 3rd floor, sheet No. 15/20, sheet No. 18/20 for the 4th floor and sheet No. 19/20 for the 8th floor of the Sanctioned Plan

[24] Refer to Section 9 of this Report.

ANNEX A

LIST OF THE DOCUMENTS RELEVANT TO THE TRANSACTION THAT HAVE BEEN REVIEWED

1. Letter dated 4 September 2002 bearing Letter Number [01]/2051/2002[25] addressed by the District Collector, Ranga Reddy District, Revenue Department, GoAP to the Mandal Revenue Officer, Serilingampally Mandal.

2. Panchnama dated 14 September 2002 written in the presence of the District Collector, Ranga Reddy District, Revenue Department, GoAP and the Mandal Revenue Officer, Serilingampally Mandal.

3. Letter dated 19 December 2005 bearing Letter Number 1269/P M (IPU)/APIIC/2005(S) addressed by APIIC to Shriram Group Companies.

4. Application dated 31 December 2005 filed by SFSHPL with the APIIC.

5. Letter dated 31 December 2005 addressed by Shiram Group Companies to APIIC.

6. Provisional allotment order dated 16 January 2006 bearing Letter Number 1269/P M (IPU)/APIIC/2005(S).

7. Letter dated 23 March 2006 bearing Letter Number 751/P M (IPU)/APIIC/2006 addressed by APIIC to SFSHPL.

8. Letter[26] dated 9 May 2006 addressed by APIIC to SFSHPL.

9. Agreement for Sale dated 18 May 2006 bearing registration number 11682/2006 executed between APIIC and SFSHPL.

10. Unregistered Agreement of Sale Cum General Power of Attorney dated 5 November 2007 executed between SFSHPL and REFPL.

11. Memorandum of Understanding dated 19 February 2008 executed between SFSHPL and REFPL.

12. Deed of Sale dated 4 August 2009 bearing registration number 4064/2009 executed between APIIC and Shriram Capital Limited.

13. Term Sheet executed between Sharad J. Kadakia and REFL on 2 December 2011.

14. Letter dated 9 December 2011 from Nand Kishore M., Vice President, REFL to Sharad J. Kadakia.

15. Acknowledgement dated 12 December 2011 from REFL to Sharad J. Kadakia.

16. Order dated 28 March 2012 passed by the High Court of Judicature at Madras in Company Petition Numbers 189, 190 and 191 of 2011 in the matter of Scheme of Amalgamation and Arrangement between Shriram Capital Limited, Shriram Infrastructure Holdings Private Limited and Shriram Entrepreneurial Ventures Limited.

17. Sale Deed dated 30 January 2013 bearing registration number 1218/2013 executed between Shriram Venture Limited and REFL.

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[25] The letter number is unclear in the copy of the letter provided to us.
[26] The letter number is unclear in the copy of the letter provided to us

18. Fresh certificate of incorporation consequent upon change of name of Shriram Financial Services Holdings Limited to Shriram Capital Limited dated 12 March 2008.

19. Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company from REFPL to REFL dated 9 April 2008.

20. Fresh Certificate of Incorporation Consequent upon Change of Name of Shriram Entrepreneurial Ventures Limited to Shriram Venture Limited dated 29 November 2012.

21. No Objection Certificate dated 22 December 2006 bearing number AAI/M/0-23/NCC addressed by the Airports Authority of India, Chennai Airport to SFSHPL.

22. Order of the Municipal Commissioner, Serilingampally Municipality, Ranga Reddy District dated 12 April 2007 bearing proceedings number G/1093/BP/406/2007.

23. Provisional No Objection Certificate dated 13 April 2007 bearing Rc. No. 1489/E4/2007 addressed by the Director General of Fire Services, Hyderabad to Vice Chairman, Hyderabad Urban Development Authority.

24. No Objection Certificate dated 23 February 2012 bearing Rc. No. 1489/E4/2007 addressed by the Director General, State Disaster Response and Fire Services to the Commissioner, GHMC.

25. Building Permit Order dated 2 November 2010 bearing Permit Number 95/HO/WZ/Cir-11/2010 addressed by the GHMC to SFSHPL.

26. Building Permit Order dated 27 December 2012 bearing Permit Number 18505/HO/WZ/Cir-11/2010 addressed by the GHMC to SFSHPL.

27. Letter dated 21 November 2011 bearing Letter Number CEIG/TS/HV/RR-431/D.No.5736/2011 addressed by the Chief Electrical Inspector, Government of Andhra Pradesh to Shriram Capital Limited.

28. Letter dated 26 November 2011 bearing Letter Number CEIG/AO/Duty-1/ED2/RR-III/135/D.No.5856/11 addressed by the Chief Electrical Inspector, Government of Andhra Pradesh to Shriram Capital Limited.

29. Encumbrance certificate dated 9 April 2013 bearing No. 915369 issued by the Registration and Stamps Department, Government of Andhra Pradesh and certified by the Office of the Sub Registrar, Ranga Reddy.

30. Sanctioned plan for the Building dated 27 December 2012 bearing Permit No. 18505/HO/WZ/Cir.11/2010 issued by the Commissioner, GHMC.

31. Occupancy Certificate dated 24 April 2013 issued by the Zonal Manager and Commissioner, APIIC to SFSHPL.

32. Mortgage Affidavit executed by Shriram Capital Limited and REFL and attested on 3 November 2011.

33. Form 21 filed with the ROC in relation to the Scheme.

34. Unexecuted mortgage plan of the Building.

35. Form for Completion Certificate dated 15 January 2013 addressed to the GHMC.

36. G.O.Ms.No.587 dated 14 November 2006 issued by the Municipal Administration and Urban Development Department, Government of Andhra Pradesh.

ANNEX B

PRELIMINARY CHECKLIST SENT ON 21 MARCH 2013 AND RESPONSE FROM REFL

LIST OF INFORMATION AND DOCUMENTS REQUIRED FOR TITLE DILIGENCE

Real estate documents:

S. No.	Information / Documents	Availability	Remarks
1.	Copy of order of the Government of Andhra Pradesh allotting land to the extent of Ac. 14.30 Gts. in Sy. Nos. 115/22, 115/24 and 115/25, of Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District to the Andhra Pradesh Industrial Infrastructure Corporation Limited (**APIIC**) on 14 September 2002 for development of the Financial District.	Provided	
2.	Copy of letter dated 30 November 2005 from Shriram Group Companies to APIIC pertaining to allotment of Plot Nos. 31/Part and 32 admeasuring 3.38 Acres situated in the Financial District, Hyderabad in Sy. Nos. 115/22, 115/24 and 115/25 of Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District (**Schedule Property**).	Not available with Ramky, will try to obtain it from Shriram Group	
3.	Copy of application dated 22 December 2005 from Shriram Financial Services Holdings Private Limited (**SFSHPL**) to APIIC pertaining to allotment of Schedule Property to SFSHPL.	Provided	
4.	Copy of letter dated 20 January 2006 from SFSHPL to APIIC pertaining to allotment of Schedule Property to SFSHPL.	Not available with Ramky, will try to obtain it from Shriram Group	
5.	Copy of provisional allotment letter dated 16 February 2006 from APIIC to SFSHPL and copy of letter dated 23 March 2006 from APIIC to SFSHPL modifying the said provisional allotment letter.	Letter dated 160206 not available. Letter dated 230306 provided.	

6.	Registered document No. 11682 of 2006 dated 18 May 2006 of District Registrar, Ranga Reddy District in relation to agreement for the sale of Schedule Property by APIIC in favour of Shriram Capital Limited.	Provided	
7.	Term sheet executed on 30 November 2011 between Ramky Estates and Farms Limited and Sharad J. Kadakia. Please note that the term sheet provided to us is dated 02 December 2011 and has been executed only by Mr. Sharad J. Kadakia and not Ramky Estates and Farms Limited.	provided	
8.	We note from letter dated 09 December 2011 from Mr. Nand Kishore M., Vice President, Ramky Estates and Farms Limited to Mr. Sharad J. Kadakia that Mr. Kadakia was given 30 days from the date of such letter to raise funds for the acquisition of 50,647 sq. ft. (2nd and 3rd Floor, Block A) of 'Ramky Selenium'. Please confirm if Mr. Kadakia has been provided an extension of time to raise such funds.	No specific Letter	
9.	Latest Encumbrance Certificate pertaining to the Schedule Property.	EC applied will be provided as when the same is obtained	
10.	Prohibited Transfer Register pertaining to Schedule Property.	Not Applicable	
11.	Copy of commencement notice submitted by SFSHPL to the Greater Hyderabad Municipal Corporation before commencement of the construction of the building(s) on the Schedule Property under Section 440 of the Greater Hyderabad Municipal Corporation Act, 1955.	Not Applicable	
12.	Copy of completion certificate, occupancy certificate and building use certificate in respect of the Schedule Property.	Under Process	
13.	Copies of proof of payment of property taxes, rates and assessments in respect of the Schedule Property.		
14.	We have received a copy of the building permit order dated 27 December 2012 issued by the Greater Hyderabad Municipal Corporation. We require a copy of the building permission plan for the building(s) constructed on the Schedule Property.	Will Provide at the earliest	

Corporate information and approvals:

S. No.	Documents / Information	Remarks	Availability
1.	Please confirm if a separate joint venture company has been incorporated in relation to the development of the project on the Schedule Property by Shriram Venture Limited and Ramky Estates and Farms Limited. If yes, please provide the incorporation documents, current shareholding pattern and details of the role of the said joint venture company in the development of the project.	No	
2.	Copy of fresh certificate of incorporation consequent upon change of name of Shriram Entrepreneurial Ventures Limited to Shriram Venture Limited.	Provided	
3.	Copies of all forms filed with the Registrar of Companies, as required, pursuant to the sanction of the Scheme of Amalgamation and Arrangement among Shriram Capital Limited, Shriram Infrastructure Holdings Private Limited, Shriram Entrepreneurial Ventures Limited and their respective shareholders vide order of the Madras High Court dated 28 March 2012.	Request made to Shriram to arrange for the same.	

ANNEX C

ADDITIONAL CHECKLIST SENT ON 5 APRIL 2013 AND RESPONSE FROM REFL

Dear Vishnu,

Further to your mail on the preliminary observations with regards to the title due diligence of 'Ramky Selenium', Please find below the response from Ramky's Legal in the trail for your perusal.
We would suggest a call between you and Ramky's legal team, please suggest a time convenient to you for the same.

Best regards,

Raju Swaroop.
09652245566.

From: Shankar, Vishnu:CO (HY) [Vishnu.Shankar@trilegal.com]
Sent: 05 April 2013 18:38:23
To: Swaroop, Raju (India)
Cc: Kumar, Pavan:CO (HY); Gopalajosyula, Sahiti:CO (HY)
Subject: Ramky Selenium Title Diligence

Dear Raju,

We have conducted a review of the documents provided to us pertaining to Ramky Selenium (**Building**) situated in Plot Nos. 31/Part and 32 on land admeasuring 3.38 acres located in the Financial District, Hyderabad in Survey Numbers 115/22, 115/24 and 115/25 of Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District (**Land**). At this stage, we have the following preliminary observations:

1. The District Collector, Ranga Reddy District, vide letter dated 4 September 2002, directed the Mandal Revenue Officer to resume land to the extent of 33.23 acres situated in Survey Numbers 115/16, 115/19, 115/20, 115/22, 115/24, 115/25, 115/27, 115/29, 115/30 and 115/32, Nanakramguda Village, Serilingampally Mandal, Ranga Reddy District, Andhra Pradesh and hand over the said lands to the Andhra Pradesh Industrial Infrastructure Corporation Limited (**APIIC**), subject to payment of ex-gratia of Rs. 2,00,000 (Rupees Two Lakhs) per acre. Please confirm whether there is any document evidencing payment of ex-gratia by APIIC.
   Reply: No such document is available with us or with Shriram. However we have made enquries with APIIC they have confirmed us that ex-gratia is paid.
2. The Provisional Allotment Order issued by APIIC to Shriram Financial Services Holdings Private Limited (**SFSHPL**) and the Agreement for Sale of Land dated 18 May 2006 executed between APIIC and SFSHPL state that construction work should be commenced on the Land within 6 months from the date of possession. Please note if that there has been a delay in commencing construction work on the Land, APIIC has the right under the Agreement for Sale of Land to cancel the allotment of the Land to SFSHPL. Please note that we have not been provided with any information regarding the date of commencement of construction. We note that the Agreement of Sale Cum General Power of Attorney was executed between SFSHPL and REFPL on 5 November 2007, which is over 6 months from the date of handing over possession of the Land. Please provide

us with the document evidencing waiver of the condition to commence construction work on the Land within a period of 6 months from date of possession by APIIC.

Reply: There is document evidencing wavier of the condition to commence construction work within 6 month from the date of handing over of possession. However subsequent to the execution of Agreement of Sale dated 18 May 2006, sale deed is executed by APIIC in favour of Shriram on 4 August 2009 thus ratifying, delays, if any, in the timelines.

3. Clause 3 of the Agreement for Sale of Land dated 18 May 2006 executed between APIIC and SFSHPL states that the sale deed pursuant to such Agreement for Sale of Land shall be executed and registered by APIIC in favour of SFSHPL only after SFSHPL implements the project for which the Land was allotted and all dues and charges are paid to APIIC. In the event of delay in implementation for bonafide reasons, SFSHPL is required to have at least completed the project substantially. The Deed of Sale was executed between APIIC and Shriram Capital Limited on 4 August 2009, which is over 2 years from the date of entering into the Agreement for Sale of Land. Please provide us with information on (i) whether the implementation of the project on the Land has taken place within the stipulated time period or (ii) whether APIIC has waived this condition imposed in the Agreement for Sale of Land, and the documents evidencing the same.

   Reply: Same as above.

4. APIIC, vide Deed of Sale bearing registration number 4064/2009 dated 4 August 2009, transferred the Land to Shriram Capital Limited. We note that, at this stage, SFSHPL was known as Shriram Capital Limited. However, Building Permit Order dated 2 November 2010 and Building Permit Order dated 27 December 2012 were both issued in the name of SFSHPL by the GHMC, pursuant to applications made by SFSHPL. Please note that we have not been provided with a fresh certificate of incorporation consequent upon change of name on conversion to public company in this regard. Please confirm whether amendments were sought with the GHMC of the Building Permit Orders by Shriram Capital Limited and subsequently Shriram Venture Limited sanctioning permission to construct 2 basements for parking, ground floor and 9 upper floors in the name of Shriram Venture Limited. Please provide us with the documents evidencing the same.

   Reply: Copy of certificate of incorporation of Shriram Capital ltd., is attached this mail. Since it is only change of name we understand no amendments needs to be sought with the GHMC.

5. Clause 7 of the No Objection Certificate dated 22 December 2006 issued by the Airports Authority of India (**AAI**) states that the validity period of the No Objection Certificate is 3 years from the date of issue. Further, we note that if the construction has not been completed within this stipulated time period, a fresh No Objection Certificate is required to be obtained. Please confirm (i) whether construction has been completed within the stipulated time period and (ii) whether the date of completion of the construction has been intimated by Shriram Venture Limited to the AAI. Please provide us with the documents evidencing the same.

   Reply: Construction activity is completed within time.

6. We note from the copy of order of the Municipal Commissioner, Serilingampally Municipality, Ranga Reddy District dated 12 April 2007 that permission was granted to SFSHPL for construction which was valid up to 11 April 2010. The order further states that if the building was not constructed within the stipulated period, the permission shall have lapsed. Please confirm whether the construction as permitted in the order has been completed within the stipulated time period. Please provide us with the documents evidencing the same.

   Reply: Construction activity is completed within time.

7. We have not been provided with a copy of the Occupancy Certificate issued by the GHMC for the Building. We note from Clause 26 of both Building Permit Orders issued by the GHMC to SFSHPL that the built-up area on the Land mortgaged with the GHMC shall be allowed for registration only

after an Occupancy Certificate is produced. We also note from Clause 32(d) of both Building Permit Orders that the owner/ builder shall not deliver the possession of any part of built-up area on the Land by way of sale/ lease unless and until Occupancy Certificate is obtained from the GHMC.

Reply: Necessary applications have been made to GHMC for issuance of O.C, they would be furnished shortly.

8. We have not been provided with a copy of the completion certificate or land use certificate pertaining to the Building and Land.

   Reply: As per the permissions issued by GHMC it is for commercial use.

9. We have not been provided with a copy of the sanctioned plan for the Building constructed on the Land.

   Reply: Will provide the same.

10. We have not been provided with information on whether the built-up area sought to be acquired by Sharad J. Kadakia is currently leased to any third party. If such built-up area has been leased to a third party, please provide us with the lease deed(s).

    Reply: Not leased.

11. We have not been provided with a copy of the latest Encumbrance Certificate pertaining the Land.

    Reply: Application is made for issuance of E.C, since there is delay is issuance of E.C's at Sub-Registrar office it is taking more time than reasonable. We will furnish the same.

12. We have not been provided with extracts or copies of revenue records evidencing mutation of the entries pertaining to the Land in favour of Shriram Venture Limited or Ramky Estates and Farms Limited.

    Reply: No mutation is effected in the revenue records.

13. We have not been provided with copies of forms filed with the Registrar of Companies pursuant to the sanction of the Scheme of Amalgamation and Arrangement among Shriram Capital Limited, Shriram Infrastructure Holdings Private Limited, Shriram Entrepreneurial Ventures Limited and their respective shareholders vide order of the Madras High Court dated 28 March 2012.

    Reply: Will furnish the same.

ANNEX D

ADDITIONAL CHECKLIST SENT ON 10 APRIL 2013 AND RESPONSE FROM REFL

Dear Vishnu,

Further to the queries raised in accordance with the title due diligence of 'Ramky Selenium'. Please find below our comments in RED on the required documents listed below for your review.

1. Application filed by Shriram Financial Services Holdings Private Limited (**SFSHPL**) with the Greater Hyderabad Municipal Corporation (**GHMC**) for issuance of Building Permit Order dated 2 November 2010 – ***The copy of the application is not available.***
2. Application dated 1 December 2010 filed by SFSHPL with the GHMC for issuance of Building Permit Order dated 27 December 2012 – ***Attached.***
3. We are awaiting a copy of the Occupancy Certificate for Ramky Selenium (**Building**). In the interim, please provide us with a copy of the application filed for Occupancy Certificate for the Building along with all annexures filed therewith, including the certificate for completion of construction of the Building.
4. Renewed No Objection Certification for occupancy of the Building issued by the State Disaster Response and Fire Services Department, Government of Andhra Pradesh (**GoAP**) – ***Attached.***
5. Fresh certificate of incorporation consequent upon change of name on conversion to public company of SFSHPL to Shriram Financial Services Holdings Limited.
6. Documents related to the plan and details of the mortgaged area of the Building – ***Attached.***
7. Copies of forms filed with the Registrar of Companies pursuant to the sanction of the Scheme of Amalgamation and Arrangement among Shriram Capital Limited, Shriram Infrastructure Holdings Private Limited, Shriram Entrepreneurial Ventures Limited and their respective shareholders vide order of the Madras High Court dated 28 March 2012.
8. We understand that an application has been made for issuance of Encumbrance Certificate for the land. Please provide us a copy of the same as and when obtained – ***this has been already shared earlier.***

Please find attached copies of the same & the hard copies shall be delivered at your office by EOD today.

Thanks & regards,

Raju Swaroop
09652245566.