

News Release

IndiaREIT exits from three funds and third party mandates with total revenue of INR 440 crores

Mumbai, 4th December 2012: IndiaREIT Fund Advisors, the real estate private equity arm of the Capital division of Piramal Enterprises, today announces three exits from its earlier funds and another from one of the third party mandates with a revenue of INR 440 crores in total. With the new Managing Partner, Mr. Khushru Jijinia, IndiaREIT has delivered its commitment of focusing on the exits and prioritizing investor returns. IndiaREIT's exits across all managed and advised funds add to INR 905 crores that has been returned from previous exits of vintage funds and third party mandates.

On this development, **Mr. Khushru Jijinia, Managing Partner, IndiaREIT** said, "The Piramal Group strongly believes that we are custodians of our investors and in our fiduciary capacity, we felt it was appropriate that we give due attention and importance to a renewed focus on exits from our 2006-7 vintage fund vehicles. We have initiated discussions with our development counterparts in order to prioritize such exits with a view towards final realizations keeping in mind the various fund tenures."

The first investment is a phased stake sale of a SEZ within a successful township project located at Hinjewadi, Pune, developed by Paranjape Schemes. The entire SEZ has a total development potential of 2.9 million sq ft of which 1.48 million sq ft (Phase I) is currently built and leased to marquee tenants like Accenture, Cisco, L&T, Persistent, KPIT and Crisil. IndiaREIT had invested INR242 crore for a 30% shareholding in the project back in 2007. The residential portion has witnessed strong absorption levels and construction is well underway, with more than 400 units already having been handed over to the end users.

The second investment is in Mumbai with the Ariisto Group in a residential project at Santacruz as well as a mixed use project at Goregaon. Ariisto Sapphire, a 83 unit premium luxury development has been completed and handed over and well received by the micro market. The Retail portion of the Goregaon project has been constructed and is in the process of being leased out even as the residential portion is currently under construction. IndiaREIT had invested INR150 crores across both these projects back in 2008 and has already realized INR117 crores with another approximately INR190 crores expected to come in within the next quarter.

Additionally as advisors to the offshore manager, IndiaREIT has been advising on the proposed exit in Forest Trails, a 3mn sq ft residential township located at Bhugaon in Pune developed by Paranjape Scheme, for which a term sheet has been executed by the Offshore Fund. The first phase of 160 villas has been completed and handed over and the second phase, comprising apartment units has been launched to healthy pre-sales. The Offshore Fund had invested INR109 crores for a 50% stake in the project in January 2011, with the exit amount translating into an IRR of 20% over the two year tenure.

Shrikant Paranjape - Chairman, Paranjape Schemes (Construction) Ltd. said "Paranjape's association with both the Fund as well as the Group at large goes back a long way. We have done several deals together and greatly value the opinion and expertise of the team directly overseeing our assets. We hope to continue the same relationship going forward and, as in the past, and look forward to a mutually beneficial association"

IndiaREIT has also advised on the exit from an investment held by Trafalgar / F&C REIT, one of the offshore managed accounts. The investment in question is located off the L&T Bypass road in Coimbatore and is classified as a plotted residential development.

David Cohen - Chairman, F&C REIT India said, "F&C REIT has been truly impressed with the way IndiaREIT has handled our projects since the commencement of our professional relationship. The team has consistently exercised diligence, creativity and a high level of emotional and intellectual intelligence. We look forward to continuing to work with them to harvest optimally our existing portfolio and to exploring further business opportunities with the Piramal Group."

About Piramal Enterprises Ltd.

Piramal Enterprises is one of India's largest diversified companies, with a presence in pharmaceutical, financial services and information management sectors. Piramal Enterprises had consolidated revenues of \$ 500 million in FY2012. In the pharmaceutical space, PEL is one of leading custom manufacturing player globally, has presence in the global critical care segment with a portfolio of inhalation and injectible anesthetics and its OTC business is ranked no. 7 in India. PEL is also engaged in drug discovery & research and has strong pipeline of development products. In the financial services space, PEL has a real estate focused PE fund – Indiareit and a NBFC that is focused on lending to real estate and education sector. Recently, PEL has also entered the global information management industry through acquisition of a US based company - Decision Resources Group.

For Media Queries:

PIRAMAL HEALTHCARE LIMITED Akansha Pradhan / Riddhi Goradia Corporate Communications, Piramal Group Contact: +91 22 3351 4082 / 4083 akansha.pradhan@piramal.com riddhi.goradia@piramal.com	PUBLIC RELATIONS AGENCY Janhavi Bellare / Rakesh Reddy Hanmer MSL Tel: +91-22-6633 5969 Mobile: +91 9322854508 / +91 9321735515 Janhavi.bellare@hanmermsl.com rakesh.reddy@hanmermsl.com
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