

Rustomjee®

KEYSTONE REALTORS LIMITED



Our Company was incorporated as 'Keystone Realtors Private Limited', in Mumbai, under the provisions of Companies Act, 1956 pursuant to a certificate of incorporation dated November 6, 1995 issued by the Registrar of Companies, Maharashtra at Mumbai ("RoC"). The name of our Company was subsequently changed to 'Keystone Realtors Limited', upon conversion into a public company, pursuant to a board resolution dated April 28, 2022 and a shareholders' resolution dated April 28, 2022, and a fresh certificate of change of name was issued on May 6, 2022 by the RoC. For details of change in the registered office of our Company, see 'History and Certain Corporate Matters' on page 228 of the red herring prospectus dated November 5, 2022 ("RHP").

Registered and Corporate Office: 702, Natraj, MV Road Junction, Western Express Highway, Andheri (East), Mumbai - 400069, Maharashtra, India; Tel: +91 (22) 6676 6888; Contact Person: Bimal K Nanda, Company Secretary and Compliance Officer; Tel: +91 (22) 6676 6888; E-mail: cs@rustomjee.com; Website: www.rustomjee.com; Corporate Identity Number: U45200MH1995PLC094208

OUR PROMOTERS: BOMAN RUSTOM IRANI, PERCY SORABJI CHOWDHRY AND CHANDRESH DINESH MEHTA

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF `10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [•] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO `6,350.00 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO `5,600.00 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO `750.00 MILLION COMPRISING AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO `375.00 MILLION BY BOMAN RUSTOM IRANI, UP TO [•] EQUITY SHARES AGGREGATING UP TO `187.50 MILLION BY PERCY SORABJI CHOWDHRY, AND UP TO [•] EQUITY SHARES AGGREGATING UP TO `187.50 MILLION BY CHANDRESH DINESH MEHTA (THE "SELLING SHAREHOLDERS" AND SUCH OFFER, THE "OFFER FOR SALE"). THE OFFER WILL CONSTITUTE [•]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations
QIB Portion: Not more than 50% of the Offer
Non-Institutional Portion: Not less than 15% of the Offer
Retail Portion: Not less than 35% of the Offer

PRICE BAND: `514 TO `541 PER EQUITY SHARE OF FACE VALUE OF `10 EACH. THE FLOOR PRICE IS 51.40 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 54.10 TIMES THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 27 EQUITY SHARES AND IN MULTIPLES OF 27 EQUITY SHARES THEREAFTER.

RISKS TO INVESTORS

- We carry risk of high debt as our business is capital intensive and requires significant expenditure for real estate project development, which we fund through financing from banks and other financial institutions. Our Debt / Equity ratio for the Fiscal 2022 is 1.62 as against the average of the listed peer group of 0.53. Further, we had Net Cash Outflow from Operating Activities of ₹ (1,095.51) million in Fiscal 2022. Negative operating cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans.
- We carry geographical concentration risk. As of June 30, 2022, all our projects were located within the Mumbai Metropolitan Region ("MMR") and we generated all of our revenue from operations from the MMR. The table below provides details of our total available inventory and unsold inventory in the MMR for our Completed and Ongoing Projects as of June 30, 2022:

Category	Total Available Units for Sale	Total Units Unsold	Percentage of Total Available Units (%)
Completed Projects (A)	13,176	114	0.87%
Ongoing Projects (B)	4,627	1,748	37.78%
Total (A+B)	17,803	1,862	10.46%

- Our revenues carry risk of concentration from residential projects. We almost entirely focus on residential projects, with very limited exposure to commercial and retail projects. Revenue from residential projects contributed 92.27%, 95.98%, 94.62%, 74.58% and 94.26% of Revenue from Operations for the Fiscals 2020, 2021 and 2022 and for the three months period ended June 30, 2021 and June 30, 2022, respectively.
- We are also subject to the cost overruns including due to significant increases in prices or shortage of or delay or disruption in supply of construction materials. The construction cost (including material cost) as a percentage of Revenue from Operations was 74.37%, 72.20%, 77.89%, 77.77% and 79.26% in Fiscals 2020, 2021 and 2022 and the three months period ended June 30, 2021 and June 30, 2022, respectively.
- Weighted average cost of acquisition per Equity Shares held by the Promoters or Selling Shareholders is as provided below and Offer Price at upper end of the Price Band is `541 per Equity Share.

Name of the Promoter or Selling Shareholder	Weighted average cost of acquisition per Equity Share (in `)	Lower End of the "Price Band" with "Floor Price" (`514) is 'X' times the Weighted average cost of acquisition	Upper End of the "Price Band" with "Cap Price" (`541) is 'X' times the Weighted average cost of acquisition
Boman Rustom Irani	3.36	152.98	161.01
Percy Sorabji Chowdhry	3.36	152.98	161.01
Chandresh Dinesh Mehta	3.35	153.43	161.49

As certified by MRM & Co., Chartered Accountants, pursuant to their certificate dated November 8, 2022.

- The two BRLMs associated with the Offer have handled 44 public issues in the past three years, out of which 18 issues closed below the offer price on listing date.

Name of BRLMs	Total Issues	Issues closed below IPO Price on listing date
Axis Capital Limited*	36	17
Credit Suisse Securities (India) Private Limited*	3	0
Common Issues of above BRLMs	5	1
Total	44	18

*Issues handled where there were no common BRLMs

ANCHOR INVESTOR BIDDING DATE: FRIDAY, NOVEMBER 11, 2022

BID/OFFER OPENS ON : MONDAY, NOVEMBER 14, 2022*

BID/OFFER CLOSES ON : WEDNESDAY, NOVEMBER 16, 2022^

*Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI/ICDR Regulations.

^UPI mandate end time and date shall be at 5 p.m. on Bid/Offer Closing Date.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Floor Price is 51.40 times the face value of Equity Shares and Cap Price is 54.10 times the face value of Equity Shares.

Bidders should read the below mentioned information along with "Our Business", "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 187, 34, 294, and 416, of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors: Some of the qualitative factors which form the basis for computing the Offer Price are as follows:

1. Well established customer-centric brand in the Mumbai Metropolitan Region; 2. Among the leading residential real estate development companies in MMR with a well-diversified portfolio and strong pipeline; 3. Asset-light and scalable model resulting in profitability and stable financial performance; 4. Demonstrated project execution capabilities with in-house functional expertise; 5. Robust stakeholder management capabilities across the spectrum of project development; 6. Technology focused operations resulting in operational efficiency and enhanced customer experiences; 7. Strong focus on sustainable development; and 8. Experienced Promoters, qualified senior management, good corporate governance and committed employee base. For further details, please see "Our Business – Competitive Strengths" on page 190 of the RHP.

Quantitative Factors: Certain information presented below, relating to our Company, is derived from the Restated Consolidated Financial Information. For further details, see "Financial Information" on page 294 of the RHP.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. **Basic and Diluted Earnings Per Share ("EPS")** at face value of ₹ 10, as adjusted for changes in capital:

As derived from the Restated Consolidated Financial Information:

Financial Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year 2022	13.96	13.96	3
Financial Year 2021	31.04	31.04	2
Financial Year 2020	2.20	2.20	1
Weighted Average	17.69	17.69	
Three months ended June 30, 2022*	0.49	0.49	-
Three months ended June 30, 2021*	0.03	0.03	-

Note: EPS has been calculated in accordance with the Indian Accounting Standard 33 – "Earnings per share".

*Not Annualised

2. **Price/Earning ("P/E") ratio in relation to Price Band of ₹ 14 to ₹ 54 per Equity Share:**

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on Basic EPS for Financial Year 2022	36.83	38.76
Based on Diluted EPS for Financial Year 2022	36.83	38.76

3. **Industry P/E ratio**

Based on the peer group information (excluding our Company) given below in this section:

	P/E Ratio (in ×)
Highest	220.34
Lowest	32.16
Industry Composite	96.97

(1) The industry high and low has been considered from the industry peers set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peers set disclosed in this section. For further details, see "Basis of Offer Price – Comparison of Accounting Ratios with Listed Industry Peers" on page 131 of the RHP.

(2) The industry P/E ratio mentioned above is as on financial year ended March 31, 2022.

4. **Average Return on Net Worth ("RoNW")**

As derived from the Restated Consolidated Financial Information of our Company:

Period ended	RoNW (%)	Weight
Financial Year 2022	14.97	3
Financial Year 2021	38.77	2
Financial Year 2020	5.14	1
Weighted Average	21.26	
Three months ended June 30, 2021*	0.04	-
Three months ended June 30, 2022*	0.47	-

*Not Annualised

Note: RoNW is calculated as net profit after taxation and non-controlling interest attributable to the equity shareholders of the Company divided by shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus – revaluation reserves.

5. **Net Asset Value per Equity Share**

Net Asset Value per Equity Share*	(₹)
As on March 31, 2022	93.24
As on June 30, 2022	104.40
After the Offer	At the Floor Price: 130.45 At the Cap Price: 131.07
Offer Price	100.00

Note: Net Asset Value per equity share represents net worth as at the end of the financial year, as restated, divided by the number of weighted average equity shares outstanding at the end of the period/year.

FOR FURTHER DETAILS, SEE "BASIS FOR OFFER PRICE" BEGINNING ON PAGE 127 OF THE RHP.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In case of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Bank, as applicable.

This is an Offer in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI/ICDR Regulations. The Offer is being made through the Book Building Process in terms of Regulation 6 (1) of the SEBI/ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs and such portion, the "QIB Portion"), provided that our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI/ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and (out of which one third shall be reserved for Bidders with Bids exceeding ₹ 200,000 up to ₹ 1 million and two-thirds shall be reserved for Bidders with Bids exceeding ₹ 1 million) and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI/ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) are mandatorily required to utilize the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the SEI

Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA Process. For further details, see "Offer Procedure" on page 511 of the RHP. Bidders/Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for UPI Bidders bidding through the UPI mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021. CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of the Company, please see the section "History and Certain Corporate Matters" on page 228 of the RHP. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, please see the section entitled "Material Contracts and Documents for Inspection" on page 548 of the RHP.

LIABILITY OF THE MEMBERS OF THE COMPANY: Limited by shares **AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE:** As on the date of the RHP, the authorised share capital of the Company is ₹ 2,353,000,000 divided into 235,300,000 Equity Shares of ₹ 10 each and ₹ 4,200,000 divided into 420,000 Preference Shares of face value ₹ 10 each. The authorised share capital of our Company upon consummation of the Tocsata Scheme will be 428,000,000 Equity Shares of face value ₹ 10 each and 420,000 preference shares of face value ₹ 10 each. There will be no changes to the issued, subscribed, and paid-up share capital of our Company. The issued, subscribed and paid-up share capital of the Company is ₹ 1,035,262,220 divided into 103,526,222 Equity Shares of ₹ 10 each. For details, please see the

and taxes (EBIT) by its interest expense during a given period. It is used to determine Company's efficiency in paying interest on its outstanding debt.

Cash EPS: Cash EPS is a financial performance measure comparing the Cashflow from Operating Activities to the number of equity shares outstanding as on the end of the year/period. It provides information regarding the efficiency of the Company's use of cash.

7. **Comparison with Listed Industry Peers**

A. Comparison of Key Performance Indicators with listed industry peers (as of or for the period ended March 31, 2022, as applicable):

Particulars	Keystone Realtors Limited	Macrotech Developers Limited	Godrej Properties Limited	Obero Realty Limited	Sunteck Realty Limited
(₹ million, unless otherwise indicated)					
Revenue from operations	12,114.71	8,487.21	12,693.68	837.41	1,685.57
Restated Profit / (loss) after Tax for the Period / Year	144.94	2,318.23	1,358.26	(9.71)	42.22
Restated Profit / (Loss) After Tax Margin for the Period / Year ⁽¹⁾ (%)	1.20	27.31	10.70	(1.16)	2.50
Gross Margin ⁽²⁾	3,105.54	2,359.23	2,806.46	186.17	349.64
Gross Margin ⁽³⁾ (%)	25.63	27.80	22.11	22.23	20.74
Adjusted EBITDA ⁽⁴⁾	1,934.26	1,494.50	2,107.43	91.26	115.39
Adjusted EBITDA Margin ⁽⁵⁾ (%)	15.97	17.61	16.60	10.90	6.85
Debt / Equity Ratio ⁽⁶⁾	9.10	1.53	1.62	1.46	1.36
Net Debt / Equity Ratio ⁽⁷⁾	7.70	1.19	1.38	1.19	1.10
Net Cash inflow/(outflow) from Operating Activities ⁽⁸⁾	3,511.07	6,424.61	(1,095.51)	406.12	537.14
Working Capital to Revenue from Operations ⁽⁹⁾	0.17	0.58	0.45	5.52	3.84
Price to Revenue from Operations ⁽¹⁰⁾	NA	NA	NA	NA	NA
Interest coverage ratio ⁽¹¹⁾	1.18	2.09	2.25	1.00	1.20
Cash EPS ⁽¹²⁾	35.10	64.23	(10.95)	4.06	5.27

*Not Annualised

Notes: (1) Restated Profit after Tax Margin is calculated by dividing restated profit after tax for the period / year by revenue from operations. (2) Gross Margin is calculated as revenue from operations reduced by construction costs and changes in inventories of completed saleable units and construction work-in-progress. (3) Gross Margin (%) is calculated by dividing Gross Margin by revenue from operations. (4) Adjusted EBITDA is calculated as restated profit after tax for the period / year plus income tax expense, finance costs and depreciation and amortization expense less gain on loss of control of subsidiary. (5) Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by revenue from operations. (6) Debt / Equity Ratio refers to the sum of non-current borrowing, current borrowing, interest accrued but not due on borrowings (including debentures) and lease liabilities divided by total equity for the relevant period / year. (7) Net Debt / Equity Ratio is calculated as sum of non-current borrowing, current borrowing, interest accrued but not due on borrowings (including debentures) reduced by cash and cash equivalent and bank balance divided by total equity for the relevant period / year. (8) Net Cash inflow/(outflow) from Operating Activities for Fiscal 2022 includes ₹ 3,588.90 million towards Land & Premium Costs for Forthcoming Projects. (9) Working Capital to Revenue from Operations is calculated as current assets reduced by current liabilities divided by revenue from operations. (10) Price to Revenue from Operations is calculated as the market capitalisation of the Company divided by the revenue from operations. Since, his being the first public issue of Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company and accordingly market capitalisation of the Company can be ascertained for the prior periods. (11) Interest Coverage Ratio is calculated as the restated profit after tax for the period / year plus income tax expense and finance costs (including inventorised/ capitalised finance cost) divided by the finance costs of the Company. (12) Cash EPS is calculated as the Net Cash inflow/(outflow) from Operating Activities divided by the number of equity shares outstanding as on the end of the year/period.

Explanation for the Key Performance Indicators

Revenue from operations: Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company. **Restated profit for the year / period:** Restated profit for the year / period represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the profitability of the business of our Company.

Restated profit for the year / period Margin: Restated profit for the year / period Margin is the ratio of Restated profit for the year / period to the revenue from operations of the Company. This provides the financial benchmarking against peers as well as to compare against the historical performance of our business. **Gross Margin:** Gross Margin for the year / period represents the profit after deducting the costs associated with the construction. It assesses the Company's efficiency at using its resources in producing goods or providing services.

Gross Margin (%): Gross Margin (%) is the ratio of Gross Margin to the revenue from operations of the Company. Gross Margin (%) is a measure of profitability that shows the percentage of revenue that exceeds the cost of goods sold (COGS) and provides the financial benchmarking against peers.

Adjusted EBITDA: Adjusted EBITDA is calculated as restated profit after tax for the period / year plus income tax expense, finance costs and depreciation and amortization expense less gain on loss of control of subsidiary. Adjusted EBITDA provides information regarding the operational efficiency of the business of our Company. **Adjusted EBITDA Margin:** Adjusted EBITDA Margin is the percentage of Adjusted EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortisation, and taxes.

Debt / Equity Ratio: Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.

Net Debt / Equity Ratio: Net Debt / Equity Ratio is used to measure the financial leverage of the Company after removing the cash and cash equivalents from the borrowings. It provides financial leverage comparison benchmark against peers.

Net Cash inflow/(outflow) from Operating Activities: Net Cash inflow/(outflow) from Operating Activities represents the amount of cash a company generates (or consumes) from carrying out its operating activities over a period of time. It is also used for comparison of use of cash for operating activities over different periods and across peers.

Working Capital to Revenue from Operations: Working Capital to revenue from operations also known as working capital turnover ratio measures how efficiently a company is using its working capital to support revenue and its growth.

Price to Revenue from Operations: Price to Revenue from Operations also known as the Price to Sales ratio is a financial performance measure comparing the market capitalisation of the Company to its revenue from operations.

Interest Coverage Ratio: Interest Coverage ratio is calculated by dividing a company's earnings before interest

Notes: (1) Profit after Tax Margin is calculated by dividing restated profit after tax for the period / year by revenue from operations. (2) Gross Margin is calculated as revenue from operations reduced by construction costs and changes in inventories of completed saleable units and construction work-in-progress. (3) Gross Margin (%) is calculated by dividing Gross Profit by revenue from operations. (4) Adjusted EBITDA is calculated as restated profit after tax for the period / year plus income tax expense, finance costs and depreciation and amortization expense less gain on loss of control of subsidiary. (5) Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by revenue from operations. (6) Debt / Equity Ratio refers to the sum of non-current borrowing, current borrowing, interest accrued but not due on borrowings (including debentures) and lease liabilities by total equity for the relevant period / year. (7) Net Debt / Equity Ratio is calculated as sum of non-current borrowing, current borrowing, interest accrued but not due on borrowings (including debentures) reduced by cash and cash equivalent and bank balance divided by total equity for the relevant period / year. (8) Net Cash inflow/(outflow) from Operating Activities is sourced from the annual reports as available of the respective company for the year ended March 31, 2022 submitted to stock exchanges. (9) Working Capital to Revenue from Operations is calculated as current assets reduced by current liabilities divided by revenue from operations. (10) Price to Revenue from Operations is calculated as the market capitalisation of the Company divided by the revenue from operations. The market capitalisation of the listed industry peers is based on the closing market price (November 4, 2022) of equity shares on BSE. (11) Interest Coverage Ratio is calculated as the restated profit after tax for the period / year plus income tax expense and finance costs (including inventorised/ capitalised finance cost) divided by the finance costs of the Company. (12) Cash EPS is calculated as the Net Cash inflow/(outflow) from Operating Activities divided by the number of equity shares outstanding as on the end of the year/period. (13) All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports as available of the respective company for the year ended March 31, 2022 submitted to stock exchanges.

B. Comparison of Accounting Ratios with Listed Industry Peers (as of or for the period ended March 31, 2022, as applicable)

Name of the company	Total income for Fiscal 2022 (₹ in million)	Face value per equity share (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV (per share)
Keystone Realtors Limited	13,029.69	10	N.A	13.96	13.96	14.97	93.24
Listed peers							
Macrotech Developers Limited	95,791.70	10	36.06	26.28	26.25	10.30	255.11
Godrej Properties Limited	25,856.90	5	99.31	12.68	12.67	4.06	312.09
Obero Realty Limited	27,524.21	10	32.16	28.80	28.80	10.05	286.47
Sunteck Realty Limited	5,340.23	1	220.34	1.79	1.79	0.90	198.77

Notes: (1) Source for Industry Peer information included above: Respective peer group company's regulatory filings with BSE. (2) All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the financial information for the year ended March 31, 2022, submitted to stock exchange. (3) Basic and diluted EPS refers to the basic and diluted EPS sourced from the publicly available financial results of the respective company for the year ended March 31, 2022. (4) P/E Ratio has been computed based on the closing market price (November 4, 2022) of equity shares on BSE, divided by the Basic EPS provided under Note 3 above. (5) RoNW is calculated as net profit after taxation and non-controlling interest attributable to the equity shareholders of the Company divided by shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus – revaluation reserves. (6) Total Equity has been computed as the aggregate of equity share capital and other equity + reserves & surplus – revaluation reserves. (7) NAV is computed as Net worth at the end of the year / Weighted average number of equity shares outstanding during year.

The Offer Price of ₹ 100.00 is ₹ 100.00 times of the face value of the Equity Shares and is justified in view of the above qualitative and quantitative parameters. The trading price of Equity Shares could decline due to factors mentioned in "Risk Factors" on page 34 of the RHP and you may lose all or part of your investment.

section entitled "Capital Structure" beginning on page 95 of the RHP.

NAMES OF THE INITIAL SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The initial signatories to the Memorandum of Association are Boman Rustom Irani (25 equity shares of ₹ 10 each) and Tehmtion Irani (25 equity shares of ₹ 10 each). For details of the share capital history and capital structure of our Company, please see the section entitled "Capital Structure" beginning on page 95 of the RHP.

LISTING: The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated August 8, 2022, each. For the purposes of the Offer, the Designated Stock Exchange shall be BSE Limited. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 548 of the RHP.

DISCLAIMER CLAUSE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 487 of the RHP for the full text of the disclaimer clause of SEBI.

DISCLAIMER CLAUSE OF BSE (DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 494 of the RHP for the full text of the disclaimer clause of BSE. **DISCLAIMER CLAUSE OF NSE:** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 495 of the RHP for the full text of the disclaimer clause of NSE.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 34 of the RHP.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

ASBA Simple, Safe, Smart way of Application!!!

Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA.

Mandatory in public issues. No cheque will be accepted.

UPI UPI-Now available in ASBA for all individual investors applying in public issues where the application amount is up to ₹ 500,000, applying through Registered Brokers, Syndicate, DPs & RTAs. Retail Individual Investors and Non-Institutional Bidders also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021

ASBA will be available by all the investors except anchor investors. UPI may be availed by Retail Individual Investors. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" beginning on page 511 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", and together with BSE, the "Stock Exchanges") and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the websites of Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&ntmid=35 and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&ntmid=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. UPI Bidders Bidding using the UPI mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Axis Bank Limited and Kotak Mahindra Bank Limited has been appointed as the Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For offer related queries, please contact the BRLMs on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: ipo.upi@npci.org.in.

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