

Confidential

Preliminary Project Proposal

Township Development near Sukhna Lake, CHANDIGARH

August 20, 2008

Billus Enterprises

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LOCATION

▪ Located at:	
Village:	KANSAL , adjacent to CHANDIGARH
State:	PUNJAB

▪ Land Area:	65 Acres
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▪ The Land is situated opposite Sukhna Bird Sanctuary	0.2 Kms
▪ From Sukhna Lake	4 Kms
▪ Chandigarh Engineering College	4.8 Kms
▪ Famous Rock Garden	3.5 Kms
▪ Chandigarh ISBT	6 Kms
▪ Rajiv Gandhi Technology Park	4.5 Kms
▪ HUDA Sector, Mansa Devi Complex	1.5 Kms
▪ Famous Saketri Temple	2.5 Kms
▪ Famous Mata Mansa Devi Temple	4.5 Kms
▪ PGI Chandigarh	5 Kms
▪ Chandigarh Railway Station	7 Kms
▪ Chandigarh Airport	12 Kms

ROAD CONNECTIVITY & INFRASTRUCTURE

Connectivity	<p>Well Connected by 3 Approach Roads</p> <ul style="list-style-type: none"> • From Sector 4, Sector 5, CHANDIGARH • From CHANDIGARH ENGINEERING COLLEGE, Sector 12 • From Rajiv Gandhi Technological Park, CHANDIGARH
Landmarks	<ul style="list-style-type: none"> ▪ Sukhna Bird Sanctuary 0.2 Kms ▪ From Sukhna Lake 4 Kms ▪ Chandigarh Engineering College 4.8 Kms ▪ Famous Rock Garden 3.5 Kms ▪ Rajiv Gandhi Technology Park 4.5 Kms ▪ HUDA Sector, Mansa Devi Complex 1.5 Kms ▪ Famous Saketri Temple 2.5 Kms ▪ Famous Mata Mansa Devi Temple 4.5 Kms
Infrastructure	<ul style="list-style-type: none"> • Chandigarh ISBT 6 Kms ▪ Chandigarh Railway Station 7 Kms • Chandigarh Airport 12 Kms • PGI Chandigarh (Medical Research Centre & Hospital) 5 Kms

LOCATION MAP.....Proposed Site under reference in Red with important Landmarks in yellow



SURROUNDING DEVELOPMENT Analysis

- The Land is touching Approach roads from Sector 4, 5, 6 these areas which are having a Market Sale price of USD 133.33 per Sqft .**
- At Present Infrastructure & Real Estate Development is Booming in MOHALI & Chandigarh.**
- A very Prime Project of UPPAL's in 6.5 Acre has been marketed at USD 88.88 per SQFT.**
- Another Prime Project launched by AMRAVATI ENCLAVE in 100 Acres is in progress since last 4 years which is towards Haryana Road is being marketed at USD 77.7 per Sqft without negotiations.**
- This project can be easily marketed in US & UK Punjabi NRI's.**

PLOT AREA CALCULATIONS

Area of the Plot in Acres	17.5
Less Area in acres to be Developed (Flats) and handed to Society	3.5
NET Area Available for Development AND SALE for Development Company	14.0
Total Saleable Area of Plot in Square Metres	56,658
Total Saleable Area of Plot in Square Feet	609,840
FSI Permissible on Plot for Residential	1.65
FSI permissible on plot for Commercial	3.0
Net SALE Buildable component in Square Feet	1,829,520
Built up Area to be handed over to Society Tenants	251,559
SALE Built Up area (Add 20% on Buildable Square Feet)	2,195,424
Amenities Area	109,771
TOTAL Market Commercial Saleable Area in Square Feet	2,085,653

PROPERTY DEVELOPMENT MATH & Analysis

Particulars	Area in Square feet	Sale Price Per Unit in USD	Revenue from Sales In USD
Commercial Area	2,085,653	143	297,950,400
Amenities, Business Club, Restaurants, Service Apartments	109,771	119	13,068,000

Amenities

Business Club

Multi Speciality Restaurants

Service Apartments

Swimming Pool

Gymnasium & Health Spa

Concierge Business Services Area

Particulars	INR	USD
TOTAL INCOME	13,062,772,800	290,283,840
Development Expenses	6,421,167,088	142,692,602
Earnings before Interest & Tax	6,641,605,712	147,591,238
Less Interest Cost on Investments	378,296,342	8,406,585
Earnings after Interest before Tax	6,263,309,370	139,184,653

CASH FLOW

	USD	USD	USD	USD	USD
Particulars	YR1	YR2	YR3	YR4	TOTAL
INFLOW from Sales Revenue	15,550,920	31,101,840	124,407,360	139,958,280	311,018,400
OUTFLOW from Expenses					-
Upfront Payment to Billus Enterprises	5,952,381	-	-	-	5,952,381
Solicitor fees	29,762	29,762	-	-	59,524
Stamp Duty (8%) & Registration(1%) Cost	535,714	-	-	-	535,714
Architect fees (5% of Development & Construction cost)	3,083,685	2,466,948	308,369	308,369	6,167,370
Govt charges for Permissions Approvals	1,815,000	-	-	-	1,815,000
Development & Infrastructure Cost	680,625	680,625	680,625	680,625	2,722,500
Construction Cost of Society Buildings	1,197,900	1,197,900	2,395,800	1,197,900	5,989,500
Construction Cost for Amenities Area	1,176,120	1,176,120	784,080	784,080	3,920,400
Construction Cost of Saleable Commercial Buildings @ Rs 2500 per Sqft	32,670,000	21,780,000	32,670,000	21,780,000	108,900,000
Administration & Miscellaneous Expenses	226,875	226,875	226,875	226,875	907,500
Marketing & Sales Cost	2,383,603	2,383,603	1,191,802	-	5,959,008
Brokerage Paid on Sales	155,509	311,018	1,244,074	1,399,583	3,110,184
Contengencies	2,188,476	1,495,604	1,912,878	1,248,892	6,845,850
Interest on Funds	3,589,578	5,251,760	165,718	-	9,007,056
Taxation	-	-	-	-	-
Total Outflow	55,685,229	37,000,215	41,580,219	27,626,324	161,891,986
Profit & Loss/ Surplus, Deficit	(40,134,309)	(5,898,375)	82,827,141	112,331,956	149,126,414
Opening Balance	-	0	0	82,827,141	82,827,142
Net cash Flow	0	0	82,827,141	66,299,272	149,126,414
Closing Balance	0	0	82,827,141	149,126,414	231,953,555

CASH FLOW

	INR	INR	INR	INR	INR
Particulars	YR1	YR2	YR3	YR4	TOTAL
INFLOW from Sales Revenue	653,138,640	1,306,277,280	5,225,109,120	5,878,247,760	13,062,772,800
OUTFLOW from Expenses					
Upfront Payment to Billus Enterprises	250,000,000	-	-	-	250,000,000
Solicitor fees	1,250,000	1,250,000	-	-	2,500,000
Stamp Duty (8%) & Registration(1%) Cost	22,500,000	-	-	-	22,500,000
Architect fees (5% of Development & Construction cost)	129,514,770	103,611,816	12,951,477	12,951,477	259,029,540
Govt charges for Permissions Approvals	76,230,000	-	-	-	76,230,000
Development & Infrastructure Cost	28,586,250	28,586,250	28,586,250	28,586,250	114,345,000
Construction Cost of Society Buildings	50,311,800	50,311,800	100,623,600	50,311,800	251,559,000
Construction Cost for Amenities Area	49,397,040	49,397,040	32,931,360	32,931,360	164,656,800
Construction Cost of Saleable Commercial Buildings @ Rs 2500 per Sqft	1,372,140,000	914,760,000	1,372,140,000	914,760,000	4,573,800,000
Administration & Miscellaneous Expenses	9,528,750	9,528,750	9,528,750	9,528,750	38,115,000
Marketing & Sales Cost	100,111,334	100,111,334	50,055,667	-	250,278,336
Brokerage Paid on Sales	6,531,386	13,062,773	52,251,091	58,782,478	130,627,728
Contegencies	91,915,997	62,815,350	80,340,855	52,453,482	287,525,684
Interest on Funds	150,762,291	220,573,909	6,960,142	-	378,296,342
Taxation	-	-	-	-	-
Total Outflow	2,338,779,619	1,554,009,022	1,746,369,192	1,160,305,596	6,799,463,430
Profit & Loss/ Surplus, Deficit	(1,685,640,979)	(247,731,742)	3,478,739,928	4,717,942,164	6,263,309,370
Opening Balance	-	4	8	3,478,739,936	3,478,739,947
Net cash Flow	4	4	3,478,739,928	2,784,569,435	6,263,309,370
Closing Balance	4	8	3,478,739,936	6,263,309,370	9,742,049,318

IRR and payback Calculation	INR	INR	INR	INR	INR
Particulars	YR1	YR2	YR3	YR4	YR5
Inflow	653,138,640	1,306,277,280	5,225,109,120	5,878,247,760	13,062,772,800
Outflow	-	-	-	-	-
Net Outflow	(1,685,640,979)	(247,731,742)	3,478,739,928	4,717,942,164	6,263,309,370
Cumulative Cashflow	(1,685,640,979)	(1,933,372,721)	1,545,367,207	6,263,309,370	12,526,618,740
IRR	82%				
Total Investment	(1,933,372,721)				

IRR and payback Calculation	USD	USD	USD	USD	USD
Particulars	Yr 1	Yr 2	Yr 3	Yr 4	YR 5
Inflow	14,514,192	29,028,384	116,113,536	130,627,728	290,283,840
Outflow	-	-	-	-	-
Net Outflow	(37,458,688)	(5,505,150)	77,305,332	104,843,159	139,184,653
Cumulative Cashflow					
IRR	82%				
Total Investment	(42,963,838)				

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