**NOTE ON NAGARJUNA HILLS OFFICE PROPERTY, HYDERABAD**

1. The Company has the following property Nagarjuna Hills, Punjagutta, Hyderabad

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| S.No | Document No | Date | Extent as per Sale Deed  | Extent (Sq.yds) | Vendor  | Vendee |
| 1 | 3564/1992 | 15.07.1992 | 676.03 sq.mtrs | 808.53 | Sree Nagarjuna Coop.Housing Society Ltd | Nagarjuna Steels Limited (By Demerger, into NFCL) |
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| 2 | 3048/1992 | 15.07.1992 | 606.51 sq.mtrs | 725.39 | Sree Nagarjuna Coop.Housing Society Ltd | Nagarjuna Steels Limited (By Demerger, into NFCL) |
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| 3 | 2402/1996 | 29.06.1992 | 2258 sq.mtrs | 2700.57 | Sree Nagarjuna Coop.Housing Society Ltd | Nagarjuna Steels Limited (By Demerger, into NFCL) |
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| 4 | 3046/1992 | 29.06.1992 | 893.49 sq.mtrs | 1068.61 | Sree Nagarjuna Coop.Housing Society Ltd | Nagarjuna Steels Limited (By Demerger, into NFCL) |
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|   |   | Total |   | **5303.10** |   |   |

1. NFCL Corporate Office is located in Nagarjuna Hills, Panjagutta (older part of Hyderabad) was acquired from Nagarjuna Steels Limited. The building was constructed in 1936 and is now aged 86 years. The building is totally depreciated.
2. The building was built as a Guest House and is able to accommodate less manpower.
3. The Corporate Office is situated in land admeasuring 5303 Square Yards.
4. Adequate parking facilities are not available in this premises. Presently, the Society Road is being utilized for parking majority of the cars.
5. As the offices and city moved to west side of Hyderabad for the past 2 and half decades (Hitech City, Gachibowli etc.) the rental values have come down by almost half in Nagarjuna Hills. As the rents have come down for the Company leased space in the location, the pressure on cash flows have reduced.
6. Massive construction of Office Spaces has been taken up by the infra companies and there is demand mostly for newer properties in comparison with the old and deteriorating buildings. The demand is mostly for office spaces with good parking facilities, plush interiors etc.
7. Upon enquiry a recent sale transaction in Nagarjuna Hills is obtained and the same is attached for ready reference (350 Sq. Yards at Rs. 1.80 Crores). Basis this sale deed, the property value is estimated at Rs. 27.27 Crores.

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