Unitech Corporate Parks Plc
("UCP" or the "Company")

RESULTS FOR THE YEAR TO 31 MARCH 2009

Unitech Corporate Parks Plc (AIM: UCP), one of the leading investment companies focusing on commercial real estate in India, announces results for the year ended 31 March 2009.

Highlights:

- The value of the portfolio being developed jointly by UCP with Unitech Ltd has decreased by 18.4% since 30 September 2008, and by 34.3% since 31 March 2008, though has increased by 32.3% since admission of UCP to trading on AIM on 20 December 2006 ("Admission") respectively.

	30/03/09	30/09/08	31/03/08	20/12/06
Total value of portfolio (£ millions)	637.2	781	969.5	481.5
Total value of portfolio (Rs million)	49,009	65,303	77,700	41,373
UCP's 60% ownership (£ millions)	382.3	469	581.7	288.9

- Adjusted NAV* per share decreased by 15.1% since 30 September 2008, and by 30.9% since 31 March 2008 (a decline of 35.0%[@] on a constant currency basis):

	31/03/09	30/09/08	31/03/08	20/12/06
Adjusted NAV per share (£)	1.2024[@]	1.4170	1.7408	n/a
NAV per share (£)	1.0407	1.1634	1.3759	0.9626

[@]constant currency basis £1.1321

- In view of market changes the board requested KF to undertake a further valuation. This new valuation portrays a more realistic picture as of the date of the results release. Based on this new valuation the Adjusted NAV and NAV figures are shown below:

	21/07/09	31/03/09	30/09/08	31/03/08	20/12/06
Adjusted NAV per share (£)	1.0214[@]	1.2024[@]	1.4170	1.7408	n/a
NAV per share (£)	0.9250	1.0407	1.1634	1.3759	0.9626
	[@]constant currency basis £0.9511	[@]constant currency basis £1.1321			

- As of the date of the balance sheet UCP had £27 million of cash (31 March 2008: £83.2 million) of which £19 million was held by UCP and the balance was held within the SPVs to be used for construction of the projects, as envisaged at the time of Admission. In addition the Indian SPVs had advanced short-term loans totalling £97.8 million (UCP's 60% share of which was £58.7 million) at commercial rates of interest to Unitech Ltd, a related party. This is disclosed in the financial statements as a related party transaction. Subsequent to the year end the loans have been repaid in full. UCP's consolidated cash balance as at the date of the release is £76 million, with £9.7 million having been utilized since the year end for construction and related payments.

- As of 31 March 2009, the Company's operational subsidiaries have accomplished debt raising which reflect on their balance sheet (£17 million in UCP's balance sheet – its 60% share). The Company continues to work on raising further debt for financing of the completion of the projects, the build out of the remaining LA will be programmed keeping in view levels of demand and the evolving economic and business environment in India.

- Of the aggregate 21.4 million sq ft of Lettable Area ("LA") the developments can provide, the Company has constructed a superstructure of 4.7 million sq ft, of which 1.46 million sq ft was operational by 31 March 2009. The balance of 3.2 million sq ft can be fitted out and made operational at relatively short notice based on market conditions and tenancy demand. 717,562 sq ft has already been leased out and is currently generating rental income. Total LA of 1,769,139 sq ft is committed under binding pre-lease agreements and LA of 167,734 sq ft is committed under letters of intent.

- Annual gross rental income due to the UCP group pursuant to its signed lease deeds and pre-lease agreements as at 31 March 2009 was Rs 310 million (£3.90 million). Under the terms of such leases, the gross annual rental income due will increase to Rs 520 million (£6.6 million) as at 31 March 2010. In addition there are further leases in the course of negotiation.

**Adjusted NAV excludes the impact of the deferred tax provision and goodwill on the net assets of the Company and is considered by the Board to be a more appropriate method of evaluating the performance of the Company than NAV. The Board considers the provision of deferred tax a technical accounting issue and does not believe that a material tax liability will arise on a correctly structured sale of the Company's assets. The previous year's adjusted NAV has also been accounted to exclude goodwill.*

Mr Atul Kapur, Chairman of UCP, commented:

"In these trying times our results reflect the strength of our business strategy and re-affirm the quality of our assets and team. We continue to make satisfactory progress on the construction of the assets in our portfolio.

However, it is inevitable, particularly over the short term, that India's rate of economic growth will slow. The depth of the problems in the western economies is significant. These economies are the prime sources of IT / ITES work to India and consequently this sector is likely to see slowdown, notwithstanding its clear benefits. On the other hand, the depreciation of the Rupee has restored the competitive edge of IT / ITES outsourcing to India, particularly as many companies worldwide are now aggressively looking at cost-saving measures. These factors, coupled with an increase in supply and a slight rise in vacancies, have had a negative impact on valuations since 31 March 2008.

Over the medium-term, prospects for the Indian economy and the real estate sector remain good, especially for high-quality, secure and well located assets such as those in our portfolio. However, the Company is adopting a cautious and conservative approach in the build out of the portfolio as well as the composition and the structure of its balance sheet. Build out of the remaining portfolio will be managed keeping in view the progress of the letting of the LA as well as the evolving economic and business environment. We will continue to conserve and manage our cash effectively and ensure that the balance sheet continues to be strong. We remain committed to the realisation of investments in a manner which seeks to maximise both returns to the Company and shareholder value.

The Board notes with concern the significant gap between the Company's share price and the NAV, and is undertaking a review of the possibilities to address this and continues to explore this with the cooperation of our investment manager, Nectrus Limited. We are looking to communicate an effective strategy to the market in due course".

A conference call for investors will take place on Monday 17 August 2009 at 1130hrs(London time). For details of the call please email Lianne Robinson of Financial Dynamics at lianne.robinson@fd.com.

For further information, please contact:

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Chairman's Statement

It is my privilege to report UCP's results for the year ended 31 March 2009 and to update shareholders on the ongoing substantial progress made by your Company since we reported our last results.

Financial Results

Adjusted NAV per share as at 31 March 2009 decreased 15.1% to £1.2024 per share (on a constant currency basis the adjusted NAV per share at 31 March 2009 was £1.1321) compared to £1.4170 per share as at 30 September 2008, and decreased 30.9% compared to £1.7408 per share as at 31 March 2008, while still showing an increase of 0.1% over £1.2012 per share as at 31 March 2007.

NAV as at 31 March 2009 was £1.0407 per share compared to £1.1634 as at 30 September 2008, £1.3759 per share as at 31 March 2008 and £0.9626 per share at the time of Admission. This represents a drop of 10.5% in NAV over the six months from 30 September 2008, and a 24.4% drop in NAV over 31 March 2008, but still shows an increase of 8.1% since Admission.

Adjusted NAV excludes the impact of the deferred tax provision and goodwill on the net assets of the Company and is considered by the Board to be a more appropriate method of evaluating the performance of the Company than NAV. The Board considers the provision of deferred tax a technical accounting issue and does not believe that a material tax liability will arise on a correctly structured sale of the Company's assets.

Knight Frank (India) Private Limited ("Knight Frank") completed an independent valuation of the portfolio being developed by UCP with Unitech Ltd as at 31 March 2009. The total market valuation of the six assets based on the exchange rate on 31 March 2009, was £637.2 million (compared to £781 million at 30 September 2008, £969.5 million at 31 March 2008, £553.0 million at 31 March 2007 and £481.5 million at Admission).

UCP's 60% ownership of these projects is therefore valued at £382.3 million (a decrease of 18.4% compared to £468.6 as at 30 September 2008, and a decrease of 34.3% compared to £581.7 million as at 31 March 2008, but an increase of 32.3% compared to £288.9 million at the time of Admission).

In view of market changes the board requested KF to undertake a further valuation. This new valuation portrays a more realistic picture as of the date of the results release. Based on this new valuation the Adjusted NAV and NAV figures are shown below:

	21/07/09	31/03/09	30/09/08	31/03/08	20/12/06
Adjusted NAV per share (£)	1.0214[@]	1.2024[@]	1.4170	1.7408	n/a
NAV per share (£)	0.9250	1.0407	1.1634	1.3759	0.9626
	[@]constant currency basis £0.9511	[@]constant currency basis £1.1321			

Of the aggregate 21.4 million sq ft of Lettable Area ("LA") the developments can provide, the Company has constructed a superstructure of 4.7 million sq ft, of which 1.46 million sq ft was operational by 31 March 2009. The balance of 3.2 million sq ft can be fitted out and made operational at relatively short notice based on market conditions and tenancy demand. 717,562 sq ft has already been leased out and is currently generating rental income. Total LA of 1,769,139 sq ft is committed under binding pre-lease agreements and LA of 167,734 sq ft is committed under letters of intent.

As of the date of the balance sheet UCP had £27 million of cash (31 March 2008: £83.2 million) of which £19 million was held by UCP and the balance was held within the SPVs to be used for construction of the projects, as envisaged at the time of Admission. In addition the Indian SPVs had advanced short-term loans totalling £97.8 million (UCP's 60% share of which was £58.7 million) at commercial rates of interest to Unitech Ltd, a related party. This is disclosed in the financial statements as a related party transaction. Subsequent to the year end the loans have been repaid in full. UCP's consolidated cash balance as at the date of the release is £76 million, with £9.7 million having been utilized since the year end for construction and related payments.

As of 31 March 2009, the Company's operational subsidiaries have accomplished debt raising which reflects on their balance sheet (£17 million in UCP's balance sheet – its 60% share). The Company continues to work on raising further debt for financing of the completion of the projects, the build out of the remaining LA will be programmed keeping in view levels of demand and the evolving economic and business environment in India.

In line with the statement made in the Admission Document, the Directors have not proposed a dividend in respect of the year ended 31 March 2009. The Directors will consider the payment of dividends when, in their opinion, it becomes commercially prudent to do so.

Strategy

UCP was formed to invest in Indian commercial real estate, targeting the requirements of the high growth Indian IT and IT Enabled Services ("IT/ITES") sectors. The Company is focused on investment in Special Economic Zones ("SEZ's") dedicated to the IT/ITES industries or IT Parks which are suitable for foreign direct investment.

These SEZ's cater primarily to outsourced IT/ITES needs of large global companies. Given the challenging economic environment most of these companies face, the outsourcing of IT/ITES has slowed down considerably. Indian software services companies as well as the IT divisions of global companies, who are UCP's prime tenants, have significantly scaled back expansion/outsourcing plans. This has adversely impacted demand for commercial real estate that UCP is building. Whilst the rate of decline in GDP in the developed economies is showing signs of levelling off, target clients of the Company have yet to translate this into recommencement of their outsourcing plans. A protectionist environment in most developed nations of the world, that has taken hold over the last year or so given the levels of unemployment in these countries, also is not conducive for a return to growth for the IT/ITES industry.

We feel that as the developed economies emerge from the current recessionary environment, the attractiveness of outsourcing IT/ITES in India will become apparent again. The issue is one of timing rather than a fundamental change in the prospects of such services.

Even under these conditions, I am pleased to say that we have made positive progress on the continued development of our assets, particularly at InfoSpace, Dundahera, Gurgaon ("G2-IST") and InfoSpace, Kolkata ("K1") which has had new lettings signed during the period. Additionally, the local knowledge and experience of Nectrus Limited, UCP's investment manager, and Unitech, our project manager, combined with the international expertise and capabilities of our external consultants, has created an unrivalled team to plan, design, and undertake the development of the portfolio and future pipeline assets.

We have also advanced our marketing initiatives and benchmarking studies to strengthen client relationships through customer relationship management. On top of this, sophisticated analysis and value engineering of the construction process is yielding savings in construction costs. We feel

confident that once the economic cycle turns and demand for IT / ITES recovers, our portfolio of assets is ideally positioned to benefit from such a recovery.

Portfolio Update

Five of the Company's original six assets are located in the National Capital Region (the area surrounding Delhi, Northern India) and account for approximately 80% of UCP's potential completed LA. The sixth asset, which accounts for the remaining 20%, is situated in the Kolkata area, West Bengal.

An update on the Company's six assets, all as at 31 March 2009, is as follows:

- InfoSpace, Dundahera, Gurgaon ("G2-IST"): The total completed and operational LA for Batch 1 G2-IST amounted to 464,641 sq ft. LA to be made operational, relating to Batch 2 and Batch 3, is currently estimated to be 1,230,000 sq ft. LA to be completed, relating to Batch 4, 5 & 6 of G2-IST, is currently estimated to be 1,955,359 sq ft. G2-IST has Committed Leases* in respect of approximately 691,093 sq ft of LA, reflecting a committed occupancy rate of 100% and 38% for Batch 1 and Batch 3 respectively, amounting to 19% of the aggregate estimated LA for G2-IST when fully completed. The tenant profile of G2-IST represented by those with Committed Leases is diverse, displaying a wide variety of industry sub-sectors in the IT and ITES segments.

- InfoSpace, Kolkata ("K1"): The completed LA for K1 amounted to approximately 797,650 sq ft and the LA to be completed across the development is currently estimated to be approximately 3,553,329 sq ft. As at 31 March 2009, K1 had Committed Leases* in respect of 1,125,522 sq ft, amounting to approximately 26% of the aggregate estimated LA for K1 when fully completed. The current leased area is 252,921 sq ft.

- InfoSpace, Sector 62, Noida ("N1"): The estimated LA at completion is currently expected to be approximately 2,064,000 sq ft. The first batch, comprising approximately 270,000 sq ft of LA is expected to be completed by August 2009. As at 31 March 2009, N1 had no Committed Lease.

- InfoSpace, Sector 135, Noida ("N2"): The estimated LA at completion is currently expected to be approximately 3,169,539 sq ft consisting of approximately 3,138,953 sq ft of office space and approximately 30,586 sq ft of retail space. A first sub-batch of N2, Batch 1.1 comprising approximately 200,682 sq ft of LA is completed and operational. The super-

structure for the rest of Batch 1, amounting to approx. 702,360 sq ft, is complete. As at 31 March 2009, N2 has Committed Leases* in respect of 120,258 sq ft, amounting to approximately 4% of the aggregate estimated LA for N2 when fully completed.

- InfoSpace, Greater Noida ("N3"): The estimated LA at completion is currently expected to be approximately 4,947,055 sq ft consisting of approximately 4,847,055 sq ft of office space and approximately 100,000 sq ft of retail space. To date, N3 has not entered into any leases. The first sub-batch, comprising approximately 824,509 sq ft of LA is expected to be completed by September 2011.

- InfoSpace, Gurgaon ("G1-ITC"): The estimated LA at completion is currently expected to be approximately 3,263,737 sq ft consisting of approximately 3,213,737 sq ft of office space and approximately 50,000 sq ft of retail space. To date, G1 has not entered into any leases. The first sub-batch, comprising approximately 543,956 sq ft of LA is expected to be completed by September 2011.

*Committed Leases includes LA that is subject to binding pre-lease agreements.

As detailed below, the Company has revised the estimated completion dates of its projects as it adjusts construction on site to meet current and anticipated levels of demand.

Progress of Leasing

LA Completed and Leased

UCP Assets	Estimated Completion Date	Estimated Lettable Area (LA)	LA Completed				LA Currently Leased			
			Actual		%		Actual		%	
			Sep-08	Mar-09	Sep-08	Mar-09	Sep-08	Mar-09	Sep-08	Mar-09
G2	Jun-13	3,650,000	464,641	464,641	12.7	12.7	464,641	464,641	12.7	12.7
K1	Dec-12	4,350,979	797,650	797,650	18.3	18.3	150,860	252,921	3.5	5.8
N1	May-13	2,064,000	-	-	-	-	-	-	-	-
N2	Dec-13	3,169,539	-	200,682	-	6.3	-	-	-	-
N3	Jun-15	4,947,055	-	-	-	-	-	-	-	-
G1	Jun-15	3,263,737	-	-	-	-	-	-	-	-
Total		**21,445,310**	**1,262,291**	**1,462,973**	**5.9**	**6.8**	**615,501**	**717,562**	**2.9**	**3.3**

Committed Leases

UCP Assets	Estimated Completion Date	Estimated Lettable Area (LA)	Committed Leases							
			ATL* Actual		ATL* %		LOI* Actual		LOI* %	
			Sep-08	Mar-09	Sep-08	Mar-09	Sep-08	Mar-09	Sep-08	Mar-09
G2	Jun-13	3,650,000	649,582	691,093	17.8	18.9	10,000	-	0.3	-
K1	Dec-12	4,350,979	957,588	957,788	22.0	22.0	177,734	167,734	4.1	3.9
N1	May-13	2,064,000	-	-	-	-	177,403	-	8.6	-
N2	Dec-13	3,169,539	120,258	120,258	3.8	3.8	10,000	-	0.3	-
N3	Jun-15	4,947,055	-	-	-	-	-	-	-	-
G1	Jun-15	3,263,737	-	-	-	-	-	-	-	-
Total		**21,445,310**	**1,727,428**	**1,769,139**	**8.1**	**8.2**	**375,137**	**167,734**	**1.7**	**0.8**

*LOI=Letter of Intent
ATL=Agreement to Lease

Development progress - Completed LA and LA to be completed as on 31 March 2009

G2-IST Batches	Start Date	Expected Completion	Total Estimated Construction Costs(1)		Estimated LA (sq ft)	LA (sq ft)	
			(Rs. million)	(£ million)		Committed Leases	Leased (Rent Accrued)
Batch 1	Mar-06	Completed	856	11	464,641	464,641	464,641
Batch 2	Sep-06	Dec-09	1,209	16	630,000	-	-
Batch 3	Feb-07	Jun-09	1,152	15	600,000	226,452	-
Batch 4	May-09	Apr-11	1,234	16	600,000	-	-
Batch 5	Jun-10	May-12	1,410	18	650,000	-	-
Batch 6	Jul-11	Jun-13	1,613	21	705,359	-	-
Total			**7,474**	**97**	**3,650,000**	**691,093**	**464,641**

Notes:

1 Includes fit-outs of £10 million and excludes interest during construction.

K1	Start Date	Expected Completion	Total Estimated Construction Costs(1)		Estimated LA (sq ft)	LA (sq ft)	
			(Rs. million)	(£ million)		Committed Leases	Leased (Rent Accrued)
Batch 1	Dec-05	Completed	1,517	20	797,650	420,655	252,921
Batch 2	Dec-06	Jun-10	1,506	20	700,000	-	-
Batch 3.1	Jun-07	Jul-09	462	6	242,901	237,154	-
Batch 3.2	Mar-09	Feb-11	501	7	240,835	235,088	-
Batch 3.3	Jan-11	Dec-12	537	7	237,223	232,625	-
Batch 4	Aug-09	Jul-11	2,567	33	1,100,000	-	-
Batch 5	Oct-10	Sep-12	2,551	33	1,032,370	-	-
Total			**9,640**	**125**	**4,350,979**	**1,125,522**	**252,921**

Notes:

1 Includes fit-outs of £8 million and excludes interest during construction.

N1-Batches	Start Date	Expected Completion	Total Estimated Construction Costs(1)		Estimated LA (sq ft)	LA (sq ft)	
			(Rs. million)	(£ million)		Committed Leases	Leased (Rent Accrued)
Batch 1	Nov-06	Aug-09	568	7	270,000	-	-
Batch 2	Dec-06	May-10	800	10	380,000	-	-
Batch 3	Jan-07	Feb-11	752	10	357,000	-	-
Batch 4	Dec-07	Nov-11	577	7	274,000	-	-
Batch 5	Jan-08	Aug-12	922	12	436,000	-	-
Batch 6	Feb-08	May-13	737	10	347,000	-	-
Total			**4,355**	**57**	**2,064,000**	**-**	**-**

Notes:

1 Includes fit-outs of £6 million and excludes interest during construction.

G1-ITC Batches	Start Date	Expected Completion	Total Estimated Construction Costs(1)		Estimated LA (sq ft)	LA (sq ft)	
			(Rs. million)	(£ million)		Committed Leases	Leased (Rent Accrued)
Batch 1.1	Oct-09	Sep-11	1,142	15	543,956	-	-
Batch 1.2	Jul-10	Jun-12	1,184	15	543,956	-	-
Batch 2.1	Apr-11	Mar-13	1,229	16	543,956	-	-
Batch 2.2	Jan-12	Dec-13	1,275	17	543,956	-	-
Batch 3.1	Oct-12	Sep-14	1,322	17	543,956	-	-
Batch 3.2	Jul-13	Jun-15	1,371	18	543,956	-	-
Total			**7,523**	**98**	**3,263,737**	**-**	**-**

Notes:

1 Includes fit-outs of £10 million and excludes interest during construction.

N2-Batches	Start Date	Expected Completion	Total Estimated Construction Costs(1)		Estimated LA (sq ft)	LA (sq ft)	
			(Rs. million)	(£ million)		Committed Leases	Leased (Rent Accrued)
Batch 1.1	Sep-07	Mar-09	385	5	200,682	120,258	-
Batch 1.2	Sep-07	Nov-09	481	6	250,839	-	-
Batch 1.3	Sep-07	Mar-10	385	5	200,682	-	-
Batch 1.4	Sep-07	Jul-10	481	6	250,839	-	-
Batch 2	Aug-09	Dec-11	1,798	23	863,607	-	-
Batch 3	Feb-10	Dec-12	1,843	24	863,607	-	-
Batch 4	Aug-10	Dec-13	1,179	15	539,283	-	-
Total			**6,554**	**85**	**3,169,539**	**120,258**	**-**

Notes:

1 Includes fit-outs of £9 million and excludes interest during construction.

N3-Batches	Start Date	Expected Completion	Total Estimated Construction Costs(1)		Estimated LA (sq ft)	LA (sq ft)	
			(Rs. million)	(£ million)		Committed Leases	Leased (Rent Accrued)
Batch 1.1	Apr-08	Sep-11	1,399	18	824,509	-	-
Batch 1.2	Jul-10	Jun-12	1,561	20	824,509	-	-
Batch 2.1	Apr-11	Mar-13	1,620	21	824,509	-	-
Batch 2.2	Jan-12	Dec-13	1,680	22	824,509	-	-
Batch 3.1	Oct-12	Sep-14	1,743	23	824,509	-	-
Batch 3.2	Jul-13	Jun-15	1,808	24	824,509	-	-
Total			**9,812**	**128**	**4,947,055**	**-**	**-**

Notes:

1 It excludes interest during construction.

Summary of Valuations

Knight Frank, an independent valuer, valued the properties under construction as at 31 March 2009 at £637.2 million. The Company's share of the market valuation of the assets as at 31 March 2009 (representing 60% of each project), is £382.3 million.

Total portfolio value (Company's share is 60%):

At time of Admission	31 March 2007	30 September 2007	31 March 2008	30 September 2008	31 March 2009
£481.5 million	£553 million	£1,037 million	£969.5 million	£781 million	£637.2 million
Rs 41,373 m	Rs 46,978 m	Rs 84,538 m	Rs 77,700 m	Rs 65,303 m	Rs 49,009 m

The weighted average cost of capital (WACC) and capitalisation rate used for the purposes of valuation as at 31 March 2009 by the valuer were as follows:

Portfolio	WACC	Capitalisation rate
K1, G2, N2	15.5%	10.5%
G1	16.75%	10.5%
N3	16.75%	10.5%
N1	15.5%	11.0%

It is expected that continued development and letting activity will have a positive impact on the valuation of the assets in the coming financial year, when we expect market conditions to stabilise.

Financing

The Company continues to work and has ongoing discussions with banks on raising debt financing for the completion of the projects.

Outlook

Over the short term, given the macro economic conditions in the developed economies of the world, the demand for IT/ITES commercial real estate in SEZ's in India is likely to remain soft. In addition, the Government of India in its Union Budget 2009 - 10 has extended the sunset period for the IT Parks Scheme by another year, until the financial year 2012. This is also likely to have an adverse impact on the movement of tenants from such IT Parks to SEZ's.

However, we feel that the benefits of outsourcing IT/ITES to India are proven and continue to be very attractive. Over the medium term as the economic cycle in the developed economies turns and the demand for IT/ITES recovers, our portfolio is ideally positioned to benefit from such a recovery. Meanwhile through a variety of measures that include a) pacing of the capital expenditure to operationalize cold shells to match real demand, b) extracting savings in construction costs through design optimization and c) strengthening client relationships we feel confident in delivering superior products to our clients and economic returns to our shareholders.

Atul Kapur
Chairman
13 August 2009

The Company's audited consolidated financial statements and associated notes are set out below.

UNITECH CORPORATE PARKS PLC

Consolidated Income Statement
for the year ended 31 March 2009

	Note	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Income			
Investment property revenue		4,358,330	613,523
Interest income on cash balances		1,413,100	6,135,716
Interest income on corporate deposits	19	5,279,970	-
Net (loss)/gain from fair value adjustment on investment property	8	(15,826,534)	4,007,139
Net realised (losses)/gains on financial assets at fair value through profit or loss		(133,768)	277,800
Movement in net unrealised gains/(losses) on financial assets at fair value through profit or loss		31,646	(31,646)
		(4,877,256)	11,002,532
Expenditure			
Management fee	4	6,295,500	6,312,747
Performance fee	4	(722,713)	722,713
Repair and maintenance costs		767,764	90,684
Administration and accounting fees		58,333	58,750
Directors' fees		198,725	195,176
Audit fees		76,823	47,670
Other operating expenses	11	1,676,973	757,927
		8,351,405	8,185,667
Operating (loss)/profit for the year		(13,228,661)	2,816,865
Finance lease costs		(385,667)	(481,835)
(Loss)/profit for the year before tax		(13,614,328)	2,335,030
Taxation	12	(479,313)	(1,638,311)
(Loss)/profit for the year		(14,093,641)	696,719
Basic and diluted (loss)/earnings per share	14	(3.91)p	0.19p

The Directors consider that all results derive from continuing activities.

UNITECH CORPORATE PARKS PLC

Consolidated and Company Balance Sheets
as at 31 March 2009

		Group		Company	
		2009	2008	2009	2008
	Note	£	£	£	£
Assets					
Non-current assets					
Investment in subsidiary		-	-	317,000,000	317,000,000
Investment property	8	46,603,071	51,246,482	-	-
Property, plant and equipment	9	336,968,289	530,467,736	-	-
Intangible assets – goodwill	10	41,379,773	37,785,487	-	-
Deferred tax asset	12	43,863	43,863	-	-
		424,994,996	619,543,568	317,000,000	317,000,000
Current assets					
Financial assets at fair value through profit or loss	7	5,475,761	5,048,646	5,475,761	5,048,646
Loan to subsidiary		-	-	10,343,199	5,556,373
Debtors and other receivables	18	62,241,076	2,587,321	155,764	45,246
Cash at bank and brokers		21,493,904	78,180,626	13,485,161	19,545,915
		89,210,741	85,816,593	29,459,885	30,196,180
Total assets		514,205,737	705,360,161	346,459,885	347,196,180
Financed by:					
Equity and liabilities					
Capital and reserves	13				
Share capital		3,600,000	3,600,000	3,600,000	3,600,000
Share premium		342,918,991	342,918,991	342,918,991	342,918,991
Translation reserve		64,861,294	31,783,177	-	-
Revaluation reserve		(23,283,886)	116,588,437	-	-
Retained (loss)/profit		(13,433,603)	417,372	(198,067)	563,146
		374,662,796	495,307,977	346,320,924	347,082,137
Non-current liabilities					
Finance lease liabilities	15	3,287,894	3,964,899	-	-
Bank loans	16	16,145,445	-	-	-
Performance fee provision	4	815,841	23,613,808	-	-
Deferred tax	12	99,573,201	169,170,554	-	-
		119,822,381	196,749,261	-	-
Current liabilities					
Finance lease liabilities	15	1,335,830	976,366	-	-
Bank loans	16	980,078	-	-	-
Trade and other payables	17	17,009,383	12,326,557	138,961	114,043
Income tax liabilities	12	395,269	-	-	-
		19,720,560	13,302,923	138,961	114,043
Total liabilities		139,542,941	210,052,184	138,961	114,043
Total equity and liabilities		514,205,737	705,360,161	346,459,885	347,196,180

These financial statements were approved and authorised for issue by the Board of Directors on August 2009 and signed on their behalf by:

Aubrey Adams
Director

Donald Lake
Director

UNITECH CORPORATE PARKS PLC

Consolidated and Company Statements of Changes in Equity for the year ended 31 March 2009

	Share capital £	Share Premium £	Translation reserve £	Revaluation reserve £	Retained (loss)/ earnings £	Total £
Group						
Balance at 1 April 2007	3,600,000	342,918,991	4,478,399	15,679,442	(44,305)	366,632,527
Currency translation differences on consolidation of subsidiaries and joint ventures	-	-	27,304,778	-	-	27,304,778
Gain on revaluation of investment property under construction	-	-	-	181,251,050	-	181,251,050
Deferred tax arising from revaluation of investment property under construction	-	-	-	(59,025,960)	-	(59,025,960)
Performance fee provision	-	-	-	(21,316,095)	-	(21,316,095)
Brokerage costs	-	-	-	-	(235,042)	(235,042)
Profit for the year	-	-	-	-	696,719	696,719
Balance at 31 March 2008	3,600,000	342,918,991	31,783,177	116,588,437	417,372	495,307,977
Balance at 1 April 2008	3,600,000	342,918,991	31,783,177	116,588,437	417,372	495,307,977
Currency translation differences on consolidation of subsidiaries and joint ventures	-	-	33,078,117	-	-	33,078,117
Loss on revaluation of investment property under construction	-	-	-	(239,822,031)	-	(239,822,031)
Deferred tax arising from revaluation of investment property under construction	-	-	-	77,874,454	-	77,874,454
Performance fee provision	-	-	-	22,075,254	-	22,075,254
Brokerage costs	-	-	-	-	242,666	242,666
Loss for the year	-	-	-	-	(14,093,641)	(14,093,641)
Balance at 31 March 2009	3,600,000	342,918,991	64,861,294	(23,283,886)	(13,433,603)	374,662,796
Company						
Balance at 1 April 2007	3,600,000	342,918,991	-	-	272,455	346,791,446
Profit for the year	-	-	-	-	290,691	290,691
Balance at 31 March 2008	3,600,000	342,918,991	-	-	563,146	347,082,137
Balance at 1 April 2008	3,600,000	342,918,991	-	-	563,146	347,082,137
Loss for the year	-	-	-	-	(761,213)	(761,213)
Balance at 31 March 2009	3,600,000	342,918,991	-	-	(198,067)	346,320,924

UNITECH CORPORATE PARKS PLC

Consolidated Cash Flow Statement
for the year ended 31 March 2009

	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Cash flows from operating activities		
(Loss)/profit for the year before tax	(13,614,328)	2,335,030
Adjustment for:		
Interest income on cash balances	(1,413,100)	(6,135,716)
Interest income on corporate deposits	(5,279,970)	-
Net (loss)/gain from fair value adjustment on investment property	15,826,534	(4,007,139)
Net realised (losses)/gains on financial assets at fair value through profit or loss	133,768	(277,800)
Movement in net unrealised (gains)/losses on financial assets at fair value through profit or loss	(31,646)	31,646
Performance fee provision	(722,713)	722,713
Finance lease costs	385,667	481,835
Depreciation	44,724	29,937
Operating loss before working capital changes	(4,671,064)	(6,819,494)
(Increase)/decrease in trade and other receivables	(1,164,031)	455,837
Increase in trade and other payables	3,813,549	6,754,846
	(2,021,546)	391,189
Unamortised brokerage costs	-	(235,042)
Tax paid	(1,346,054)	(336,066)
Net cash used in operating activities	(3,367,600)	(179,919)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(21,197,233)	(37,635,078)
Acquisition of financial assets	(5,475,761)	(25,109,342)
Proceeds from sale of financial assets (including realised gains)	4,946,524	20,306,850
Payment of advances to related party	(69,922,330)	-
Repayment of advances by related party	19,117,005	-
Interest received	3,210,841	6,495,190
Net cash outflow from investing activities	(69,320,954)	(35,942,380)
Cash flows from financing activities		
Share issue expenses paid	-	(271,950)
Receipt of borrowings from banks	15,828,731	-
Payment of finance lease liabilities	(1,113,601)	(1,543,352)
Cash inflow/(outflow) from financing activities	14,715,130	(1,815,302)
Net decrease in cash and cash equivalents	(57,973,424)	(37,937,601)
Cash and cash equivalents at beginning of year	78,180,626	110,210,552
Exchange difference on cash and cash equivalents	1,268,702	5,907,675
Cash and cash equivalents at end of year	21,493,904	78,180,626

UNITECH CORPORATE PARKS PLC

Notes to the Consolidated Financial Statements for the year ended 31 March 2009

1. Reporting entity

Unitech Corporate Parks PLC (the "Company") is a closed-ended investment company domiciled in the Isle of Man. It was incorporated on 6 September 2006 in the Isle of Man as a public limited company and is quoted on the Alternative Investment Market (AIM) operated and regulated by the London Stock Exchange. The consolidated financial statements of the Company comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in jointly controlled entities.

The Company invests in the Indian real estate sector. The Company's strategy is to invest in commercial real estate developed specifically for the high growth IT (Information Technology) and ITES (IT Enabled Services) sectors. The Company intends to focus on investment in Special Economic Zones dedicated to the IT and ITES industries (IT SEZs) or IT Parks which are suitable for foreign direct investment (FDI).

The Company does not have any employees.

2. Basis of preparation

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ('IFRS') and the Isle of Man Companies Acts 1931-2004.

In accordance with the provisions of Section 3 of the Isle of Man Companies Act 1982, no separate income statement has been presented for the Company.

2.2 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except that investment property and investment property under construction are measured at fair value.

2.3 Functional and presentation currency

These consolidated financial statements are presented in British pounds, which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 6: Determination of Fair Value and Note 4: Management Fees.

2.5 Future changes in accounting policies

IASB (International Accounting Standards Board) and IFRIC (International Financial Reporting Interpretations Committee) have issued the following standards and interpretations with an effective date after the date of these financial statements:

New/Revised International Financial Reporting Standards (IAS/IFRS)	Effective date (accounting periods commencing after)
IAS 1 Revision - Presentation of Financial Statements	1 January 2009
IFRS 7 Financial Instruments: Disclosures (Fair Value and Liquidity Risk)	1 January 2009
IFRS 8 Operating segments	1 January 2009
IAS 23 Revision - Borrowing costs	1 January 2009
IAS 27 Revision - Consolidated and Separate Financial Statements	1 January 2009
IAS 31 Revision - Interests in Joint Ventures	1 January 2009
IAS 39 Revision - Financial Instruments: Recognition and Measurement	1 January 2009
IAS 40 Revision - Investment property	1 January 2009
IAS 7 Revision - Statement of Cash Flows	1 January 2010
IFRS 8 Revision - Operating segments	1 January 2010
IAS 36 Revision - Impairment of Assets	1 January 2010
IFRIC Interpretation	
IFRIC 13 Customer loyalty programmes	1 July 2008
IFRIC 16 Hedges of a Net Investment in Foreign Operation	1 October 2008
IFRIC 15 Agreement for Construction of Real Estate	1 January 2009
IFRIC 17 Distributions of Non-Cash Assets to Owners	1 July 2009
IFRIC 18 Transfers of Assets from Customers	1 July 2009

IFRS 8 introduces the “management approach” to segment reporting, with information based on internal reports. Management are currently assessing the impact of this on the disclosures to be presented regarding segmental reporting.

A revision to IAS 40 has amended the definition of investment property to include investment property under construction with fair value gains on investment property under construction being taken to the income statement. This will apply for the financial year ending 31 March 2010.

The Directors do not expect the adoption of the other standards and interpretations to have a material impact on the Group’s financial statements in the period of initial application.

3. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below:

3.1 Basis of consolidation

Subsidiaries
Subsidiaries are those entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Joint Ventures
Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Joint ventures are accounted for by proportionate consolidation. The Group combines its share of the joint ventures' individual income

and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements.

Transactions eliminated on consolidation
Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

3.2 Foreign currency

Foreign currency transactions
Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Exchange differences arising on translation are recognised in the income statement.

Foreign operations
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to British pounds at exchange rates at the reporting date. The income and expenses of foreign operations are translated to British pounds at exchange rates at the dates of the transactions. Exchange differences arising on translation of foreign operations are taken to the translation reserve. On disposal of a foreign operation, in part or in full, the relevant amount in the translation reserve is transferred to profit or loss reserve.

3.3 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property.

Investment property comprises freehold land, freehold buildings, land held under finance lease and buildings held under finance/operating lease.

Land held under operating/finance lease is classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease, if any, is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

The valuation of the properties has been done by Knight Frank (India) Private Limited (independent professionally qualified valuers) as of 31 March 2009.

The fair value of investment property reflects, among other things, rental income from current leases, if any, and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognized as a liability, including finance lease liabilities in respect of land classified as investment property; others, including contingent rent payments, are not recognized in the financial statements.

Subsequent expenditure is charged to the asset’s carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Changes in fair values are recorded in the income statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. Property, if any, that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete. At that time, it is reclassified and subsequently accounted for as investment property.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognized

in equity as a revaluation of property, plant and equipment as prescribed by IAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognized in the income statement.

Investment property held for resale without redevelopment is classified as non-current assets held for sale, as prescribed by IFRS 5.

Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at fair value through equity, until construction or development is complete. At that time, it is reclassified and subsequently accounted for as investment property.

3.4 Property, plant and equipment

Investment property under construction
Investment property under construction is measured initially at its cost, including related transaction costs. After initial recognition, investment property under construction is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The valuation of the properties has been carried out by Knight Frank (India) Private Limited (independent professionally qualified valuers) as of 31 March 2009. Gains and losses arising from the revaluation of investment property under construction are taken to equity.

Plant and equipment
Plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement in the financial period in which they are incurred.

Depreciation
Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each item of plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Investment property under construction is not depreciated.

The estimated useful lives are as follows:

Plant and machinery	14 years
Fixtures and fittings	16 years

3.5 Intangible assets - goodwill
Goodwill represents the difference between the cost of an acquisition and the fair value of the Group's share of the net assets of the acquired subsidiary or joint venture at the effective date of acquisition. Goodwill on acquisition of subsidiaries and joint ventures is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment.

The gain or loss on disposal of subsidiaries and joint ventures is calculated by reference to the Group's share of net assets at the date of disposal including the attributable amount of any goodwill remaining.

3.6 Finance leases
Lease of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments, comprising of lease premium and annual lease rentals and stamp duty, if any, forms part of the initial cost of the property interest. Each lease payment is allocated between the liability and finance charges, where applicable, so as to achieve a constant rate on the final balance outstanding. The corresponding rental obligations, net of finance charges, are included in current and non-current liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Investment properties under construction acquired under finance leases are carried at their fair value.

3.7 Investment property revenue
Revenue includes rental income, service charges and management charges from properties, and income from property trading, if any. Rental income from operating leases is recognized in income on a straight-line basis over

the lease term. When the Group provides incentives to its customers, the cost of incentives are recognized over the lease term, on a straight-line basis, as a reduction of rental income.

Service and management charges are recognized in the accounting period in which the services are rendered, i.e. on the completion of the activity relating to the service.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities.

Revenue is presented, net of goods and services taxes, rebates and discounts.

Revenue is recognized as follows:

(a) Base rent, amenities income, fit-out and car park rental income
Base rent, amenities income, fit-out and car park rental income, net of incentives received, are recognized in the income statement on a straight-line basis over the term of the lease.

Base rent comprises rental income earned from the leasing of the owned, completed and occupied lettable office area of the properties.

Amenities income is rental revenue earned from the leasing of the owned, completed and occupied lettable area at the properties for common amenities.

Fit-out rental income is rental revenue earned from fit-out provisions developed in accordance with specifications required by tenants of the properties. Fit-out rents typically arise from the higher costs related to tenant-specific fit-out requirements, which are in turn passed through to those tenants via fit-out provisions in their lease agreements. The cost of fit-outs is recovered from tenants over the lease period with an implied annual return on actual costs and a mark-up.

Car park rental income is earned from the operation of parking facilities, with parking spaces leased to tenants on a monthly basis. The parking facilities are expected to commence operations in line with the phasing schedules of the lettable area.

(b) Operations and maintenance income
Operations and maintenance income consists of revenue earned from the provision of daily maintenance, security and administration services, and is charged to tenants based on the occupied lettable area of the properties with a fixed mark-up on specific operating, maintenance and utilities expenses incurred to date.

3.8 Interest income
Interest income comprises bank interest earned on uninvested funds and is recognised on an accruals basis using the effective interest rate method.

3.9 Expenses
Expenses are accounted for on an accruals basis.

3.10 Finance costs
Finance costs comprise interest expense on lease payments and are recognized on the effective interest rate method.

3.11 Income tax expense
Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary timing differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is

measured at the tax rates that are expected to be applied to the temporary timing differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.12 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.13 Cash and cash equivalents

Cash and cash equivalents comprises cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

3.14 Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The Group invests in a single geographic region and has a single business segment.

4. Management fee

Nectrus Limited, the Investment Manager, and an affiliate of the Unitech Group, receives a management fee equivalent to 2 per cent per annum of the Company's average invested equity capital paid quarterly in arrears. With effect from 19 February 2009 25% of the management fee will be deferred until the sale of each asset is completed and will be contingent on an internal rate of return of 10% being achieved on that project. The remaining 75% of the management fee will be invested in UCP shares acquired in the open market.

In addition the Group pays the Investment Manager a performance fee calculated by reference to the amount by which the internal rate of return on an investment project (Project IRR) exceeds certain benchmarks. The Investment Manager receives:

- a performance fee of 20 per cent of that part of the net cash flow generated in respect of a project that results in a Project IRR greater than 10 per cent and less than or equal to 20 per cent; and
- a performance fee of 30 per cent of that part of the net cash flow generated in respect of a project that resulted in a Project IRR greater than 20 per cent; minus
- any performance fees previously paid in respect of the relevant project.

The provision for performance fees at the period end has been determined on an individual project basis and has been split between the income statement and reserves in proportion to the gains recognized in each.

5. Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and cash flow interest rate risk), credit risk and liquidity risk. The risk management policies employed by the Company to manage these risks are discussed below.

5.2 Market risk

(i) Risks relating to real estate and investment property development in India

Political, economic and social factors, changes in Indian law or regulations and the status of India's relations with other countries may adversely affect the value of the Company's assets.

The performance of the Group is dependent on the state of the Indian property market and its ability to acquire interest in development projects, develop the projects, lease the developments at attractive rentals and/or sell the developments. The market value and rental rates for properties is generally affected by overall conditions in the economy, such as growth in and absolute levels of GDP, employment trends, inflation and changes in interest rates. Market value can also be affected by regional or local conditions and the Group's current development projects are mainly concentrated in the National Capital Region.

The Group focuses on development of real estate for the IT and ITES industries which are dependent on the continued popularity of business process outsourcing, principally by businesses located in Western Europe and North America. Competitive pressure from other countries providing similar services, reduction or removal of tax incentives and changes in government policy with regard to foreign direct investment may impact the results of the Company adversely.

The construction work at all of the Group's development projects is performed by third party contractors and the Group is reliant on such contractors performing these services in accordance with the relevant construction contracts. If the contractors fail to perform their obligations in a manner consistent with their contracts, the development projects may not be completed as and when envisaged, which may lead to unexpected costs. The Group has entered into a Project Management Agreement with Unitech Limited, its co-investor and one of the largest listed companies in India, under which Unitech Limited is engaged to provide property management services in respect of each of the investment properties under construction.

The Group is exposed to fluctuations in the prices of raw materials and components used in its construction projects. These commodities include steel, cement and timber. The costs of components and various small parts sourced from outside manufacturers may also fluctuate based on their availability from suppliers. Notwithstanding the Group's intention to protect itself against any increases in such costs by entering into fixed price construction contracts, nonetheless, the Group has a residual exposure to any such increases.

(ii) Risks relating to financial assets

The Company’s investments in financial assets at fair value through profit or loss are susceptible to market price risk arising from uncertainties about future prices of the instruments. Prices of financial instruments fluctuate due to changes in foreign exchange rates, market interest rates, market factors specific to the security or its issuer or factors affecting all securities traded in the market.

(iii) Foreign currency risk

The Company's principal operating currency is the British pound but substantially all of its income and expenditure are expected to be denominated in currencies other than the British pound, primarily the Indian rupee. All monies returned to shareholders and the reported net asset value of the Company will be denominated in British pounds. Consequently, the Company's performance is subject to the effect of exchange rate fluctuations with respect to the currencies in which its income and expenditure are denominated. Where feasible and, as appropriate, the Company finances assets using local currency denominated financing.

At the reporting date, the Group's currency exposure was as follows:

	2009	**2008**
	£	**£**
British pounds	18,612,678	2,833,647
Indian rupees	356,050,118	492,474,330
Net assets	374,662,796	495,307,977

If the Indian rupee appreciated/depreciated by 5% against the British pound the effect on net assets would be to increase/decrease net assets by £16,954,768 (2008: £23,451,159).

(iv) Interest rate risk

The Group holds financial assets and liabilities that are interest bearing. As a result the Group is subject to interest rate risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

The table below summarises the Group’s exposure to interest rate risks. It includes the Group’s financial assets and liabilities at the earlier of contractual re-pricing or maturity date, measured by the carrying values of assets and liabilities:

31 March 2009

	Less than 3 months £	3 months to 1 year £	1 - 5 years £	Over 5 years £	Non-interest bearing £	Total £
Financial assets						
Financial assets at fair value through profit or loss	5,475,761	-	-	-	-	5,475,761
Debtors and other receivables	58,675,842	-	-	-	3,565,234	62,241,076
Cash and cash equivalents	21,493,904	-	-	-	-	21,493,904
Total financial assets	85,645,507	-	-	-	3,565,234	89,210,741
Financial liabilities						
Finance lease liabilities	-	1,335,830	2,271,394	1,016,500	-	4,623,724
Performance fee provision	-	-	-	-	815,841	815,841
Bank loans	245,061	735,017	6,606,236	9,539,209	-	17,125,523
Trade and other payables	-	-	-	-	17,009,383	17,009,383
Income tax liabilities	-	-	-	-	395,269	395,269
Total financial liabilities	245,061	2,070,847	8,877,630	10,555,709	18,220,493	39,969,740
Net financial assets/(liabilities)	85,400,446	(2,070,847)	(8,877,630)	(10,555,709)		

31 March 2008

	Less than 3 months £	3 months to 1 year £	1 - 5 years £	Over 5 years £	Non-Interest Bearing £	Total £
Financial assets						
Financial assets at fair value through profit or loss	5,048,646	-	-	-	-	5,048,646
Debtors and other receivables	-	-	-	-	2,587,321	2,587,321
Cash and cash equivalents	78,180,626	-	-	-	-	78,180,626
Total financial assets	83,229,272	-	-	-	2,587,321	85,816,593
Financial liabilities						
Finance lease liabilities	329,156	647,210	2,943,836	1,021,063	-	4,941,265
Performance fee provision	-	-	-	-	23,613,808	23,613,808
Trade and other payables	-	-	-	-	12,326,557	12,326,557
Total financial liabilities	329,156	647,210	2,943,836	1,021,063	35,940,365	40,881,630
Net financial assets/(liabilities)	82,900,116	(647,210)	(2,943,836)	(1,021,063)		

The effective rate of interest on the Group's finance lease liabilities is 10% per annum.
The effective rate of interest on the Group’s bank loans is 13.5% per annum.

5.3 Credit risk

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered with the Company.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the balance sheet date. This relates to financial assets carried at amortised cost, as they have a short-term maturity.

At the reporting date, the Group's financial assets exposed to credit risk amounted to the following:

	2009 £	2008 £
Financial assets at fair value through profit or loss	5,475,761	5,048,646
Debtors and other receivables	62,241,076	2,587,321
Cash and cash equivalents	21,493,904	78,180,626
	89,210,741	85,816,593

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. Management does not expect any counterparty to fail to meet its obligations.

5.4 Liquidity risk

The Company manages its liquidity risk by maintaining sufficient cash balances to meet its obligations. The Company's liquidity position is monitored by the Investment Manager and the Board of Directors.

Residual contractual maturities of financial liabilities:

31 March 2009

	Less than 3 months £	3 months to 1 year £	1 - 5 years £	Over 5 years £	Non-stated maturity £
Financial liabilities					
Finance lease liabilities	-	1,335,830	2,271,394	1,016,500	-
Bank loans	245,061	735,017	6,606,236	9,539,209	-
Performance fee provision	-	-	-	-	815,841
Trade and other payables	17,009,383	-	-	-	-
Income tax liabilities	395,269	-	-	-	-
	17,649,713	2,070,847	8,877,630	10,555,709	815,841

31 March 2008

	Less than 3 months £	3 months to 1 year £	1 - 5 years £	Over 5 years £	Non-Stated Maturity £
Financial liabilities					
Finance lease liabilities	329,156	647,210	2,943,836	1,021,063	-
Performance fee provision	-	-	-	-	23,613,808
Trade and other payables	10,578,345	-	1,748,212	-	-
	10,907,501	647,210	4,692,048	1,021,063	23,613,808

6. Determination of fair values

Investment property and investment property under construction

The Company's investment property and investment property under construction were valued by independent professional valuers at market value in accordance with the RICS Appraisal and Valuation Standards at the balance sheet date.

Financial assets

The Directors accept the values quoted by issuing brokers as representing the fair value of the Company's investment in structured notes.

7. Financial assets at fair value through profit or loss

	2009 £	2008 £
Designated at fair value through profit or loss		
Structured notes (see Note 22)	5,475,761	5,048,646
Total financial assets at fair value through profit or loss	5,475,761	5,048,646

The Company invests surplus cash reserves in medium term structured notes with floating interest rates with the aim of enhancing the return on its cash reserves.

8. Investment property

	2009 £	2008 £
Value		
Balance at start of year	51,246,482	-
Transfer from investment property under construction	7,029,121	47,159,196
Revaluation of investment property	(15,826,534)	4,007,139
Effect of movements in exchange rates	4,154,002	80,147
Balance at end of year	46,603,071	51,246,482

Investment property was valued at market value in accordance with the RICS Appraisal and Valuation Standards by Knight Frank (India) Private Limited at 31 March 2009 and 31 March 2008.

9. Property, plant and equipment

31 March 2009

	Land and Buildings £	Investment property under construction at valuation £	Plant and machinery £	Fixtures And fittings £	Total £
Value, cost or deemed cost					
Balance at 1 April 2008	-	530,016,762	431,739	50,082	530,498,583
Additions	13,640	20,534,360	614,557	247,224	21,409,781
Transfer to investment property	-	(6,892,067)	(137,054)	-	(7,029,121)
Revaluation of investment properties under construction	-	(239,822,031)	-	-	(239,822,031)
Effect of movements in exchange rates	1,117	31,886,924	80,189	25,018	31,993,248
Balance at 31 March 2009	14,757	335,723,948	989,431	322,324	337,050,460
Depreciation					
Balance at 1 April 2008	-	-	26,644	4,203	30,847
Depreciation for the year	439	-	30,312	13,973	44,724
Effect of movements in exchange rates	36	-	5,019	1,545	6,600
Balance at 31 March 2009	475	-	61,975	19,721	82,171
Carrying amounts					
At 1 April 2008	-	530,016,762	405,095	45,879	530,467,736
At 31 March 2009	14,282	335,723,948	927,456	302,603	336,968,289

31 March 2008

	Investment property under construction at valuation £	Plant and machinery £	Fixtures and fittings £	Total £
Value, cost or deemed cost				
Balance at 1 April 2007	331,699,787	116,865	943	331,817,595
Additions	37,279,466	306,540	49,072	37,635,078
Transfer to investment property	(47,159,196)	-	-	(47,159,196)
Revaluation of investment properties under construction	181,251,050	-	-	181,251,050
Effect of movements in exchange rates	26,945,655	8,334	67	26,954,056
Balance at 31 March 2008	530,016,762	431,739	50,082	530,498,583
Depreciation				
Balance at 1 April 2007	-	273	18	291
Depreciation for the year	-	25,835	4,102	29,937
Effect of movements in exchange rates	-	536	83	619
Balance at 31 March 2008	-	26,644	4,203	30,847
Carrying amounts				
At 1 April 2007	331,699,787	116,592	925	331,817,304
At 31 March 2008	530,016,762	405,095	45,879	530,467,736

The net book value, at cost, of investment property under construction at 31 March 2009 was £304,750,129 (2008: £338,267,032).

Investment property under construction was valued at market value in accordance with the RICS Appraisal and Valuation Standards by Knight Frank (India) Private Limited at 31 March 2009 and 31 March 2008.

10. Intangible assets – goodwill

	2009 £	2008 £
Cost		
Balance at start of year	37,785,487	34,633,986
Effect of movements in exchange rates	3,594,286	3,151,501
Balance at end of year	41,379,773	37,785,487

There was no impairment of goodwill as at the reporting date.

11. Other operating expenses

Other operating expenses comprise:

	2009 £	2008 £
Legal and professional fees	1,107,858	59,522
Shareholder servicing fees	112,949	115,548
NOMAD fee	98,039	199,505
Property valuation fees	61,427	111,324
Depreciation	44,725	29,935
Directors' expenses	142,584	95,294
Share of joint venture other expenses	486,781	103,826
Sundry expenses	30,260	32,268
Foreign exchange	(407,650)	10,705
	1,676,973	757,927

12. Taxation

A standard zero per cent rate of income tax applies for Isle of Man companies (except in relation to profits arising from banking, or from land and property in the Isle of Man). The Company is required to pay an annual corporate charge, currently £250.

The Mauritius subsidiaries are subject to taxation at 15 per cent on dividends received from the joint venture companies however a foreign tax credit will be available reducing the tax rate to 3 per cent. The Mauritius subsidiaries are not expected to have any liability to capital gains tax.

The joint venture companies are subject to corporate taxation in India at the rate of 33.66 per cent on their net income and short term gains.

	2009 £	2008 £
Tax expense in the income statement		
Current tax in joint ventures	1,805,661	276,285
Deferred tax arising on revaluation of investment property	(1,326,348)	1,362,026
	479,313	1,638,311

	2009 £	2008 £
Income tax liabilities at end of year		
Current tax liabilities		
Arising on net operating income in joint ventures	(395,269)	-

	2009 £	2008 £
Deferred tax assets and liabilities at end of year		
Deferred tax assets		
Arising on net operating losses in subsidiary companies	43,863	43,863
Deferred tax liabilities		
Arising on revaluation of investment property under construction	(99,573,201)	(169,170,554)

Deferred tax arising on the revaluation of investment property under construction has been provided for at the reporting date as Indian capital gains tax would be payable in the event that the property was sold. The Company does not intend that any taxation charge will arise since any disposal would be effected by way of a sale of the Group's interest in the joint venture.

13. Share capital and reserves

13.1 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board manages the Company's affairs to achieve the shareholder returns through capital growth rather than income, and monitors the achievement of this through growth in net asset value per share.

Company capital comprises share capital, share premium and reserves. The Company is not subject to externally imposed capital requirements.

13.2 Share capital

	Number	£
Ordinary shares of par value £0.01 each		
Authorised	500,000,000	5,000,000
Issued	360,000,000	3,600,000

13.3 Translation reserve

The translation reserve comprises foreign currency differences arising from the translation of the financial statements of foreign operations.

13.4 Revaluation reserve

The revaluation reserve comprises gains arising on the revaluation of investment property under construction to their fair value at the reporting date, net of related deferred tax and a provision for performance fees.

14. Basic and diluted (loss)/earnings per share

The calculation of loss per share at 31 March 2009 of 3.91p (2008: earnings per share of 0.19p) is based on the net loss attributable to ordinary shareholders of £14,093,641 (2008: profit £696,719) and a weighted average number of ordinary shares outstanding of 360,000,000. The Company has no dilutive potential ordinary shares. The dilutive earnings per share therefore is the same as the basic earnings per share.

15. Finance lease liabilities

Finance lease liabilities are payable as follows:

	2009	2008
	£	£
Less than one year	1,335,830	976,366
Between one and five years	2,271,394	2,943,836
More than five years	1,016,500	1,021,063
	4,623,724	4,941,265

The New Okhla Industrial Development Area (Noida) authority has alloted Shantiniketan Properties Limited a leasehold title to a 19.3 acre site in Noida for 90 years from 24 March 2006 for the purpose of setting up an IT and ITES project on the site. The annual ground lease rent payable is INR7,349,865 for the first 10 years with a 10 year review cycle.

The Noida authority has alloted Seaview Developers Limited a leasehold title to a 29.7 acre site in Noida for 90 years from 17 February 2006 for the purpose of setting up an IT SEZ at the project site. The annual ground lease rent payable is INR11,766,000 for the first 10 years with a 10 year review cycle.

The Noida authority has alloted Unitech Infra-Con Limited leasehold title to two sites comprising 74.75 acres in Greater Noida Technical Zone for the purpose of setting up an IT and an IT SEZ. The annual ground lease rents payable for the 90 year leases which commenced 9 June 2006 and 11 August 2006 are INR 3,311,238 and INR2,488,997 respectively for the first 10 years with a 10 year review cycle.

16. Bank loans

The Group's bank borrowings are secured by hypothecation of lease rentals and a charge on the property for a value of INR 21,800,000.

Bank loans are repayable as follows:

	2009	2008
	£	£
Less than one year	980,078	-
Between one and two years	1,261,633	-
Between two and five years	5,344,603	-
More than five years	9,539,209	-
	17,125,523	-

17. Trade and other payables

The Group's trade and other payables are analysed as follows:

	2009	2008
	£	£
Trade payables	10,415,455	3,473,618
Amounts due to related parties (see Note 19)	1,168,428	1,434,154
Social security and other taxes	272,268	230,422
Provisions	559,673	1,808,215
Other payables	4,593,559	5,380,148
	17,009,383	12,326,557

18. Debtors and other receivables

The Group's debtors and other receivables are analysed as follows:

	2009 £	2008 £
Deposits with related party (see Note 19)	58,675,842	-
Trade and other receivables	3,565,234	2,587,321
	62,241,076	2,587,321

19. Related-party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

During the year, the Indian joint venture companies issued unsecured short-term advances to Unitech Limited, the Company's co-investor by way of quarterly loan facilities with automatic rollover. Interest was charged on the advances at commercial rates.

The aggregate value of advances during the year and outstanding balances as at 31 March 2009 were as follows:

Joint venture company	Gross advances during the year INR	Balance as at 31 March 2009* INR
Shantiniketan Properties Limited	170,000,000	-
Seaview Developers Limited	1,200,000,000	1,295,187,419
Unitech Developers and Projects Limited	4,622,284,108	2,572,599,990
Unitech Hi-Tech Structures Limited	570,000,000	415,784,264
Unitech Infra-Con Limited	1,650,000,000	1,791,799,962
Unitech Realty Projects Limited	950,000,000	1,031,005,865
	9,162,284,108	7,106,377,500

* Includes interest accrued

A total of INR 2,505,000,000 was repaid before the year end. All the advances were subsequently repaid by 10 July 2009.

The Company's 60% share interest of the outstanding balances as at 31 March 2009 was INR4,263,826,500 (£58,675,842 based on the closing rate at 31 March 2009).

Ajay Chandra, a Director of the Company, is also the Managing Director of Unitech Limited.

As at 31 March 2009 and 31 March 2008 Aubrey John Adams was beneficially interested in 300,000 Ordinary Shares of the Company.

Nectrus Limited, the Investment Manager to the Company, is an affiliate of the Unitech Group, the Company's co-investor in the investment property under construction. It receives a management fee and performance fee from the Group as detailed in Note 4.

Unitech Limited, the Company's co-investor, acts as Property Manager for the investment property under construction and receives a fee of 5% of the total cost of construction of each project (exclusive of service tax). The fees payable to Unitech Limited for the year ended 31 March 2009 totalled £1,865,573 (year ended 31 March 2008: £2,296,389) and the amount outstanding as at 31 March 2009 was £1,168,428 (31 March 2008: £1,434,154).

20. Group entities

20.1 Subsidiaries

	Country of incorporation	Class of shares	Percentage holding
Candor Investments Limited	Mauritius	Ordinary	100%
Acacia Properties Inc.	Mauritius	Ordinary	100%
Dotterel Estates Limited	Mauritius	Ordinary	100%
Gladiolys Realty Inc.	Mauritius	Ordinary	100%
Myna Holdings Limited	Mauritius	Ordinary	100%
Sparrow Properties Limited	Mauritius	Ordinary	100%
Tulipa Investments Inc.	Mauritius	Ordinary	100%

On 16 November 2006 the Company acquired the entire share capital of Candor Investments Limited for a consideration of US$1. Prior to its acquisition by the Company, Candor Investments Limited had not traded.

On 28 November 2006 Candor Investments Limited acquired the entire share capital of the six underlying subsidiaries at par for a consideration of US$1 each. Prior to their acquisition by Candor Investments Limited none of the underlying subsidiaries had traded.

On 10 January 2007 Acacia Properties Inc. acquired a 60% interest in the ordinary share capital and a 100% interest in the preference share capital of Shantiniketan Properties Limited for a consideration of INR 2,630 million.

On 10 January 2007 Dotterel Estates Limited acquired a 60% interest in the ordinary share capital of Seaview Developers Limited for a consideration of INR 4,526 million.

On 29 January 2007 Tulipa Investments Inc. acquired a 60% interest in the ordinary share capital of Unitech Realty Projects Limited for a consideration of INR 6,268 million.

On 11 January 2007 Gladiolys Realty Inc. acquired a 60% interest in the ordinary share capital of Unitech Developers and Projects Limited for a consideration of INR 5,709 million.

On 23 January 2007 Myna Holdings Limited acquired a 60% interest in the ordinary share capital of Unitech Hi-Tech Structures Limited for a consideration of INR 5,167 million.

On 10 January 2007 Sparrow Properties Limited acquired a 60% interest in the ordinary share capital of Unitech Infra-Con Limited for a consideration of INR 2,973 million.

20.2 Joint ventures

The following companies have been proportionately consolidated as joint ventures.

	Country of incorporation	Class of shares	Percentage holding
Shantiniketan Properties Limited	India	Ordinary	60%
Shantiniketan Properties Limited	India	Preference	100%
Seaview Developers Limited	India	Ordinary	60%
Unitech Developers and Projects Limited	India	Ordinary	60%
Unitech Hi-Tech Structures Limited	India	Ordinary	60%
Unitech Infra-Con Limited	India	Ordinary	60%
Unitech Realty Projects Limited	India	Ordinary	60%

The following amounts representing the Group's 60% share of the income and expenses of the joint ventures are included within the income statement.

	2009 £	2008 £
Income		
Investment property revenue	4,358,330	613,523
Interest income on cash balances	585,935	5,097,513
Interest income on corporate deposits	5,279,970	-
Net (loss)/gain from fair value adjustment on investment property	(15,826,533)	4,007,139
	(5,602,298)	9,718,175
Expenses		
Repair and maintenance costs	767,765	90,684
Other operating expenses	452,399	71,741
	1,220,164	162,425
Operating (loss)/profit	(6,822,462)	9,555,750
Finance lease costs	(385,667)	(481,835)
Taxation	(1,805,660)	(957,499)
(Loss)/profit for the year	(9,013,789)	8,116,416

The following amounts representing the Group's 60% share of the assets and liabilities of the joint ventures at the reporting date are included within the balance sheet.

	2009 £	2008 £
Assets		
Non-current assets		
Investment property	46,603,071	51,246,482
Property, plant and equipment	336,968,289	530,467,736
	383,571,360	581,714,218
Current assets		
Debtors and other receivables	60,819,278	1,386,007
Cash at bank	7,283,952	56,316,411
	68,103,230	57,702,418
Total assets	451,674,590	639,416,636
Liabilities		
Non-current liabilities		
Finance lease liabilities	3,287,894	3,964,899
Bank loans	16,145,445	-
Deferred tax	99,573,201	169,170,554
	119,006,540	173,135,453
Current liabilities		
Finance lease liabilities	1,335,830	976,365
Trade and other payables	15,969,027	10,615,974
Bank loans	980,078	-
Income tax liabilities	395,269	-
	18,680,204	11,592,339
Total liabilities	137,686,744	184,727,792
Net assets	313,987,846	454,688,844

21. Commitments

The Group's share of capital commitments in respect of capital expenditure contracted for by the joint ventures as at 31 March 2009 was £67,988,858 (2008: £41,152,748).

22. Post balance sheet events

(i) Valuation of investment property and investment property under construction

The benefits of extension of IT Park Schemes will be available to the Undertaking which develops and operates an IT Park for IT/ITES sector. Tax benefits will also be available to units set-up in IT Parks up to financial year 2012. The Union Budget 2009-10 (of the Government of India) has extended the sunset period for the IT Park Scheme by another year up to the financial year 2012. This according to the valuers has had a somewhat dampening effect on the SEZ valuations, with July valuations reflecting the new set of valuation numbers set out below.

	21 July 2009 INR million	31 March 2009 INR million
InfoSpace, Kolkata (K1)	10,669	12,985
InfoSpace, Gurgaon ITC (G1-ITC)	6,076	7,483
InfoSpace, Gurgaon IST (G2-IST)	10,260	12,012
InfoSpace, Noida (N1)	4,830	5,471
InfoSpace, Noida (N2)	7,275	8,228
InfoSpace, Greater Noida (N3)	1,716	2,830
	40,826	49,009

(ii) Financial assets at fair value through profit or loss

Nectrus Limited, the Investment Manager, agreed to compensate the Company for the loss incurred on a structured note investment of £5,475,761 made in accordance with the investment management agreement. The investment matured in May 2009 with no return of capital.