



VOLTAS LIMITED

16th December, 2010

Bombay Stock Exchange Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

cc: National Stock Exchange of India Limited
Listing Department

Dear Sir,

Sub: Press Release regarding Chennai Office Premises

In view of the name of Voltas recently appearing in some of the News Channel, it is proposed to give a Press Release to Media in regard to Chennai Office Premises. Three copies of the said Press Release are enclosed for your information.

Thanking you,

Yours faithfully,
VOLTAS LIMITED

(V. P. MALHOTRA)
General Manager - Taxation &
Company Secretary

Encl:

**Clarification regarding Chennai Office Premises**

December 16, 2010 Mumbai: Voltas took on lease a plot of land of about one acre, at 503 Anna Salai, Teynampet, Chennai in 1975, for 30 years. It constructed office premises on it and has been using it continuously since then, till today.

In 2005, on the completion of the initial 30-year period, Voltas sought to exercise its option to renew the lease for a further period of 30 years. This was challenged by the owners of the land. Voltas filed a suit seeking specific performance of the lease contract and this litigation is pending before the Madras High Court, till today.

Pursuant to an order from the Income Tax Officer in 1983, the lease rent payable by Voltas to the landlords is being deposited with the tax authorities, till date.

Voltas never bought the land, nor sold the land. The premises were constructed on the leased land by Voltas, in 1975, for its offices. Rent continues to be paid till date and Voltas' petition seeking renewal of the lease by the landlords is pending adjudication by the Madras High Court. The matter is sub judice, so we have nothing further to add.

Issued by:

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