

o/c

DBRL/NSE/AMAL

Date: October 8, 2014

National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051

Kind Attn: Mr. Daniel De Barros

Dear Sirs,

Sub: Application under Clause 24(f) of the Listing Agreement for the proposed Scheme of Amalgamation and Arrangement between Gokuldham Real Estate Development Company Private Limited, a subsidiary company with D B Realty Limited (Holding Company) and their respective shareholders

Our Letter dated 17th Sept, 2014 (Delivered on 18th Sept, 2014)

Further to our letter dated 17th Sept, 2014 and in response to your E mail dated 22nd September, 2014 and the conversation we had with your Mr. Daniel De Barros, we submit herewith the following:

- (1) Revised Draft Scheme incorporating in Para 20 – Conditionality of the Scheme, the requirements as per SEBI Circular in the event of applicability of Para 5.16 (a) of the SEBI Circular.

We would like to clarify that Para 5 (16) (a) (iii) of the SEBI Circular will be applicable to the Transferee Company, since the Transferor Company's shares were acquired by D B Realty Limited, the Transferee Company sometime in the year 2007 from the Promoter / Promoter Group and hence the Transferee Company, will not be in a position to obtain Auditors' certificate / undertaking by the Board in terms of Para 5 (16)(b).

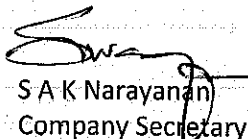
- (2) We are also submitting the Auditors' Certificate with regard to compliance with the Accounting Standard in terms of provisions of Section 211 (3C) / Section 133 of the Companies Act, 1956 / Companies Act, 2013, since the Annexure to the certificate submitted earlier has undergone changes as stated in Para (1) above.

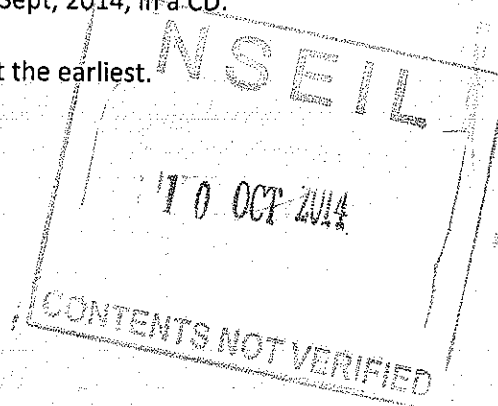
- (3) As required by you, we are submitting a soft copy of the annexures to the application stated in Sr. Nos. (a) to (i) of your E Mail dated 22nd Sept, 2014, in a CD.

We request you to kindly process the application at the earliest.

Thanking you,

Yours faithfully,
For D B Realty Limited


S A K Narayanan
Company Secretary



D B REALTY LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667

E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

CIN: L70200MH2007PLC166818

HARIBHAKTI & CO. LLP

Chartered Accountants

CERTIFICATE

To,

The Board of Directors,
DB Realty Limited
D B House, Gen. A. K. Vaidya Marg,
Goregaon (East) Mumbai - 400063

We, the statutory auditors of **DB Realty Limited**, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 15 of the Draft Scheme of Amalgamation between **Gokuldharm Real Estate Development Company Private Limited (Amalgamating Company)** and **DB Realty Limited (Amalgamated Company)** in terms of the provisions of the section 211 (3C) / Section 133 of the Companies Act, 1956 / Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956 / Companies Act, 2013 and other generally accepted accounting principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with Clause 24(i) of the Listing Agreement and applicable Accounting Standards [Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, which as per



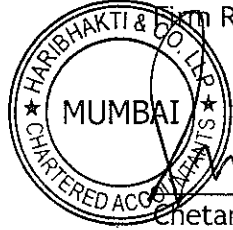
HARIBHAKTI & CO. LLP

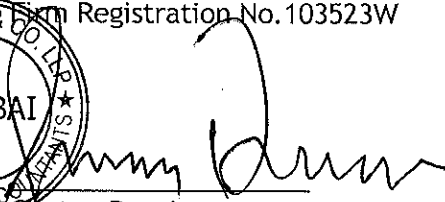
Chartered Accountants

General Circular 15/2013 dated September 13, 2013 issued by Ministry of Corporate Affairs continues to apply under Section 133 of the Companies Act, 2013].

This Certificate is issued at the request of the Company pursuant to the requirements of clause 24(i) of the Listing Agreement for onward submission to the Bombay Stock exchange ('BSE') and National Stock exchange ('NSE') for approval of the Scheme as per Clause 24(f) of the aforesaid Agreement. This Certificate should not be used for any other purpose without our prior written consent. Haribhakti & Co. shall not be liable to the Company, BSE and NSE or to any other concerned, for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.

For Haribhakti & Co. LLP
Chartered Accountants
Firm Registration No.103523W



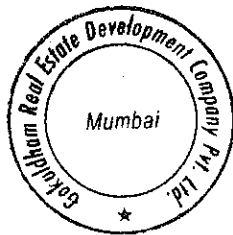

Chetan Desai
Partner
Membership No.017000

Mumbai : 30th September, 2014

Enclosure :

Annexure : Copy of Scheme Certified by the Management

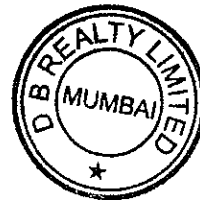
SCHEME OF AMALGAMATION
OF
GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
..... Amalgamating Company
WITH
DB REALTY LIMITED
.....Amalgamated Company
AND
THEIR RESPECTIVE SHAREHOLDERS



For Gokuldham Real Estate Development Company Pvt. Ltd.

N-2672

(NARAYAN P. BATAT) Director



FOR D B REALTY LIMITED

[Signature]
COMPANY SECRETARY

(S A K Narayanan)

SCHEME OF AMALGAMATION
OF
GOKULDHAM REAL ESTATE DEVELOPMENT COMPANY PRIVATE LIMITED
..... Amalgamating Company
WITH
DB REALTY LIMITED
.....Amalgamated Company
AND
THEIR RESPECTIVE SHAREHOLDERS

1. PRELIMINARY

- 1.1 This Scheme of Amalgamation is presented for Amalgamation of Gokuldharm Real Estate Development Company Private Limited, (hereinafter referred to as "the Amalgamating/ Transferor Company"), with DB Realty Limited (hereinafter referred to as "the Amalgamated/ Transferee Company").
- 1.2 Amalgamating Company is engaged in the business of real estate development and construction.
- 1.3 Amalgamated Company is engaged in real estate development focusing on residential, commercial, retail and other projects.

2 PURPOSES OF AMALGAMATION

- 2.1 The Amalgamation of Amalgamating and Amalgamated Company will result in various benefits including:
 - 2.1.1 Nature of business carried on by the Amalgamating Company (viz. Transferor Company), is similar to the Amalgamated Company, which is also it's holding company.
 - 2.1.2 Achieving economies of scale.
 - 2.1.3 Lesser regulatory / procedural compliances.
 - 2.1.4 Integrate, rationalize and streamline the management structure of the merged business.
 - 2.1.5 Pooling of the human talents in terms of manpower, management, administration and marketing which would result in savings of costs.
 - 2.1.6 Amalgamation of the Company would eliminate duplication of work, administrative services, and will result in cost savings.
 - 2.1.7 Cost saving in fees/ duties payable on statutory and procedural compliance.
 - 2.1.8 Facilitate inter transfer of resources and costs and optimum utilization of Assets.
 - 2.1.9 Synchronizing of efforts to achieve uniform corporate policy.



2.1.10 To reflect the consolidated net worth of these Company in one balance sheet.

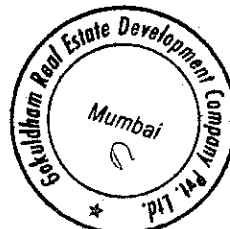
3 DEFINITIONS

In this Scheme, unless repugnant to the context or meaning thereof, the following expressions shall have the following meanings:

- 3.1 **"Act"** means the Companies Act, 1956, or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the respective Board of Directors of the Amalgamating Company and the Amalgamated Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 unless stated otherwise. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall unless a different intention appears be construed as references to the provisions so re-enacted.
- 3.2 **"Appointed Date"**: For the purpose of this Scheme and for Income Tax Act, 1961, "Appointed Date" means 1st April 2013
- 3.3 **"Effective Date"** means the date on which authenticated / certified copies of the Order of the High Court of Judicature at Bombay sanctioning the Scheme has been filed with the Registrar of Companies, Mumbai, Maharashtra.
- 3.4 **"High Court"** shall mean the High Court of Judicature at Bombay. In the event of the National Company Law Tribunal (hereinafter referred to as **"the Tribunal"**) being constituted by the Central Government by a Notification in the Official Gazette and the proceedings initiated under Sections 391 to 394 of the Companies Act, 1956 relating to these scheme being transferred to the Tribunal, the words "High Court" shall deem to mean and include the Tribunal, as the context may require.
- 3.5 **"Amalgamated Company"** or **"the Transferee Company"** means DB Realty Limited, a Public company incorporated on 8th January 2007 under the Act in Maharashtra, having its registered office at DB House, General A.K Vaidya Marg, Goregaon East, Mumbai 400063;
- 3.6 **"Amalgamating Company"** or **"the Transferor Company"** means Gokuldham Real Estate Development Company Private Limited, a Private Company incorporated on 25th February 2004 under the Act in Maharashtra, having its registered office at DB House, General A.K Vaidya Marg, Goregaon East, Mumbai 400063;



- 3.7 **"Record Date"** means the date, after the effective date, to be fixed by the Board of Directors of the Amalgamated Company for the purpose of issue of shares of the Amalgamated Company to the shareholders of the Amalgamating Company in terms of this Scheme;
- 3.8 **"Scheme of Amalgamation"** or **"this Scheme"** or **"the Scheme"** means this Scheme of Amalgamation of Amalgamating Company with Amalgamated Company in its present form or as may be modified from time to time or as may be approved or directed by the High Court of Judicature at Bombay;
- 3.9 **"Stock Exchanges"** means BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Amalgamated Company are listed;
- 3.10 **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;
- 3.11 **"Undertaking"** shall mean and include all the undertaking and businesses of Amalgamating Company as a going concern comprising of:
- 3.11.1 All the assets, undertakings and the entire businesses and all the assets, properties, whether movable or immovable, tangible and intangible, corporeal or incorporeal, intellectual property, whether in possession or reversion, present or contingent, fixed assets, capital work-in-progress including expenses incurred to be capitalized and advances for assets, inventories, stock in trade, debtors, current assets, domain names, software, investments, loans and advances, powers, authorities, allotments, approvals and consents, licenses, domain name, tenancy rights, tenancy, licenses, municipal permissions in relation to the offices and/ or residential properties for the employees, permits, quotas, subsidies and incentives, registrations (including SEZ registration), contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company, including but without being limited to all product patents, process patents, trademarks, copy rights, and other industrial,



commercial and intellectual properties, trade names, and other commercial rights of any nature whatsoever including any applications filed for securing of any such intellectual property whether in India or abroad, rights and licenses in respect thereof; privileges, liberties, easements, advantages, benefits, leases, ownership flats, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and electronic, email, internet, leased line connections and installations, and other services, reserves, provisions, funds, benefits of all agreements and all other interests belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company. Additionally, all plants, machinery, vehicles whether motor vehicles or otherwise, equipments, including without limitation, measuring devices, ships, boats and other such vessels, whether used for surveying or otherwise, furniture, fixtures, whether used in the buildings, ships, boats, vessels, or otherwise as owned, leased or in possession of the Amalgamating Company (hereinafter collectively referred to as "**Assets**").

3.11.2 All debts, liabilities, borrowings, bills payable, interest accrued, contingent liabilities and all other liabilities, duties, undertakings, contractual obligations, guarantees given and obligations of the Amalgamating Company of every kind, nature and description whatsoever and howsoever (hereinafter referred to as "**Liabilities**").

3.11.3 Without prejudice to the generality of Sub-clauses 3.11.1 and 3.11.2 above the undertaking of Amalgamating Company shall include all Amalgamating Company Assets including claims or obligation, certifications/permissions of whatsoever nature directly or indirectly pertaining to the business of export of the past, present or future products, including those relating to employees and Technical Know-how agreement, if any, or otherwise with any person/ institution/ company or any association anywhere in the world, enactments, lease-hold rights and, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different Taxation and other Laws which may belong to or be available to Amalgamating Company, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, and approval of, whatsoever nature and wherever situated, belonging to or in ownership, power or possession or control or entitlement of



Amalgamating Company without being limited to buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all assets, cash balances with banks, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by Amalgamating Company, financial assets, hire purchase contracts and assets, if any, marketing tie-ups or marketing networks or marketing rights, benefit of any security arrangements or under any guarantees, reversions, exemptions, incentives, deferrals, tenancies in relation to the offices and/or residential properties for the employees or other persons, all records, files, papers, computer programmed, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, benefits of assets or properties or other interest held in trust, registrations and all other interests of whatsoever nature.

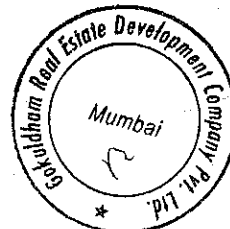
- 3.12 The words importing the singular include the plural; words importing any gender include every gender.
- 3.13 Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.

4 OPERATIVE DATE – EFFECTIVE DATE

The Scheme, though operative from the Appointed Date, shall become effective from the Effective Date. Reference in this Scheme to the date of "coming into effect of this Scheme" shall mean the Effective Date.

5 SHARE CAPITAL

- 5.1 The authorized, issued, subscribed and paid-up share capital of the Amalgamating Company as per the audited accounts as on 31st March 2013 is as under:



| Particulars | Rupees |
|---|---------------|
| CAPITAL: | |
| <u>Authorised:</u> | |
| 5,00,000 Equity Shares of Rs. 100/- each. | 50,000,000 |
| 4,000,000 0.1 % Redeemable cumulative Preference shares of Rs. 100/- each | 400,000,000 |
| <u>Issued, Subscribed and Paid -up:</u> | |
| 5,00,000 Equity Shares of Rs. 100/- each fully paid -up | 50,000,000 |

Subsequent to the balance sheet date there is no change in the capital structure of the Amalgamating Company. The Amalgamating Company is subsidiary of the Amalgamated Company. The Amalgamated Company holds 374,990 (74.998%) Equity shares in the Amalgamating Company.

5.2 The authorized, issued, subscribed and paid-up share capital of the Amalgamated Company as on 31st Mach 2013, is as under:

| Particulars | Rupees |
|---|-----------------|
| CAPITAL: | |
| <u>Authorised:</u> | |
| 29,85,00,000 Equity Shares of Rs. 10/- each | 300,00,00,000/- |
| 15,00,000 Preference shares of Rs 10/ -each | |
| <u>Issued, Subscribed and Paid -up:</u> | |
| 243,258,782 Equity Shares of Rs. 10/- each | 243,25,87,820/- |

Subsequent to the balance sheet date there is no change in the capital structure of the Amalgamated Company

6 TRANSFER AND VESTING OF UNDERTAKING

6.1 On and from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the entire business and whole of the Undertaking of the Amalgamating Company as



going concern shall be transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated Company in such a manner that:

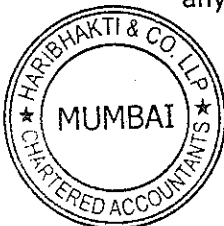
- 6.1.1 all the Assets of the Amalgamating Company immediately before the amalgamation becomes the property of the Amalgamated Company by virtue of the amalgamation;
- 6.1.2 all the Liabilities of the Amalgamating Company immediately before the amalgamation become the liabilities of the amalgamated company by virtue of the amalgamation;
- 6.2 Without limiting the generality of the foregoing, on and from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking of the Amalgamating Company as a going concern shall be transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated Company in the following manner:
 - 6.2.1 With effect from the Appointed Date the whole of the businesses and the undertaking of the Amalgamating Company and all the Assets of the Amalgamating Company, except for such of the Assets as specified in Clause 6.2.2 and Clause 6.2.3, of whatsoever nature and where so ever situated, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, without any further act or deed be transferred to and vested in and deemed to be transferred to and vested in the Amalgamated Company as a going concern so as to become, as from the Appointed Date, the Assets and Liabilities of the Amalgamated Company and to vest in all the right, title and interest therein in the Amalgamated Company.
 - 6.2.2 With effect from the Appointed Date, all the moveable Assets including plant & machinery, furniture & fixtures, office equipments, vehicles, computers, air conditioner, electric installation, fire extinguisher, inventories, cash in hand of the Amalgamating Company, capable of transfer by physical delivery or by endorsement and/ or delivery shall be so delivered or endorsed and/ or delivered as the case may be to the Amalgamated Company to the end and intent that the property therein passes to the Amalgamated Company, on such delivery or endorsement and/ or delivery in pursuance of the provisions of Sections 391 - 394 and other applicable provisions of the Act.
 - 6.2.3 In respect of the movable properties of the Amalgamating Company (other than those specified in Clause 6.2.2 above) including sundry



debtors, receivables, bills, credits, loans and advances, recoverable in cash or in kind or for value to be received, bank balances and deposits with government, semi-government authorities, local and other authorities and bodies or with any company or other person, the Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, give notice in such form as it may deem fit and proper, to each of such person, debtor or depositor, as the case may be, that pursuant to the High Court having sanctioned the Scheme, such debt, loan, advance, bank balance, or deposit be paid or made good or held on account of the Amalgamating Company as the person entitled thereto to the end and intent that the right of the Amalgamated Company to recover or realize all such debts (including the debts payable by such person or depositor to the Amalgamating/Transferor Company) stands transferred and assigned to the Amalgamated/Transferee Company and that appropriate entries should be passed in its books to record the aforesaid change.

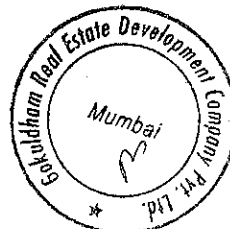
6.2.4 The Amalgamated Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation/ notice in favour of any other party to any contract or arrangement to which the Amalgamating Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Amalgamated Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to implement or carry out all such formalities or compliance referred to above on the part of the Amalgamating Company to be carried out or performed.

6.2.5 With effect from the Appointed Date, all debts, Liabilities, duties, obligations of every kind, nature and description of the Amalgamating Company shall, under the provisions of sections 391 and 394 of the Act without any further act or deed be transferred to or be deemed to be transferred to the Amalgamated Company so as to become as from the Appointed Date the debts, Liabilities, duties, obligations of the Amalgamated Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities,



duties and obligations have arisen, in order to give effect to the provisions of this Clause.

- 6.3 If and to the extent there are inter-corporate loans, deposits, receivables or balances between the Amalgamating Company and the Amalgamated Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and suitable effect shall be given in the books of accounts and records of the Amalgamated Company if required, for such adjustments of debts or liabilities, as the case may be. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of any such inter-corporate loans, deposits, receivables or balances between the Amalgamating Company and the Amalgamated Company.
- 6.4 The transfer and/ or vesting of the properties as aforesaid shall be subject to the existing charges, hypothecation and mortgages, if any, over or in respect of all the aforesaid Assets or any part thereof of the Amalgamating Company.
- 6.4.1 Provided however, that any reference in any security documents or arrangements, to which an Amalgamating Company is a party, to the Assets of the Amalgamating Company which it has offered or agreed to be offered as security for any financial assistance or obligations, to any secured creditors of the Amalgamating Company, shall be construed as reference only to the Assets of the Amalgamating Company as are vested in the Amalgamated Company by virtue of the aforesaid Clause, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend, to any of the Assets or to any of the other units or divisions of the Amalgamated Company, unless specifically agreed to in writing by the Amalgamated Company with such secured creditors.
- 6.4.2 Provided that the Scheme shall not operate to enlarge the security of any loan, deposit or facility created by or available to the Amalgamating Company which shall vest in the Amalgamated Company by virtue of the Scheme and the Amalgamated Company shall not be obliged to create any further or additional security thereof after the Scheme has become effective or otherwise.
- 6.5 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business carried on by the Amalgamating Company in addition to the business of the Amalgamated Company.



- 6.6 All statutory licenses, approvals, consents, permits, registration (including SEZ registration) and membership of the Amalgamating Company, of any governmental or regulatory agencies including Reserve Bank of India, any trade associations, chambers of commerce or any charitable or other trusts as trustee or beneficiary shall be transferred to and vested in and become the licenses, approvals, consents, permits and registration and membership of the Amalgamated Company and the Amalgamated Company shall continue to enjoy the benefits, rights and be liable for all obligations and liabilities as are available to or binding upon the Amalgamating Company in whose favour such licences, etc. have been issued or granted and the name of the Amalgamating Company shall be deemed to have been substituted by the name of the Amalgamated Company.
- 6.7 The transfer and/ or vesting of all the Assets and Liabilities of the Amalgamating Company to the Amalgamated Company and the continuance of all the contracts or proceedings by or against the Amalgamated Company shall not affect any contract or proceedings relating to the Assets or the Liabilities, tenancy rights, licenses already concluded by the Amalgamating Company on or after the Appointed Date.

7 BUSINESS AND PROPERTY OF THE AMALGAMATING COMPANY TO BE HELD IN TRUST FOR THE AMALGAMATED COMPANY

For the period beginning on and from the Appointed Date and ending on the Effective Date:

- 7.1 The Amalgamating Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and possessed of and shall continue to hold and stand possessed of all the Assets, properties and Liabilities for and on account of and in trust for the Amalgamated Company. The Amalgamating Company hereby undertake to hold the Assets, properties and Liabilities with utmost prudence until the Effective Date.
- 7.2 All the profits or income accruing or arising to the Amalgamating Company and all costs, charges, expenditure, taxes or losses arising or incurred by the Amalgamating Company shall, for all purposes, be treated and be deemed to be and accrue as the profits, income, costs, charges, expenditure, taxes or losses as the case may be of the Amalgamated Company.



- 7.3 The Amalgamating Company shall carry on their business and activities until the Effective Date with reasonable diligence, and business prudence and shall not, without the prior written consent of the Board of Directors of the Amalgamated Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the Assets or any part thereof, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Amalgamating Company. Provided however, the Amalgamating Company shall in the ordinary course of business be entitled to borrow in the form of loans if deemed necessary by it and further consent for this purpose will not be required of the Amalgamated Company in that behalf.
- 7.4 The Amalgamating Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.
- 7.5 The Amalgamating Company shall not, without the prior written consent of the Board of Directors of the Amalgamated Company, undertake any new business or a substantial expansion of their existing business.
- 7.6 The Amalgamating Company shall be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government and all other concerned agencies, departments and authorities (Statutory or otherwise) as are necessary under any law for such consents, approvals and sanctions, which the Amalgamating Company may require to carry on the business of the Amalgamated Company.
- 7.7 Neither the Amalgamating Company nor the Amalgamated Company shall make any change in their capital structure (paid-up capital), other than changes pursuant to any prior commitments, obligations or arrangements or acts and deeds already made except by mutual consent of the Board of Directors of the Amalgamated Company and the Amalgamating Company.

8 LEGAL PROCEEDINGS

- 8.1 All suits, actions, appeal, writ petitions, revisions or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Amalgamating Company pending and/or arising on or before the Effective Date shall not abate, not be discontinued or not be in any way prejudicially affected by reason of the transfer of the business of the Amalgamating Company pursuant to this Scheme but the Proceedings be continued, prosecuted and enforced by or against the Amalgamated



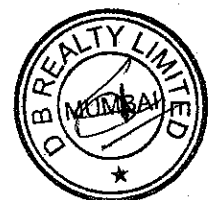
Company as effectually and in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Amalgamating Company as if the Scheme had not been made. On and from the Effective Date, the Amalgamated Company shall and may initiate any Proceedings which were earlier in the name of the Amalgamating Company.

- 8.2 On and from the Appointed Date but on or before the Effective Date, if any Proceedings are taken against the Amalgamating Company, the same shall be defended by the Amalgamating Company for and on behalf of the Amalgamated Company.

9 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

The Transfer and vesting of the properties and liabilities under Clause 6 above and the continuance of the proceedings mentioned in Clause 8 above shall not in any manner affect the transaction or proceedings already concluded by or against the Amalgamating Company:

- 9.1 On or before the Appointed Date and that the Amalgamated Company accepts on behalf of itself all acts, deeds, bonds, agreements and other instruments of whatever nature done and executed by the Amalgamating Company.
- 9.2 After the Appointed Date but before the Effective Date and that the Amalgamated Company accepts on behalf of itself all acts, deeds, bonds, agreements and other instruments of whatever nature done and executed by the Amalgamating Company.
- 9.3 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of the Amalgamated Company as the case may be and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary thereto. The Amalgamated Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any multipartite agreements, arrangements, confirmations or novations to which the Amalgamating Company will, if necessary, also be



a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.

10 TREATMENT OF TAXES

- 10.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956 , any other state Sales Tax / Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Amalgamating Company to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Amalgamated Company.
- 10.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Amalgamating Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Amalgamated Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and, shall, in all proceedings, be dealt with accordingly.
- 10.3 Any refund under the Tax Laws due to Amalgamating Company consequent to the assessments made on Amalgamating Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Amalgamated Company.
- 10.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Amalgamating Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Amalgamated Company.
- 10.5 The Amalgamation as contemplated in this Scheme would be completed in a manner so as to comply with the conditions relating to 'amalgamation' as specified under section 2(1B) of the Income Tax Act,



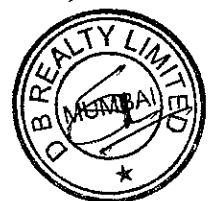
1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

11 SAVING OF CONCLUDED TRANSACTIONS

The transfer of all the Assets and Liabilities and the licenses and permits and membership etc. under Clause 6 above and the continuance of proceedings by or against the Amalgamated Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company in respect thereto as done and executed on behalf of itself.

12 ISSUE OF SHARES

- 12.1 Upon coming into effect of this Scheme and in consideration of the transfer and vesting of the Undertaking of the Amalgamating Company in the Amalgamated Company, in terms of this scheme, the Amalgamated Company shall without any further application or deed, be required to issue and allot to the equity shareholders of the Amalgamating Company whose names appear in the register of members of the Amalgamating Company as on the Record Date, 574 (Five Hundred Seventy Four only) fully paid-up Preference share of the face value of Rs.10/- each in the Amalgamated Company, (hereinafter referred to as the "**New Preference Shares**") for every 1 (One only) fully paid-up equity share of the face value of Re. 100/- each held in the Amalgamating Company, based on the fair valuation done by the valuer of the Amalgamating Company on terms and conditions set out in Schedule-A annexed hereto.
- 12.2 The total number of New Preference Shares of Amalgamated Company to be issued and allotted to members of Amalgamating Company, shall be credited as fully **paid up and shall be** issued on the following terms:



- 12.2.1 The New Preference Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Amalgamated Company and other provisions of this Scheme.
- 12.2.2 In respect of the fractional entitlement for the New Preference Shares, if any, to which the equity shareholders of Amalgamating Company may be entitled, the same shall be rounded off to the next number.
- 12.2.3 No allotment shall be made in respect of the Equity Shares of the Amalgamating Company held by the Amalgamated Company and the same shall be cancelled. Accordingly 374,990 equity shares of Amalgamating Company held by the Amalgamated Company shall be cancelled. Similarly any other cross holdings as on Effective date shall also be cancelled.
- 12.2.4 Upon the New Preference Shares being issued and allotted, as aforesaid, the Share Certificates in respect of the equity shares held in the Amalgamating Company shall be deemed to have been automatically cancelled and of no effect and the Amalgamated Company instead of requiring surrender of such Certificates may directly issue and dispatch fresh Certificates in respect of the New Preference Shares issued and allotted by the Amalgamated Company.
- 12.2.5 The Amalgamated Company will make an application for approval, if applicable or filings to Foreign Investment Promotion Board / Reserve Bank of India / authorized dealer or appropriate authority, if required, for its approval under the provisions of the Foreign Exchange Management Act 1999 for the issue and allotment of equity shares in the Amalgamated Company to the non-resident shareholder of the Amalgamating Company in accordance with the provisions of the Scheme.
- 12.2.6 The New Preference Shares being issued and allotted, as aforesaid, may subsequently, be listed on the BSE Ltd. and/or on the National Stock Exchange of India Ltd., subject to necessary approval.

13 CANCELLATION OF SHARES

- 13.1 374,990 equity shares of the Amalgamating Company held by the Amalgamated Company shall stand cancelled and no new shares will be allotted in lieu of such cancellation.



14 STAFF, WORKMEN AND EMPLOYEES OF THE AMALGAMATING COMPANY

- 14.1 All staff, workmen and employees, if any of the Amalgamating Company in permanent service on the Effective Date shall become the staff, workmen and employees of the Amalgamated Company on such date without any break or interruption in service and on the terms and conditions not in any way less favourable to them than those subsisting with reference to the Amalgamating Company as the case may be on the said date.
- 14.2 It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Schemes created or existing for the benefit of the staff, workmen and employees of the Amalgamating Company are concerned, upon the Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever related to the administration or operation of such schemes or Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such schemes and Funds as per the terms provided in the respective Trust Deeds/ other documents. It is the end and intent that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such Funds/ Schemes shall become those of the Amalgamated Company. It is clarified that the services of the staff, workmen and employees of the Amalgamating Company will be treated as having been continuous for the purpose of the aforesaid Funds or provisions.
- 14.3 The Amalgamating Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.

15 ACCOUNTING

Upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation as under:

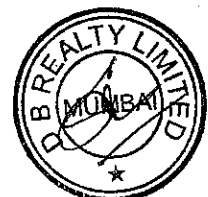
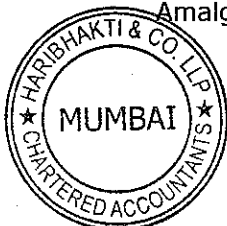
- 15.1 The Amalgamated Company shall account for the Amalgamation of Amalgamating Company as per the Accounting Standard 14 – Accounting for Amalgamations (AS14) as stated in the Company (Accounting Standards) Rules, 2006 and any amendments thereto.



- 15.2 The Amalgamated Company shall record all Assets and Liabilities recorded in the Books of Accounts of Amalgamating Company, which are transferred to and vested in the Amalgamated Company pursuant to this Scheme at the book values thereof at the close of business of the day immediately preceding the Appointed Date.
- 15.3 The Amalgamated Company shall credit to its Share Capital Account in its books of account, the aggregate face value of the New Shares issued and allotted to the members of the Amalgamating Company.
- 15.4 The difference between the value of investments carried in the books of the Amalgamated Company in addition to purchase consideration paid by issue of new preference share for equity shares held by other shareholders (other than amalgamated company) and the "Net Asset Value" of the Amalgamating Company, Shall be treated as goodwill or capital reserve as the case may be, in the books of the Amalgamated Company, and dealt with in accordance with the Accounting Standard AS-14 issued by the Institute of Chartered Accountants of India. The Amalgamation of Amalgamating Company with the Amalgamated Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
- 15.5 On the Scheme of Amalgamation coming into effect, loans or other obligations due between the Amalgamating Company and the Amalgamated Company, if any, would stand discharged.
- 15.6 The investments in the share capital of Amalgamating Company appearing in the books of accounts of Amalgamated Company will stand cancelled.
- 15.7 The Amalgamating Company or the Amalgamated Company (by the Board of Directors) may alter or modify the accounting treatment specified in the Scheme, in consultation with the auditors, as they may deem fit and consider necessary, to settle any question/difficulty arising out of the Scheme, to comply with the relevant laws (including but not limited to the Income Tax Act, 1961) and applicable accounting standards.

16 ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE AMALGAMATED COMPANY

- 16.1 Upon coming into effect of the Scheme, the Authorized Capital of the Amalgamating Company shall be deemed to be added to the Authorized



Capital of the Amalgamated Company without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees, after reclassifying as follows:

| <u>Existing Authorised Share Capital of Amalgamating Company</u> | |
|---|--------------|
| Particulars | Amount (Rs.) |
| 500,000 Equity Shares of Re.100/- (Rupee hundred only) each | 50,000,000 |
| 4,000,000 0.1 % Redeemable cumulative Preference shares of Re. 100/- (Rupee hundred only) each | 400,000,000 |
| <u>Reclassified Authorised Share Capital of Amalgamating Company to be added to the Authorised Share capital of Amalgamated Company</u> | |
| 5,000,000 Equity Shares of Rs.10/- (Rupees Ten only) each | 50,000,000 |
| 40,000,000 0.1% Redeemable cumulative Preference Shares of Rs.10/- each (Rupees Ten only) each | 400,000,000 |

16.2 Subsequent to merger of Authorised share capital of Amalgamating Company with Amalgamated Company, the Authorised share Capital of Amalgamated Company shall be re-classified as follows:-

| Particulars | Amount (Rs.) |
|---|--------------|
| 27,00,00,000 Equity Shares of Re.10/- (Rupee Ten only) each | 2700,000,000 |
| 75,000,000 Redeemable Preference shares of Re. 10/- (Rupee Ten only) each | 750,000,000 |
| Total | 3450,000,000 |

16.3 Upon coming into effect of the Scheme, Clause V of the Memorandum of Association of the Amalgamated Company shall, without any further act, deed or instrument, be substituted and corrected accordingly on the appointed date by giving effect to the aforesaid alteration. It is clarified that the approval of the members of Amalgamated Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum of Association and Articles of Association



of Amalgamated Company as required under Section 17 and other applicable provisions of the Act. The Amalgamated Company will just file requisite forms, if applicable.

17 VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme the resolutions, if any, of the Amalgamating Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Amalgamated Company and shall constitute the aggregate of the said limits in the Amalgamated Company.

18 BOARD OF DIRECTORS OF THE AMALGAMATING COMPANY

The Board of Directors (or any committee/ sub-committee thereof) of the Amalgamating Company, upon the Scheme becoming effective, shall without any further act, instrument and deed stand dissolved. All the Directors of the Amalgamating Company shall cease to be Directors of the Amalgamating Company on coming into effect of this Scheme. However, if any such Director is a Director of the Amalgamated Company he would continue to hold his office in the Amalgamated Company.

19. APPLICATIONS TO THE HON'BLE HIGH COURT OF BOMBAY

- a. The Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, make applications to the High Court of Judicature at Bombay under Section 391 of the Act seeking orders for dispensing with or convening, holding and conducting of the meetings of the members and/or creditors of the Amalgamating Company and the Amalgamated Company as may be directed by the High Court of Judicature at Bombay.
- b. On the Scheme being agreed to by the requisite majorities of the members and/or creditors of the Amalgamated Company and the Amalgamating Company as directed by the High Court of Judicature at Bombay, the Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, apply



to the High Court of Judicature at Bombay for sanctioning the Scheme of Amalgamation under Sections 391 and 394 of the Act, and for such other order or orders, as the said High Court may deem fit for carrying this Scheme into effect and for dissolution of the Amalgamating Company without winding-up.

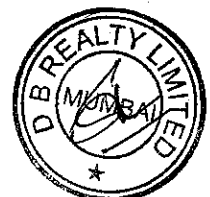
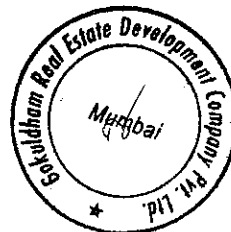
20. CONDITIONALITY OF THE SCHEME

This Scheme is specifically conditional upon and subject to:

- a. The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of the Scheme.
- b. The Scheme being approved by requisite majority in number and value of such classes of person / shareholders of "Public" Category of the Transferee Company as per Rule 2 of Securities Contracts (Regulation) Rules 1957 and / or creditors of the Transferor Company and the Transferee Company as may be applicable and as directed by the High Court and in compliance with the guidelines issued by the Securities and Exchange Board of India and in particular vide Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular CIR/CFD/DII/8/2013 dated May 21, 2013.
- c. The sanction of the High Court under Section 391 to 394 of the said Act in favour of the Transferor Company and the Transferee Company, under the said provisions and to the necessary Order under Section 394 of the said Act being obtained.
- d. Certified or authenticated copy of Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor Company and the Transferee Company, as may be applicable.

21. EFFECT OF NON APPROVALS

In the event any of the approvals or conditions enumerated in clause 20 above not being obtained or complied or for any reasons this scheme cannot be implemented then the Board of Directors of the Amalgamating Company and the Amalgamated Company shall waive such conditions as they consider appropriate, subject to compliance of applicable Laws, Rules, Regulations, to give effect appropriately and as far as possible, to this Scheme and failing such agreement or in case this Scheme is not sanctioned by the High Court of Judicature at Bombay, then the Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Amalgamating company and the Amalgamated Company or their shareholders or creditors or any other person.



22. DISSOLUTION OF AMALGAMATING COMPANY

On the Scheme coming into effect, the Amalgamating Company shall, without any further act or deed, stand dissolved without winding up.

23. MODIFICATION OR AMENDMENT TO THE SCHEME

Subject to approval by the High Court, the Amalgamating Company and the Amalgamated Company through its respective Board of Directors/ its authorized officers are hereby empowered and authorized to assent from time to time to any modifications or amendments of this Scheme or to any conditions or limitations which the High Court of Judicature at Bombay or any other statutory authorities may impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect. The power of the Board to modify the scheme shall be subject to final approval of the Court.

24. COSTS, CHARGES & EXPENSES

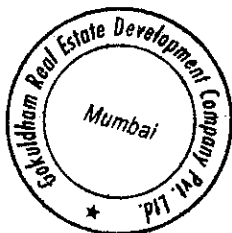
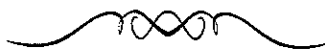
Except for the event mentioned in Clause 21 above, all costs, charges and expenses of the Amalgamating Company and the Amalgamated Company in relation to or in connection with this Scheme and for carrying out and implementing/ completing the terms and provision of the Scheme and/ or incidental to the completion of the amalgamation of the undertaking of the Amalgamating Company in pursuance of this Scheme shall, except as specifically provided herein, be borne and paid solely by the Amalgamated Company.

In the event mentioned in Clause 21 above, each party shall bear their respective costs, charges and expenses in connection with the Scheme. If the cost cannot be identified, the same shall be shared equally between the Amalgamating Company and the Amalgamated Company.



SCHEDULE-A
TERMS AND CONDITIONS OF ALLOTMENT OF PREFERENCE SHARES TO THE
SHAREHOLDERS OF AMALGAMATING COMPANY

| | |
|-------------|--|
| Issuer | DB Realty Limited |
| Instrument | 8% Redeemable Preference shares to be issued |
| Face Value | Rs 10/- |
| Coupon Rate | 8% per annum |
| Redemption | To be redeemed at par at the end of 5 years |
| | DB Realty Limited will have an option to redeem the Preference Shares at any time after the end of 1 year from the date of allotment. If DB Realty Limited exercises its option, it will pay the amount of the face value of the Preference Shares and also dividend declared, if any, up to the date on which it exercises the call option. In case DB Realty Limited exercises the call option, its liability to the preference shareholders shall stand extinguished from the date of dispatch of the cheques / pay order for the redemption amount, along with dividend, if any. |



For Gokuldham Real Estate Development Company Pvt. Ltd.

11-7-20
 (NARAYAN P. BAJAJ) **Director**

FOR DB REALTY LIMITED

(Signature)
COMPANY SECRETARY
 (SAR NARAYANAN)