

**SCHEME OF ARRANGEMENT**

**BETWEEN**

**TIARA INVESTMENT HOLDINGS LIMITED**

**AND**

**PUREARTH INFRASTRUCTURE LIMITED**

**AND**

**DCM LIMITED**

**AND**

**DCM REALTY AND INFRASTRUCTURE LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**(UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 100 TO 103 OF THE COMPANIES ACT, 1956 AND/OR SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013, AS MAY BE APPLICABLE)**

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CERTIFIED TRUE COPY

For DCM LIMITED

Company Secretary



For DCM LIMITED

Chairman & Managing Director

PREAMBLE

(A) BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

1. This Scheme of Arrangement ("Scheme") is presented pursuant to the provisions of Sections 391 to 394 read with Sections 100 to 103 and other applicable provisions of the Companies Act, 1956 and/or Sections 230 to 232 read with Section 66 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Sections 2(19AA) and 2(1B) and other relevant sections of the Income-tax Act, 1961, as applicable, for the:
  - (i) Amalgamation of Tiara Investment Holdings Limited into Purearth Infrastructure Limited; and
  - (ii) Demerger of the Real Estate Undertaking (defined hereinafter) of DCM Limited and vesting of the same with DCM Realty and Infrastructure Limited, on a going concern basis; and
  - (iii) Following the merger referred to Clause (A)(1)(i) and demerger referred to Clause (A)(1)(ii) above, amalgamation of the Amalgamated Purearth into the Resulting DCM Realty leading to the Amalgamated DCM Realty (as defined hereinafter).

Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. Tiara Investment Holdings Limited ("Tiara") is a private company, with limited liability, incorporated on April 21, 1995 and registered in the Republic of Mauritius under the Mauritius Companies Act, 2001. The registered office of Tiara is situated at c/o DTOS Ltd., 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Republic of Mauritius. Tiara has been granted an Offshore Certificate by the Mauritius Offshore Business Activities Authority on April 26, 1995. On December 16, 2014, Tiara has adopted a new constitution, pursuant to Section 44(3) of the Mauritius Companies Act, 2001. Tiara has obtained a Global Business License – Category I (GBL-C1). It is an investment holding company.
3. Purearth Infrastructure Limited ("Purearth" or the "Amalgamated Purearth", as the context may admit) was incorporated on October 22, 1991 under the provisions of the Companies Act, 1956 as DCM Properties Private Limited, and later on converted into a public limited company on December 10, 1993 and its name was changed to DCM Estates & Infrastructure Limited on December 30, 1993. Further, the name DCM Estates & Infrastructure Limited was changed to Purearth Infrastructure Limited on May 25, 2005.

Purearth was promoted by DCM Limited and its promoters with an object to undertake the business of real estate development, construction and maintenance of industrial estates, commercial centres, malls, residential and multi-storeyed buildings and houses etc. Purearth commenced its operations in March 1994 acquiring bulk rights to develop and sell properties in the land owned by DCM Limited situated at Bara Hindu Rao and Kishan Ganj, Delhi. The Corporate Identity Number of Purearth is U45202DL1991PLC046111 and its registered office is situated at Vikrant tower, 4, Rajendra Place, New Delhi – 110008. Further, the Permanent Account Number of Purearth is AAACD0192K.

4. DCM Limited ("DCM Ltd." or the "Demerged Company", as the context may admit) was originally incorporated on March 26, 1889 under the name and style of The Delhi Cloth and General Mills Company which was changed to DCM Ltd. with effect from October 6, 1983. The equity shares of DCM Limited are listed on the BSE Limited and the National Stock Exchange of India Limited. The Corporate Identity Number of DCM Ltd. is L74899DL1889PLC000004. The registered office of DCM Ltd. is situated at Vikrant Tower, 4, Rajendra Place, New Delhi - 110008. Further, the Permanent Account Number of DCM Ltd. is AAACD1012E.



For DCM LIMITED

*[Signature]*  
Chairman & Managing Director

DCM Ltd. is currently engaged in four business segments i.e. Textiles, Grey Iron Casting, Real Estate and IT Services. Its multiple businesses *inter-alia* including manufacturing and/ or dealing in yarns, threads and various other textile and clothing related materials; manufacturing and supply of grey iron castings in automotive markets, real estate development, provision of services in IT Infrastructure management encompassing system administration, storage management, backup recovery, disaster management, databases, etc.

5. DCM Realty and Infrastructure Limited ("DCM Realty" or the "Resulting DCM Realty" or the "Amalgamated DCM Realty", as the context may admit) was incorporated on October 6, 2016 under the provisions of the Companies Act, 2013. DCM Realty was incorporated as 100% subsidiary of DCM Ltd. to undertake business of real estate development, construction and maintenance of industrial estates, commercial centres, malls, residential and multi-storeyed buildings and houses etc. The Corporate Identity Number of DCM Realty is U70109DL2016PLC306870 and its registered office is situated at Vikrant Tower, 4, Rajendra Place, New Delhi – 110008. Further, the Permanent Account Number of DCM Realty is AAFCD8860R.

**(B) PURPOSE AND RATIONALE OF THIS SCHEME**

6. Each of the business segments of DCM Ltd. represents independent business division of DCM Ltd. The said businesses have evolved within the company, and are presently at different stages of maturity with differing risk and return profiles and capital and operational requirements.

DCM Ltd. has been engaged in the real estate development business, amongst others, through its investment in Purearth, a company which was promoted by DCM Ltd. in 1994 and wherein, in order to expand the business and cater to the funds requirement for real estate construction development business, new investors / sponsors were introduced later.

The management believes that the nature of offerings and the risk and return profile of the real estate business (i.e. "Demerged Business") is very different from that of the other businesses of DCM Ltd., which *inter-alia* include manufacturing and supply of grey iron castings, cylinder heads, cylinder blocks and housings, etc. for automotive markets, textile business, and IT infrastructure services along with related activities.

Based on the same, the management of DCM Ltd. believes that there may be a segment of investors who may wish to have a choice of investing in either of the categories of businesses undertaken by the company.

In order to maximise shareholder value, the Boards of Directors of Tiara, Purearth and DCM Ltd. intend to shift their real estate business to DCM Realty, which would enable a more efficient, effective and focused management and utilisation of resources and talent, and for administrative convenience. It is expected that such restructuring will be beneficial for DCM Ltd. and its shareholders as it would result in a better focus on the Demerged Business and the Remaining Business, and unlock the value of the said businesses for the shareholders. Further, the amalgamation and demerger will enable the Remaining Business of the Demerged Company (defined hereinafter) to provide focused leadership and management attention on its other activities, through its specialised team which has built expertise over the years.

Considering the above, the management believes that the real estate business of DCM Ltd. should be demerged into an independent company, being DCM Realty and its shares should thereafter be listed on relevant stock exchanges. It is proposed that Purearth, a company promoted by DCM Ltd., would amalgamate with DCM Realty. Prior to the merger of Purearth into and with DCM Realty, it is proposed that Tiara, which is one of the promoter companies of Purearth holding 50.65% shares of Purearth, will merge into and with Purearth. Upon this Scheme becoming effective, the shareholders of Tiara and the shareholders of DCM shall directly hold shares of the Resulting DCM Realty.



Pursuant to the proposed Scheme, the Demerged Company and the Amalgamated DCM Realty would have their own management teams which can chart out independent strategies for their respective business lines. Further, the proposed Scheme would also open avenues for resizing and organic and inorganic growth opportunities for the companies, along with creating opportunity for shareholders to participate in business of choice, and reposition the businesses in their respective market segments, thereby creating opportunities for value creation for the respective stakeholders.

The Boards of Directors of Tiara, Purearth, DCM Ltd. and DCM Realty recognise that the amalgamations and demerger under the Scheme would aid operational synergies. Consolidating Purearth and the Real Estate Undertaking of the Demerged Company into DCM Realty will achieve the goal of having a single customer-facing entity.

Further, the Scheme would result in the following benefits, which would be in the best interest of shareholders, creditors and employees of all the companies and their stakeholders:


- (a) focused business approach to the respective line of business;
- (b) benefit of financial resources, managerial, technical and marketing expertise of Demerged Company and Purearth which shall be available to the Amalgamated DCM Realty; and
- (c) synergy in operations, cost savings and other benefits resulting from the economies of scale.

The financial position of Purearth, DCM Ltd. and DCM Realty shall not be adversely affected by this Scheme. The Amalgamated DCM Realty shall remain financially strong and will be able to meet and pay its debts as and when they arise.

The Scheme shall not in any manner be prejudicial to the interests of concerned shareholders, creditors, and/ or general public at large and all amalgamations and demerger under the Scheme shall be on a "going concern" basis.



For DCM LIMITED

  
Chairman & Managing Director

**(C) OVERVIEW OF THIS SCHEME**

7. This Scheme is divided into the following parts:

- PART A** - Definitions and Share Capital;
- PART B** - Amalgamation of Tiara into Purearth;
- PART C** - Demerger of the Real Estate Undertaking of DCM Ltd. into DCM Realty;
- PART D** - Amalgamation of Amalgamated Purearth into Resulting DCM Realty; and
- PART E** - General Terms and Conditions.



For DCM LIMITED  
  
Chairman & Managing Director

**PART A**

**8. DEFINITIONS**

In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- 8.1. "Act" means, as the context may admit, the Companies Act, 1956 and the rules made thereunder (to the extent applicable) and/or the Companies Act, 2013 (as may be notified from time to time) and the rules made thereunder, and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 8.2. "Amalgamated DCM Realty" means DCM Realty and Infrastructure Ltd. after giving effect to Part D of this Scheme;
- 8.3. "Amalgamated Purearth" means Purearth after giving effect to Part B of this Scheme;
- 8.4. "Applicable Law(s)" means any statute, notification, by-laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, directives, notices, orders or instructions enacted or issued or sanctioned by any appropriate authority, including any modification or re-enactment thereof for the time being in force;
- 8.5. "Board of Directors" means the respective board of directors of the Companies and shall, unless repugnant to the context or otherwise, include a committee of directors or any person authorised by the Board of Directors or such committee of directors;
- 8.6. "Book Value(s)" means the value(s) of the assets (ignoring the value of assets consequent to their revaluation, if any) and liabilities of the Companies as on the applicable Appointed Date;
- 8.7. "BSE" means BSE Limited;
- 8.8. "Companies" means Tiara, Purearth, DCM Ltd. and DCM Realty and including where the context so admits; after the giving of effect to Part B, Part C and Part D of this Scheme;
- 8.9. "Court" means (i) the Hon'ble High Court of Delhi exercising jurisdiction over the Companies for the arrangement provided in part B of this Scheme and NCLT upon Section 234 of the Companies Act, 2013 being notified as effective; and (ii) NCLT for the arrangement provided in part C, part D and part B of this Scheme, or such other court, forum or authority as may be vested with any of the powers of the High Court and/or NCLT under the Act;
- 8.10. "Demerged Company" means DCM Ltd., a listed public limited company as mentioned in the Preamble Clause A(4) of this Scheme;
- 8.11. "Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 49.1 of the Part E of this Scheme hereof have been fulfilled;

Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall refer to the Effective Date;

- 8.12. "Fairness Opinion" means and refers to the certificate issued by M/s Fortress Capital Management Services Private Limited, Mumbai, a SEBI registered Category I Merchant Banker, dated February 13, 2017;

- 8.13. "Government" or "Governmental Authority" means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district



or other subdivision thereof;

- 8.14. "IT Act" means the Indian Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 8.15. "Mauritius Act" means the Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force;
- 8.16. "NCLT" means the Hon'ble National Company Law Tribunal at New Delhi;
- 8.17. "NSE" means National Stock Exchange of India Limited;
- 8.18. "Part B Appointed Date" means close of the business hours on December 31, 2016 or such other date as may be agreed between the Board of Directors of Tiara and Purearth and approved by the Court;
- 8.19. "Part C Appointed Date" means January 1, 2017 or such other date as may be agreed between the Board of Directors of DCM Ltd. and DCM Realty and approved by the NCLT;
- 8.20. "Part C Record Date" means the date to be fixed by the Board of Directors of DCM Realty, for the purpose of determining the shareholders of DCM Ltd. to whom the shares of DCM Realty shall be issued and allotted upon coming into effect of this Scheme;
- 8.21. "Part D Appointed Date" means January 1, 2017 (immediately after giving effect of Part C of the Scheme) or such other date as may be agreed between the Board of Directors of Resulting DCM Realty and Amalgamated Purearth and approved by the NCLT;
- 8.22. "Part D Record Date" means the date to be fixed by the Board of Directors of Amalgamated DCM Realty in consultation with Amalgamated Purearth for the purpose of determining the shareholders of Purearth to whom the shares of Amalgamated DCM Realty shall be allotted pursuant to this Scheme;
- 8.23. "Purearth" means Purearth Infrastructure Limited as mentioned in the Preamble of the Scheme under Clause A(3) above, and shall include but not be limited to:
- a) any and all of its assets, movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, continuing rights, title and interests in connection with any land (together with the buildings and structures, present or future, standing thereon), whether freehold or leasehold, machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
  - b) any and all of its investments (including shares and other securities), loans and advances, including dividends declared or interest accrued thereon;
  - c) any and all of its licences, including the licences granted by any governmental, statutory, regulatory or other Governmental Authority, permissions, approvals, consents, exemptions, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, applications for trade names, copyrights, all indirect and direct tax credits including but not limited to sales tax credits, service tax credit, VAT credit i.e., income-tax carry forward losses/depreciation, TDS, MAT credit entitlement etc., privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever;
  - d) any and all of its debts, borrowings and liabilities, present or future, whether secured or unsecured;
  - e) any and all of its employees, who are on its payrolls, including those employed at its offices and branches; and
  - f) any and all of the advance monies, earnest monies and/ or security deposits, payment



For DCM LIMITED

Chairman & Managing Director

against warrants or other entitlements, as may be lying with it;

8.24. "RBI" means the Reserve Bank of India;

8.25. "Real Estate Undertaking" means all assets and liabilities of the real estate business of the Demerged Company pertaining to the leasehold land, whether or not converted into freehold land, other than the title/ leasehold title thereto, listed in Schedule I of this Scheme (such leasehold and/or freehold land, hereinafter referred to as "Immoveable Property"). Without prejudice and limitation to the generality of the above, the Real Estate Undertaking means and includes without limitation, the following:

- (i) all assets wherever situated, whether movable or immovable tangible or intangible including all investments, acquisitions, holdings, in equity shares (including in Purearth), preference shares, debentures and other securities of all descriptions of associate/subsidiary/joint venture companies in India and elsewhere, intellectual property (registered or otherwise), computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work in progress, vehicles, furniture, fixtures, office equipment, electrical, appliances, accessories pertaining to the real estate business of the Demerged Company, including but not limited to, all the rights to the Immoveable Property, other than the title/ leasehold title thereto, of the real estate business of the Demerged Company, the past track record, profitability, experience, credentials and market share of the Demerged Company relating to its real estate development business;
- (ii) all rights and licenses, all assignments and grants thereof, all permits, clearances and registrations whether under central, state or other laws, rights (including rights/obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/associate/joint venture companies and other shareholders of such subsidiary/associate/joint venture companies, contracts, applications, letters of intent, memorandum of understandings or any other contracts), non-disposal undertakings, certifications and approvals, regulatory approvals, entitlements, other licenses, consents, tenancies, investments and/or interest (whether vested, contingent or otherwise), taxes, share of advance tax, TDS, minimum alternate tax credit (including but not limited to credits in respect of sales tax, value added tax, service tax, and other indirect taxes), deferred tax benefits and other benefits in respect of the real estate business of the Demerged Company, cash balances, bank accounts and bank balances, deposits, advances, recoverables, receivables (including inter-unit balances between real estate business of the Demerged Company and Remaining Business, if any), easements, advantages, financial assets, treasury investments, hire purchase and lease arrangements, funds belonging to or proposed to be utilised for the real estate business of the Demerged Company, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the real estate business of the Demerged Company;
- (iii) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the real estate development business of the Demerged Company;
- (iv) any and all earnest monies and/or security deposits, or other entitlements in connection with or relating to the real estate business of the Demerged Company;
- (v) employees of Demerged Company that are determined by its Board of Directors to be engaged in or in relation to the real estate business of the Demerged Company on the date immediately preceding the Effective Date;
- (vi) all legal proceedings of whatsoever nature by or against the real estate business of the Demerged Company pending as on the Part C Appointed Date; and





(vii) all liabilities (including liabilities, allocable as per this Scheme, if any) present and future (including inter-unit payables between real estate business of the Demerged Company and Remaining Business) and the contingent liabilities pertaining to or relating to the real estate business of the Demerged Company. For the purpose of this clause, the liabilities pertaining to the real estate business of the Demerged Company means and includes:

- A. All liabilities (including contingent liabilities) arising out of the activities or operation of the real estate business of the Demerged Company including in relation or connection with taxes or under or in relation to its contracts, other obligations, duties and sums owing;
- B. Specific loans and borrowings raised, if any raised, incurred and utilized solely for the activities or operations of the real estate business of the Demerged Company; and
- C. Liabilities other than those referred to in Sub-Clauses A and B above, which are general or multipurpose borrowings, if any, of the Demerged Company be allocated to the real estate business of the Demerged Company in the same proportion in which the value of the assets transferred under this Clause bears to the total value of the assets of the Demerged Company immediately before the Part C Appointed Date of the Scheme in accordance with the provisions of explanation 2 to the Section 2(19AA) of the IT Act.

(viii) Any other asset (including any cash) specifically allocated by the Board of Directors of the Demerged Company for the real estate development business of the Demerged Company;

Any issue as to whether any asset or liability pertains to or is relating to the Real Estate Undertaking shall be mutually decided between the Board of Directors of the Demerged Company and DCM Realty on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company);

8.26. "Registrar of Companies" means Registrar of Companies, NCT of Delhi and Haryana and the Registrar of Companies, Mauritius, individually or collectively, as the context may require;

8.27. "Relevant Courts" mean the Court and/or the applicable regulatory authority of Mauritius;

8.28. "Relevant Jurisdiction" means the territories of the Republic of India and Republic of Mauritius;

8.29. "Remaining Business" means the remaining business of the Demerged Company after the demerger of Real Estate Undertaking in accordance with this Scheme;

8.30. "Resulting DCM Realty" means DCM Realty and Infrastructure Limited as mentioned in the Preamble Para A(5) of this Scheme after giving effect to Part C of the Scheme;

8.31. "Rs." means Indian Rupees being the lawful currency of the Republic of India;

8.32. "Scheme of Arrangement" or "Scheme" means this composite scheme of arrangement in its present form, or with or without any modification(s), as may be approved or imposed or directed by the Relevant Courts;

8.33. "SEBI" means the Securities and Exchange Board of India;

8.34. "Stock Exchanges" means the NSE and BSE;

8.35. "TDS" means Tax Deducted at Source;

8.36. "Tiara" means Tiara Investment Holdings Limited as mentioned in the Preamble of the Scheme under Clause A(2) above, and shall mean the whole of the undertaking of Tiara Investment Holdings Limited which shall primarily comprise of the shares of Purearth held by Tiara, and certain cash



bank balances, trade receivables / payables not exceeding USD 50,000 as on the Part B Appointed Date. For the avoidance of doubt Tiara will have no immovable property, debts or other non-current liabilities as on the Part B Appointed Date;

- 8.37. "USD" means the United States Dollars being the lawful currency of the United States of America;
- 8.38. "Valuation Certificate" means and refers to the certificate issued by SSPA & Co., Chartered Accountants, Mumbai dated February 13, 2017.

The expressions, which are used but are not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the rules, regulations made thereunder), the Depositories Act, 1996, the IT Act and other Applicable Laws.

## 9. COMPLIANCE WITH TAX LAWS

9.1. This Scheme, in so far as it relates to the demerger of Real Estate Undertaking of the Demerged Company into the DCM Realty, has been drawn up to comply with the conditions relating to "Demerger" as specified under the tax laws, including Section 2(19AA) of the IT Act, which include the following:

- a) all the assets and properties of the Real Estate Undertaking, being transferred by the Demerged Company, immediately before the demerger shall become the properties of DCM Realty, respectively, by virtue of such Demerger;
- b) all the liabilities relating to the undertaking, being transferred by the Demerged Company, immediately before the demerger, become the liabilities of the DCM Realty by virtue of the demerger;
- c) the property and the liabilities of the undertaking or undertakings being transferred by the Demerged Company are transferred at values appearing in its books of account immediately before the demerger;
- d) the DCM Realty issues, in consideration of the demerger, its shares to the shareholders of the Demerged Company on a proportionate basis, except where the DCM Realty itself is a shareholder of the Demerged Company;
- e) the shareholders holding not less than three-fourths in value of the shares in the Demerged Company (other than shares already held therein immediately before the demerger by, or by a nominee for, the DCM Realty or, its subsidiary) become shareholders of the DCM Realty by virtue of the demerger, otherwise than as a result of the acquisition of the property or assets of the Demerged Company or any undertaking thereof by the DCM Realty; and
- f) the transfer of the Real Estate Undertaking shall be on a going concern basis;

and other relevant sections (including Sections 47 and 72A) of the IT Act.

9.2. This Scheme, in so far as it relates to the amalgamation of Tiara with Purearth and amalgamation of Amalgamated Purearth with Resulting DCM Realty, has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2(1B) of the IT Act, which include the following:

- a) all the property of the amalgamating company or companies immediately before the amalgamation becomes the property of the amalgamated company by virtue of the amalgamation;
- b) all the liabilities of the amalgamating company or companies immediately before the amalgamation becomes the liabilities of the amalgamated company by virtue of the amalgamation;



c) shareholders holding not less than three-fourths in value of the shares in the amalgamating company or companies (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) becomes shareholders of the amalgamated company by virtue of the amalgamation.

9.3. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date whether as a result of a new enactment any amendment or coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail and this Scheme shall be modified accordingly with consent of each of the Companies (acting through their respective Board of Directors).

## 10. CAPITAL STRUCTURE

### 10.1. Tiara

The issued, subscribed and paid-up share capital of Tiara as on December 31, 2016 is as under:

Issued, Subscribed and Paid Up Share Capital	Amount in USD
25,885,730 ordinary shares of par value USD 1 each	25,885,730
<b>Total</b>	<b>25,885,730</b>

Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of Tiara, there has been no change in the issued, subscribed and paid-up equity share capital of Tiara.

### 10.2. Purearth

The authorised, issued, subscribed and paid-up share capital of Purearth, as on December 31, 2016 is as under:

Authorised Share Capital	Amount in Rs.
110,799,000 equity shares of Rs. 10 each	1,107,990,000
100 13.50% redeemable cumulative preference shares of Rs. 100 each	10,000
<b>Total</b>	<b>1,108,000,000</b>
<b>Issued, Subscribed and Paid Up Share Capital</b>	
107,800,000 equity shares of Rs. 10 each	1,078,000,000
<b>Total</b>	<b>1,078,000,000</b>

Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of Purearth, there has been no change in the issued, subscribed and paid-up equity share capital of Purearth.

### 10.3. DCM Ltd.

The authorised, issued, subscribed and paid-up share capital of the Demerged Company as on December 31, 2016 is as under:

Authorised Share Capital	Amount in Rs.
83,999,000 Equity Shares of Rs. 10/- each	839,990,000
100 13.5% Redeemable Cumulative Preference Shares of Rs. 100/- each	10,000



For DCM LIMITED

Chairman & Managing Director

320,000 9.5% - 6 <sup>th</sup> Redeemable Cumulative Preference Shares of Rs. 25/- each	8,000,000
3,680,000 Preference shares of Rs. 25/- each	92,000,000
1,000,000 Cumulative Convertible Preference Shares of Rs. 100 each	100,000,000
<b>Total</b>	<b>1,040,000,000</b>
<b>Issued, Subscribed and Paid up Share Capital</b>	
18,677,749 Equity Shares of Rs.10/- each fully paid up	186,777,490
Less: Calls in arrears	31,175
<b>Total</b>	<b>186,746,315</b>

Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of the Demerged Company, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Demerged Company.

10.4. **DCM Realty**

The authorised, issued, subscribed and paid-up share capital of DCM Realty as on December 31, 2016 is as under:

<b>Authorised Share Capital</b>	<b>Amount in Rs.</b>
50,000 Equity Shares of Rs. 10/- each	500,000
<b>Total</b>	<b>500,000</b>
<b>Issued, Subscribed and Paid Up Share Capital</b>	
50,000 Equity Shares of Rs. 10/- each	500,000
<b>Total</b>	<b>500,000</b>

Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of DCM Realty, there has been no change in the authorised, issued, subscribed and paid-up share capital of DCM Realty.



For DCM LIMITED

Chairman & Managing Director

**PART B:**

**AMALGAMATION OF TIARA INTO PUREARTH**

**11. PROVISIONS UNDER THE MAURITIUS LAWS PERTAINING TO AMALGAMATION**

- 11.1. Tiara is incorporated under the Mauritius Act.
- 11.2. In terms of Section 4(2)(b) of Part II of the Fourteenth Schedule of the Mauritius Act, Purearth, being incorporated under the laws of the jurisdiction other than Mauritius, must submit to the Registrar of Companies, Mauritius the following:
- 11.2.1. An agreement that a service of process may be effected on and against it as the surviving company (being "Purearth") or the consolidated company in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of the constituent company (being "Tiara") incorporated under the Mauritius Act, if any, or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Act, if any;
- 11.2.2. An irrevocable appointment of the Registrar of Companies as its agent to accept service of process in proceedings referred to in sub paragraph 11.2.1 above.
- 11.2.3. An agreement that Purearth shall promptly pay to the dissenting members, if any, of the constituent company incorporated under the Mauritius Act, the amount, if any, to which they are entitled under the Mauritius Act, with respect to the rights of dissenting members; and
- 11.2.4. A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (being the Order of the Court sanctioning the Scheme) where it is incorporated.
- 11.3. In terms of Paragraph 4(3) of Part II of the Fourteenth Schedule to the Mauritius Act, where the surviving company (being the 'Amalgamated Purearth') is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of a merger under Part XVI of the Mauritius Act except in so far as the laws of other jurisdiction, i.e. the laws of India otherwise provide.
- 11.4. In terms of Paragraph 4(4) of Part II of the Fourteenth Schedule to the Mauritius Act, since the surviving company (being the 'Amalgamated Purearth') is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction i.e. the laws of India.
- 11.5. Tiara shall be required to file certain documents including those set out in Paragraph (4)(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Act with the Registrar of Companies, Mauritius along with this Scheme and the corporate resolution of Purearth or relevant extract thereof and Tiara will be struck off the register maintained by the Registrar of Companies, Mauritius from the effective date of merger under the laws of India without the need for winding up.

**12. TRANSFER AND VESTING OF TIARA**

- 12.1 Upon this Scheme becoming effective and with effect from the Part B Appointed Date, all assets and liabilities of Tiara shall, pursuant to the applicable provisions of the Act, and applicable provisions of the Mauritius Act and pursuant to the order of the Relevant Courts or other appropriate authority in the Relevant Jurisdiction, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/or deemed to be transferred to and vested in Purearth, as a going concern, so as to become the assets and liabilities of the Amalgamated Purearth within the meaning of Section 2(1B) of the IT Act.



For DCM LIMITED

*[Signature]*  
Chairman & Managing Director

### 13. DISCHARGE OF CONSIDERATION

- 13.1 Upon the Scheme becoming effective and in consideration for the transfer and vesting of Tiara in Purearth, the Amalgamated Purearth will without any further application, act, instrument or deed, be deemed to have been issued and allotted equity shares, credited as fully paid up to the extent indicated below, to the members of Tiara or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Tiara and approved by them and whose names appear in the Register of Members of Tiara on the Effective Date of the Scheme in the following proportion:

*"54,600,000 (Five Crores forty six lacs only) fully paid up Equity Shares of the face value of Rs.10 (Rupees Ten) each of Purearth against 54,600,000 (Five Crores forty six lacs only) fully paid-up equity shares of Rs. 10 (Ten) each held by Tiara in Purearth as on February 13, 2017 shall be issued and allotted to the equity shareholders of Tiara in proportion to their shareholding in Tiara".*

*"In the event Tiara holds more than 54,600,000 (Five Crores forty six lacs only) fully paid-up equity shares of Purearth (without incurring any additional liability), such additional number of equity shares of Purearth (if any) as may be held by Tiara in Purearth in addition to 54,600,000 (Five Crores forty six lacs only) fully paid up equity shares held by Tiara in Purearth as on February 13, 2017 shall also be issued and allotted to the equity shareholders of Tiara, in proportion of their holdings in Tiara"*

(Equity shares to be issued as above are hereinafter referred to as "Purearth Equity Shares")

- 13.2 The Purearth Equity Shares to be issued to the members of Tiara pursuant to clause 13.1 above shall be subject to the Memorandum and Articles of Association of the Amalgamated Purearth and shall rank *pari-passu* in all respects, including dividend, with the existing equity shares of the Amalgamated Purearth.
- 13.3 The fractional entitlement, if any, to which shareholders of Tiara may become entitled to upon issue of Purearth Equity Shares pursuant to clause 13.1 above shall be ignored. However, if the number of Purearth Equity Shares to be allotted by the Amalgamated Purearth to the shareholders of Tiara is lower than the total number of equity shares held by Tiara in Purearth due to ignoring such fractional share entitlement, then the Amalgamated Purearth shall allot such number of additional Purearth Equity Shares ("additional Purearth Equity Shares") to the shareholders of Tiara that the Purearth Equity Shares being allotted are the same as the number of equity shares held by Tiara in Purearth prior to the amalgamation. The additional Purearth Equity Shares shall be allotted by the Amalgamated Purearth to the shareholders of Tiara in the order of the highest fractional entitlement for each shareholder.
- 13.4 Upon Purearth Equity Shares being issued and allotted or deemed to have been issued or allotted by the Amalgamated Purearth to the shareholders of Tiara, all shares issued by Tiara to its shareholders shall stand cancelled. The share certificates, if any, in relation to the shares held by the shareholders of Tiara shall be of no effect, and the shares held by the shareholders of Tiara in dematerialized form shall be extinguished, on and from such issue and allotment of Purearth Equity Shares.
- 13.5 The Purearth Equity Shares to be issued by the Amalgamated Purearth to the shareholders of Tiara shall be issued in either dematerialized form or in the form of physical share certificates at their option.
- 13.6 Purearth shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of equity shares under the Scheme.
- 13.7 The approval of this Scheme by the requisite majority of shareholders of Purearth shall be deemed to be due compliance of the provisions of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Amalgamated Purearth to the shareholders of Tiara, as provided in this Scheme.



**14. ACCOUNTING TREATMENT IN THE BOOKS OF THE AMALGAMATED PUREARTH**

- 14.1. The Amalgamated Purearth, subject to the provisions of this Scheme, shall follow the method of accounting as prescribed for the pooling of interest method under Accounting Standard 14 as notified under the Company Accounting Rules, 2006 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular No. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs, Government of India).
- 14.2. The Amalgamated Purearth shall, upon the Scheme becoming effective and with effect from the Part B Appointed Date, record the assets and liabilities of Tiara at their respective book values as appearing in their respective books of accounts on the Part B Appointed Date.
- 14.3. The identity of the reserves of Tiara, if any, shall be preserved and they shall appear in the financial statements of the Amalgamated Purearth in the same form and manner, in which they appear in the financial statements of Tiara on the date preceding the Part B Appointed Date. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of Tiara available for distribution as dividend, the same would also be available in the financial statements of the Amalgamated Purearth for distribution as dividend pursuant to this Scheme becoming effective.
- 14.4. The balances of the Profit and Loss Accounts of Tiara (as appearing in the books of accounts of Tiara at the close of business on the day preceding the Part B Appointed Date) shall be aggregated and added to or set-off with the corresponding balance appearing in the financial statements of the Amalgamated Purearth.
- 14.5. Inter-se investments (*equity and/or preference*) amongst Tiara and Purearth, if any, shall stand cancelled upon the Scheme becoming effective.
- 14.6. The Amalgamated Purearth shall credit to its share capital account, the aggregate face value of the shares issued by it pursuant to clause 13.1 of this Scheme.
- 14.7. The difference between the net assets (assets minus liabilities and reserves) of Tiara transferred to the Amalgamated Purearth and the face value of equity shares issued and allotted (as detailed in Clause 13.1 herein above) by the Amalgamated Purearth adjusted for cancellation of investment as detailed and referred to in Clause 14.5 herein above, shall be adjusted in reserves in accordance with the provisions of Accounting Standard -14 on 'Accounting for Amalgamation'.
- 14.8. *The accounting treatment provided hereinabove is in accordance with the applicable accounting standards as on the date of approval of the Scheme by the Board of Directors of Purearth and TIARA and shall be followed as such or in such other manner as the regulatory authorities may approve.*

**15. LEGAL PROCEEDINGS**

- 15.1. All pending suits/appeals or other legal proceedings of whatsoever nature relating to Tiara, whether by or against Tiara, pending and / or arising on or after of the Part B Appointed Date and relating to Tiara shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation under the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Amalgamated Purearth in the same manner and to the same extent as would or might have been continued and enforced by or against Tiara, as if the Scheme had not been made.

- 15.2. Purearth undertakes to have all legal or other proceedings initiated by or against Tiara referred to in clause 15.1 above transferred in to the name of Amalgamated Purearth and to have the same continued, prosecuted and enforced by or against the Amalgamated Purearth, to the exclusion of Tiara.



15.3. Tiara confirms that there are no suits/proceedings pending against it as of the date of filing of the Scheme. Tiara and its ultimate beneficial shareholders also confirm that in case of any liability arising on the Amalgamated Purearth on account of any legal or other proceedings of Tiara (pending as on Part B Appointed Date or initiated any time post Part B Appointed Date (for the avoidance of doubt, whether relating to the period prior to Part B Appointed Date or thereafter), whether on Tiara or Amalgamated Purearth or Amalgamated DCM Realty or its successors), the Amalgamated Purearth, Amalgamated DCM Realty and their successors shall be indemnified and held harmless by the ultimate beneficial shareholders of Tiara in the ratio of their effective shareholding in Tiara as on the Effective Date.

**16. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS ETC.**

16.1. Upon this Scheme becoming effective and with effect from the Part B Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, agreements, schemes, arrangements, and other instruments of whatsoever nature in relation to Tiara, or to the benefit of which Tiara may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect on or against or in favour of the Amalgamated Purearth and may be enforced as fully and effectually as if, instead of Tiara, the Amalgamated Purearth had been a party or beneficiary or obligee thereto.

16.2. The Amalgamated Purearth shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of Tiara and the name of the Amalgamated Purearth shall be substituted as "Insured" in the policies as if the Amalgamated Purearth was initially a party.

16.3. The Amalgamated Purearth, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings with any party to any contract in relation to Tiara to which Tiara is a party in order to give formal effect to the above provisions. The Amalgamated Purearth shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Tiara and to carry out or perform all such formalities or compliances, referred to above, on behalf of Tiara.

**17. OTHER ENTITLEMENTS**

17.1. On the Scheme becoming effective, all employees, if any, of Tiara in service on the Effective Date shall be deemed to have become employees of the Amalgamated Purearth with effect from the Part B Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated Purearth shall not be less favourable than those applicable to them with reference to Tiara on the Effective Date.

17.2. Upon the Scheme becoming effective but with effect from the Effective Date the resolutions, if any, of Tiara, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Purearth and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall be counted towards the aggregate of the said limits in the Amalgamated Purearth.

**18. CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE:**

18.1. Subject to the effectiveness of the Scheme, with effect from the Part B Appointed Date and up to and including the Effective Date:

- (i) All profits or income arising or accruing in favour of Tiara or losses arising or incurred by Tiara shall, for all purposes, be treated as and deemed to be the profits or income, or losses, as the case may be, of the Amalgamated Purearth of DCM LIMITED





- (ii) Tiara shall carry on its activities with reasonable diligence and prudence and in the same manner as it had been doing hitherto;
- (iii) Tiara shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme; and
- (iv) Tiara and/or Purearth may, during the pendency of the Scheme, make any alterations to their respective share capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner.

## 19. SAVING OF CONCLUDED TRANSACTIONS

- 19.1 The transfer of properties and liabilities to, and the continuance of proceedings by or against, Amalgamated Purearth as envisaged in this Part B shall not affect any transaction or proceedings already concluded by Tiara on or before the Part B Appointed Date and after the Part B Appointed Date till the Effective Date, and to such end and intent Amalgamated Purearth accepts and adopts all acts, deeds and things done and executed by Tiara in respect thereto as done and executed on behalf of itself.

## 20. DISSOLUTION OF TIARA

- 20.1 Upon this Scheme becoming effective, Tiara shall be dissolved, without any further act or deed, without being wound up.
- 20A. A reference to "Purearth" in Part B of the Scheme shall, if so required by the context, mean Purearth Infrastructure Limited after giving effect to the provisions of Part B of this Scheme.



For DCM LIMITED

*[Signature]*  
Chairman & Managing Director

**PART C:**  
**DEMERGER OF THE REAL ESTATE UNDERTAKING OF DCM LIMITED INTO**  
**DCM REALTY**

**21. TRANSFER AND VESTING OF THE REAL ESTATE UNDERTAKING**

21.1. Upon this Scheme becoming effective and with effect from the Part C Appointed Date, the Real Estate Undertaking of the Demerged Company shall stand demerged and be transferred and vested in DCM Realty on a going concern basis without any further act or deed so as to become as and from the Part C Appointed Date, the undertaking of DCM Realty, and to vest in DCM Realty, all the rights, title, interest or obligations of the Real Estate Undertaking therein, in the manner described hereunder.

**22. TRANSFER OF ASSETS**

22.1. Upon this Scheme becoming effective and with effect from the Part C Appointed Date, any and all assets relating to the Real Estate Undertaking, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or transfer by vesting and recorded pursuant to this Scheme, shall stand transferred to and vested in DCM Realty and shall become the property and an integral part of the Resulting DCM Realty. The vesting pursuant to this Clause shall be deemed to have occurred by manual delivery or endorsement and delivery or by delivery instructions in relation to dematerialized shares or the occurrence of the Part C Appointed Date, as appropriate to the property being vested and title to such property shall be deemed to have been transferred accordingly.

22.2. Upon this Scheme becoming effective and with effect from the Part C Appointed Date, any and all movable properties of the Demerged Company relating to the Real Estate Undertaking, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any person or body including without limitation any government, semi-government, local and other Governmental Authority, bodies, customers and other persons shall without any further act, instrument or deed become the property of DCM Realty.

22.3. Upon this Scheme becoming effective and with effect from the Part C Appointed Date, any rights in the immovable properties (including the buildings and structures standing thereon) of the Demerged Company relating to the Real Estate Undertaking shall stand transferred to and be vested in DCM Realty, subject to Applicable Law, without any act or deed required by the Demerged Company and DCM Realty.

22.4. Upon this Scheme becoming effective and with effect from the Part C Appointed Date, in relation to assets belonging to the Real Estate Undertaking, which require separate documents for vesting in DCM Realty, or which the Demerged Company and/or DCM Realty otherwise desire to be vested separately, the Demerged Company and DCM Realty will execute such deeds, documents or such other instruments, if any, as may be mutually agreed. It is clarified that the Demerged Company, if and when and from time to time, as may be required by Resulting DCM Realty, execute and register all necessary documents, including execution of an irrevocable power of attorney, to sub-lease/ convey its interest/title and rights in respect of the Immoveable Property.

22.5. Upon this Scheme becoming effective and with effect from the Part C Appointed Date, all assets acquired by the Demerged Company after the Part C Appointed Date and prior to the Effective Date for operation of the Real Estate Undertaking shall be deemed to have been acquired for and on behalf of the Resulting DCM Realty and shall also stand transferred to and vested in the Resulting DCM Realty.



For DCM LIMITED

Chairman & Managing Director

22.6. It is hereby clarified that if any assets (including but not limited to any estate, rights, title, interest in or authorities relating to such assets) in relation to the Real Estate Undertaking which the Demerged Company owns, cannot be transferred to DCM Realty for any reason whatsoever, the Demerged Company shall hold such asset in trust for the benefit of the Resulting DCM Realty.

### 23. TRANSFER OF LIABILITIES

23.1. Upon this Scheme becoming effective and with effect from the Part C Appointed Date, all liabilities including debts, secured and unsecured loans, general or multi-purpose borrowings allocable, as per the provisions of Section 2(19AA) of the IT Act, contingent liabilities, duties and obligations of every kind, nature and description attributable to the Real Estate Undertaking including guarantees/ undertakings given by the Demerged Company with respect to loans raised by any of its investee companies shall, without any further act or deed, be transferred to, or be deemed to be transferred to DCM Realty so as to become from the Part C Appointed Date, the debts, liabilities, contingent liabilities, undertakings, duties and obligations of the Resulting DCM Realty and DCM Realty undertakes to meet, discharge and satisfy the same.

23.2. It is clarified that the liabilities and obligations of the Demerged Company which are part of the Real Estate Undertaking and which shall stand transferred to DCM Realty, shall include the following:

- (a) the liabilities which directly and specifically arose out of the activities or operations of the Real Estate Undertaking;
- (b) specific loans or borrowings raised and utilized solely for the activities or operations of the Real Estate Undertaking; and
- (c) in cases other than those referred to in sub-clauses (a) and (b) above, proportionate part of the general or multipurpose borrowings and liabilities of the Demerged Company allocable to the Real Estate Undertaking in the same proportion in which the value of the assets of the Demerged Company transferred under this Scheme bears to the total value of the assets of the Demerged Company immediately before the Part C Appointed Date.

23.3. Upon this Scheme becoming effective, any liabilities attributable to the Real Estate Undertaking that may arise or crystallise on or after the Part C Appointed Date but which relate to periods prior to the Part C Appointed Date shall, without any further act or deed, be transferred to, or be deemed to be transferred to DCM Realty so as to become from the Part C Appointed Date, the debts, liabilities, contingent liabilities, undertakings, duties and obligations of the Resulting DCM Realty and DCM Realty undertakes to meet, discharge and satisfy the same.

23.4. It is hereby clarified that, unless expressly provided for, 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, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of Clause 23.

23.5. Where any of the liabilities pertaining to the Real Estate Undertaking on the Part C Appointed Date have been discharged by the Demerged Company after the Part C Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resulting DCM Realty.

23.6. Upon this Scheme becoming effective and with effect from the Part C Appointed Date, all loans raised and used, and liabilities incurred, if any, by the Demerged Company after the Part C Appointed Date, but prior to the Effective Date, for the Real Estate Undertaking shall be deemed to be transferred to the Resulting DCM Realty without any further act or deed and the Resulting DCM Realty shall be liable to discharge the same.



The vesting of the Real Estate Undertaking as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans

or borrowings of the Real Estate Undertaking, provided however, any reference in any security documents or arrangements to which the Demerged Company is a party, wherein the assets of the Real Estate Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the assets pertaining to the Real Estate Undertaking as are vested in DCM Realty as per the Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other assets of the Demerged Company or any other assets of DCM Realty. Provided further, that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the assets or any part thereof of DCM Realty shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages shall not extend or be deemed to extend to any of the other assets of DCM Realty or any of the assets of the Resulting DCM Realty.

- 23.8. The provisions of Clause 23 shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions.
- 23.9. Upon this Scheme becoming effective, the borrowing limits of the Resulting DCM Realty shall, without any further act or deed, stand enhanced by an amount being the aggregate of the liabilities pertaining to the Real Estate Undertaking which are being transferred to DCM Realty pursuant to this Scheme and the Resulting DCM Realty shall not be required to pass any separate resolution in this regard.

#### 24. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 24.1. Upon this Scheme becoming effective and with effect from the Part C Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, subsidiaries/associate/joint venture companies and other shareholders of such subsidiaries/associate/joint venture companies, arrangements and other instruments of whatsoever nature in relation to the Real Estate Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Resulting DCM Realty and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting DCM Realty had been a party or beneficiary or obligee thereto or thereunder.
- 24.2. Without prejudice to the other provisions of this Scheme and notwithstanding that the vesting of the Real Estate Undertaking with DCM Realty occurs by virtue of this Scheme itself, the Resulting DCM Realty 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, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Demerged Company will, if necessary or required by the Resulting DCM Realty, also be a party to the above. The Resulting DCM Realty shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.
- 24.3. Upon this Scheme becoming effective, any and all registrations, goodwill, licenses, trademarks, trade names, service marks, patents, copyrights, domain names and all such rights of whatsoever description and nature in relation to the Real Estate Undertaking to which the Demerged Company is a party or to the benefit of which the Real Estate Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall stand vested and transferred to DCM Realty and be and remain in full force and effect in favour of the Resulting DCM Realty and may be enforced against it as fully and effectually as if, instead of the Demerged Company, the Resulting



DCM Realty had been a party or beneficiary or obligee thereto. Trademarks forming part of the Real Estate Undertaking shall stand vested and transferred to DCM Realty with effect from the Effective Date. The Demerged Company and the Resulting DCM Realty shall execute all necessary deeds/documents/agreements to give effect to the assignment/transfer of all such trademarks to DCM Realty.

- 24.4. It is clarified that the brand name and logo of "DCM" shall remain sole property of the Demerged Company and the Resulting DCM Realty shall be entitled to use the brand name "DCM", by using appropriate suffixes and the right to obtain a trademark registration for the same, on a royalty free and perpetual basis, under different logos, for its present businesses and any other business which the Resulting DCM Realty may undertake in the future either by itself or through an affiliate entity as per terms decided by the Resulting DCM Realty, so as to ensure that identities of both the parties are distinct and differentiated clearly in the eyes of all third parties.
- 24.5. Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Part C Appointed Date, all consents, agreements, permissions, all statutory or regulatory licenses, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Real Estate Undertaking shall stand transferred to DCM Realty as if the same were originally given by, issued to or executed in favour of DCM Realty, and the Resulting DCM Realty shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting DCM Realty. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any Governmental Authority, body, local authority, or by any other person, or availed by the Demerged Company in relation to the Real Estate Undertaking are concerned, the same shall vest with and be available to the Resulting DCM Realty on the same terms and conditions as applicable to the Demerged Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting DCM Realty.
- 24.6. It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Real Estate Undertaking to which the Demerged Company is a party, cannot be transferred to DCM Realty for any reason whatsoever, the Demerged Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting DCM Realty.
- 24.7. Upon this Scheme becoming effective, all the resolutions, if any, of the Demerged Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as the resolutions of the Resulting DCM Realty to the extent such resolutions pertain to the Real Estate Undertaking, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in the Resulting DCM Realty.

## 25. EMPLOYEES

- 25.1. Upon this Scheme becoming effective, all employees of the Real Estate Undertaking shall be deemed to have become employees of the Resulting DCM Realty, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Demerged Company on the Effective Date. The services of such employees with the Demerged Company up to the Effective Date shall be taken into account for the purposes of all benefits to which the employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.
- 25.2. Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the Real Estate Undertaking shall be made by the Resulting DCM Realty in accordance with the provisions of such schemes or funds and applicable Law.



25.3. Subject to Applicable Law, the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Demerged Company for the employees of the Real Estate Undertaking shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by DCM Realty without any separate act or deed/approval.

## 26. CONTINUATION OF LEGAL PROCEEDINGS

26.1. From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company, whether pending on the Part C Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Part C Appointed Date) and in each case relating to the Real Estate Undertaking ("Real Estate Proceedings") shall be continued and enforced by or against the Resulting DCM Realty after the Effective Date.

26.2. If any Real Estate Proceedings are initiated or carried on against the Demerged Company in respect of the matters referred to in Clause 26.1 above, the Resulting DCM Realty shall defend the same and at the cost of the Resulting DCM Realty, and shall reimburse, indemnify and hold harmless the Demerged Company against all such liabilities and obligations.

26.3. If any Real Estate Proceedings is/are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Resulting DCM Realty in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

26.4. In the event of any difference or difficulty on whether any specific legal or other proceedings relates to the Real Estate Undertaking or not, the decision of the Board of Directors of the Demerged Company and Resulting DCM Realty Company, as mutually agreed, in this regard shall be conclusive and binding on the Demerged Company and DCM Realty.

## 27. TREATMENT OF TAXES

27.1 Upon this Scheme becoming effective and with effect from the Part C Appointed Date, all taxes and duties payable by the Demerged Company (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, VAT/ Service tax and all other Applicable Laws), accruing and relating to the Real Estate Undertaking from the Part C Appointed Date onwards, including all advance tax payments, TDS, minimum alternate tax, any refund and claims shall, for all purposes, be treated as advance tax payments, TDS, minimum alternate tax or refunds and claims, as the case may be, of the Resulting DCM Realty.

27.2 Upon this Scheme becoming effective, all unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including TDS, tax collected at source, advance tax, minimum alternate tax credit etc.), cenvat, customs, value added tax, sales tax, service tax etc. relating to the Real Estate Undertaking to which Demerged Company is entitled / obliged to shall be available to and vest in the Resulting DCM Realty, without any further act or deed.

27.3 Upon this Scheme becoming effective, Demerged Company and the Resulting DCM Realty are permitted to revise and file their respective income tax returns, withholding tax returns, including TDS certificates, sales tax/value added tax returns, service tax returns and other tax returns for the period commencing on and from the Part C Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.

The Board of Directors of the Demerged Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Real Estate Undertaking and whether the same would be transferred to DCM Realty.



- 27.5 Upon the Scheme becoming effective, any TDS deposited, TDS certificates issued or TDS returns filed by the Demerged Company relating to the Real Estate Undertaking shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Resulting DCM Realty.
- 27.6 All the expenses incurred by the Demerged Company and DCM Realty/ Resulting DCM Realty in relation to the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting DCM Realty in accordance with the Section 35DD of the IT Act over a period of five (5) years beginning with the previous year in which the Scheme becomes effective.
- 27.7 Any refund under the tax laws due to Demerged Company pertaining to the Real Estate Undertaking consequent to the assessments made on the Demerged Company and for which no credit is taken in the accounts as on the date immediately preceding the Part C Appointed Date shall belong to and be received by the Resulting DCM Realty. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Resulting DCM Realty upon this Scheme becoming effective upon relevant proof and documents being provided to the said authorities.

## 28. SAVING OF CONCLUDED TRANSACTIONS

- 28.1. The transfer of properties and liabilities to, and the continuance of proceedings by or against, the Resulting DCM Realty as envisaged in this Part C shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Part C Appointed Date and after the Part C Appointed Date till the Effective Date, and to such end and intent DCM Realty accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

## 29. CONDUCT OF BUSINESS

- 29.1. Subject to the effectiveness of the Scheme, with effect from the Part C Appointed Date and up to and including the Effective Date:
- (i) the Demerged Company undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets of the Real Estate Undertaking, for and on account of and in trust for the Resulting DCM Realty; and
  - (ii) all income, receipts, profits accruing to the Demerged Company and attributable to the Real Estate Undertaking and all taxes thereon or losses arising or incurred by it with respect to the Real Estate Undertaking shall, for all purposes, be treated as and deemed to be the income, expenses, payments, profits, taxes or losses, as the case may be, of the Resulting DCM Realty.
- 29.2. Subject to the effectiveness of the Scheme, with effect from the date of approval of this Scheme by the Board of Directors of the Demerged Company and DCM Realty, and up to and including the Effective Date:
- (i) the Demerged Company shall carry on the business of the Real Estate Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto; and
  - (ii) except with the consent of the Board of Directors of the Demerged Company and DCM Realty, DCM Realty shall not make any change in its respective capital structure either by any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner effect the reorganisation of capital of DCM Realty.



For DCM LIMITED

Chairman & Managing Director

29.3 DCM Realty shall also be entitled, pending the sanction of this Scheme, to apply to the central government, state government, and all other agencies, departments, statutory authorities and other Governmental Authorities concerned, wherever necessary, for such consents, approvals and sanctions which DCM Realty may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any law for time being in force for carrying on business of the Real Estate Undertaking.

### 30. ISSUE OF SHARES

30.1. Upon the Scheme becoming effective and in consideration of the demerger and transfer of the Real Estate Undertaking, the Resulting DCM Realty shall issue and allot Equity Shares of Rs. 10/- each at par value ("DCM Realty Shares") to the shareholders of the Demerged Company whose names appear in the Register of Members of the Demerged Company as on the Part C Record Date in the following ratio:

1 (one) Equity Share of Rs. 10/- each of the Resulting DCM Realty, credited as fully paid-up, for every 1 (one) Equity Share of Rs. 10/- each, fully paid-up held in the Demerged Company ("Entitlement Ratio").

30.2. On effectiveness of the Scheme, entire existing shares of DCM Realty held by Demerged Company either singly or jointly or by the nominees of DCM Ltd. shall, without any further application, act, instrument or deed, be cancelled.

30.3. In case of shareholders of the Demerged Company, who hold shares in the Demerged Company in dematerialised form, DCM Realty Shares will be credited to the existing depository accounts of the shareholders of the Demerged Company entitled thereto as per records maintained by National Securities Depository Limited and/ or Central Depository Services (India) Limited on the Part C Record Date and made available by the Demerged Company to the Resulting DCM Realty.

30.4. In case of shareholders of the Demerged Company, who hold shares in the Demerged Company in certificate form, DCM Realty Shares will be issued in certificate form.

30.5. Issuance of DCM Realty Shares by the Resulting DCM Realty shall be made in compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular issued by the SEBI on November 30, 2015 bearing no. CIR/CFD/CMD/16/2015. The equity shares so issued and allotted to the shareholders of the Demerged Company shall, subject to Para 43.2 of this Scheme, be listed at NSE and BSE where the existing shares of the Demerged Company are listed. Further, DCM Realty Shares allotted by the Resulting DCM Realty pursuant to the Scheme shall remain frozen in the depositories system till listing/ trading permission is given by the NSE and BSE.

30.6. Upon the issuance and allotment of equity shares pursuant to Scheme, the Resulting DCM Realty shall take necessary steps, including filing of the applications with NSE and BSE, for the purpose of listing of the equity shares of DCM Realty, in accordance with applicable laws.

30.7. The aforesaid Entitlement Ratio, as described in Clause 30.1 herein above, has been arrived as per the Valuation Report and the Fairness Opinion. The Valuation Report and the Fairness Opinion has been placed before the Audit Committee of the Demerged Company, wherein the Audit Committee of the Demerged Company has furnished its report recommending the Scheme and the Entitlement Ratio based on the Valuation Report and the Fairness Opinion.

30.8. The DCM Realty Shares shall be subject to the Memorandum and Articles of Association of the Resulting DCM Realty and shall rank *pari passu* in all respects, including dividend, with the existing shares of the Resulting DCM Realty.

30.9. The issue and allotment of the DCM Realty Shares by the Resulting DCM Realty to the shareholders of the Demerged Company as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Companies Act, 2013 and any other applicable provisions of the Act were duly complied with.



For DCM LIMITED

Chairman & Managing Director



- 30.10. Approval of this Scheme by the shareholders of DCM Realty shall be deemed to mean that the shareholders have also accorded all relevant consents under the Act for the issue and allotment of DCM Realty Shares by the Resulting DCM Realty to the shareholders of the Demerged Company.
- 30.11. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Resulting DCM Realty on account of the difficulties if any in the transition period.

**31. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY**

31.1. Upon this Scheme becoming effective, the Demerged Company shall account for the demerger of the Real Estate Undertaking in its books of accounts with effect from the Part C Appointed Date in the following manner:

- (i) Entire investment made by the Demerged Company in the equity share capital of DCM Realty as on the Effective Date, shall stand cancelled;
- (ii) the Demerged Company shall reduce from its books of accounts, the Book Values appearing as on the Part C Appointed Date of all assets and liabilities pertaining to the Real Estate Undertaking;
- (iii) The excess of the book value of assets over the book value of liabilities of the Real Estate Undertaking, after considering the cancellation of investment in DCM Realty as above, shall be adjusted against the following Reserves on a proportionate basis:
  - a) Securities Premium Account;
  - b) Profit & Loss Account Balances.

31.2. It is clarified that the reduction to the Securities Premium account in the above clause shall be effected as an integral part of the Scheme in accordance with the provisions of Section 52 read with Section 66 of the Companies Act, 2013 and without having to follow the procedure under Section 66 of the Companies Act, 2013. The order of the NCLT sanctioning the Scheme shall also be deemed to be order under Section 66 of the Companies Act, 2013 for the purpose of confirming adjustment to the Securities Premium Account, as may be applicable

31.3. *The accounting treatment provided hereinabove is in accordance with the applicable accounting standards as on the date of approval of the Scheme by the Board of Directors of DCM and DCM Realty and shall be followed as such or in such other manner as the regulatory authorities may approve.*

**32. ACCOUNTING TREATMENT IN THE BOOKS OF DCM REALTY**

32.1. Upon this Scheme becoming effective, the Resulting DCM Realty shall account for the demerger of the Real Estate Undertaking in its books of accounts with effect from the Part C Appointed Date in the following manner:

- (i) all assets and liabilities in relation to the Real Estate Undertaking shall be recorded in its books of accounts by the Resulting DCM Realty at the respective Book Values as appearing in the books of accounts of the Demerged Company as at the Part C Appointed Date;
- (ii) the inter-corporate deposits/loans and advances/balances outstanding between the Real Estate Undertaking of Demerged Company and DCM Realty, if any, shall stand cancelled and thereafter there shall be no obligation in that behalf;
- (iii) the Resulting DCM Realty shall record in its books of accounts, all transactions relating to the Real Estate Undertaking of Demerged Company in respect of assets, liabilities, income and expenses from the Part C Appointed Date to the Effective Date;
- (iv) the aggregate face value of the DCM Realty Shares issued by the Resulting DCM Realty to the shareholders of the Demerged Company shall stand credited to the share capital of the Resulting DCM Realty in its books of accounts; and



For DCM LIMITED

Chairman & Managing Director

(v) the difference between the book value of assets and book value of liabilities so recorded in the books of account of the Resulting DCM Realty, as reduced by aggregate sum of the paid-up value of the DCM Realty Shares issued in terms of Clause 30.1 and after giving effect to Clause 30.2 of the Scheme, shall be recorded against the following Reserves [in the proportion in which the said Reserves shall be adjusted in the books of the Demerged Company in accordance with Clause 31.1.(iii) above]:

- a. Securities Premium Account;
- b. Profit & Loss Account Balances;

(vi) The existing shareholding of the Demerged Company in DCM Realty and utilization of securities premium of DCM Realty, if any, shall be cancelled as an integral part of this Scheme in accordance with provisions of Section 66 and other applicable provisions of the Companies Act, 2013 and the order of the NCLT sanctioning the Scheme shall be deemed to be for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital.

(vii) It is clarified that the reduction to the Securities Premium account in the above clause shall be effected as an integral part of the Scheme in accordance with the provisions of Section 52 read with Section 66 of the Companies Act, 2013 and without having to follow the procedure under Section 66 of the Companies Act, 2013. The order of the NCLT sanctioning the Scheme shall also be deemed to be order under Section 66 of the Companies Act, 2013 for the purpose of confirming adjustment to the Securities Premium Account, as may be applicable

32.2. *The accounting treatment provided hereinabove is in accordance with the applicable accounting standards as on the date of approval of the Scheme by the Board of Directors of DCM and DCM Realty and shall be followed as such or in such other manner as the regulatory authorities may approve.*

32A. A reference to "DCM Realty" in Part C of the Scheme shall, if so required by the context, mean DCM Realty & Infrastructure Limited after giving effect to the provisions of Part C of this Scheme.



For DCM LIMITED  
*[Signature]*  
Chairman & Managing Director

**PART D:**

**AMALGAMATION OF THE AMALGAMATED PUREARTH WITH RESULTING  
DCM REALTY LEADING TO THE AMALGAMATED DCM REALTY UPON THE  
SCHEME BECOMING EFFECTIVE**

**33. TRANSFER AND VESTING OF THE AMALGAMATED PUREARTH**

- 33.1. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, the Amalgamated Purearth shall stand amalgamated and all its assets, liabilities, interests and obligations, as applicable, be transferred and vested in the Resulting DCM Realty without any further act or deed so as to become as and from the Part D Appointed Date, the assets and liabilities, interests and obligations, as applicable, of the Amalgamated DCM Realty.

**34. TRANSFER OF ASSETS**

- 34.1. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, all assets of the Amalgamated Purearth, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or transfer by vesting and recorded pursuant to this Scheme, shall stand transferred to and vested in the Resulting DCM Realty and shall become the property and an integral part of the Amalgamated DCM Realty (to the extent permissible under Applicable Law). The vesting pursuant to Clause 34 shall be deemed to have occurred by manual delivery or endorsement and delivery or by delivery instructions in relation to dematerialized shares or by the occurrence of the Part D Appointed Date, as appropriate to the property being vested and title to such property shall be deemed to have been transferred accordingly.

- 34.2. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, any and all movable properties of the Amalgamated Purearth, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other Governmental Authorities and bodies, customers and other persons shall without any further act, instrument or deed become the property of the Resulting DCM Realty.

- 34.3. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, any and all immovable properties (including land together with the buildings and structures standing thereon) of the Amalgamated Purearth, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Resulting DCM Realty, subject to Applicable Law, without any act or deed required by the Amalgamated Purearth and the Resulting DCM Realty. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, the Amalgamated DCM Realty shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties (if any).

- 34.4. In relation to assets belonging to the Amalgamated Purearth which require separate documents for vesting in the Resulting DCM Realty, or which the Resulting DCM Realty and/or the Amalgamated Purearth otherwise desire to be vested separately in the Resulting DCM Realty on and from the Scheme becoming effective and with effect from the Part D Appointed Date, the Resulting DCM Realty and the Amalgamated Purearth will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.

- 34.5. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, all assets acquired by the Amalgamated Purearth after the Part D Appointed Date and prior to the Effective Date shall be deemed to have been acquired for and on behalf of the Amalgamated DCM Realty and shall also stand transferred to and vested in the Amalgamated DCM Realty.



## 35. TRANSFER OF LIABILITIES

- 35.1. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, all liabilities including debts, secured and unsecured loans, general or multi-purpose borrowings, contingent liabilities, duties and obligations of every kind, nature and description attributable to the Amalgamated Purearth including the obligation towards flat buyers who had booked area through DCM Ltd., DCM Estates & Infrastructure Limited (now known as Purearth Infrastructure Limited) and erstwhile builders namely Kailash Nath Associates and Ansal Properties and Industries Limited, shall, without any further act or deed, be transferred to, or be deemed to be transferred to the Resulting DCM Realty so as to become from the Part D Appointed Date, the debts, liabilities, contingent liabilities, undertakings, duties and obligations of the Amalgamated DCM Realty and the Resulting DCM Realty undertakes to meet, discharge and satisfy the same.
- 35.2. Upon this Scheme becoming effective, any liabilities attributable to the Amalgamated Purearth that may arise or crystallise on or after the Part D Appointed Date but which relate to periods prior to the Part D Appointed Date shall, without any further act or deed, be transferred to, or be deemed to be transferred to the Resulting DCM Realty so as to become from the Part D Appointed Date, the debts, liabilities, contingent liabilities, undertakings, duties and obligations of the Amalgamated DCM Realty and the Resulting DCM Realty undertakes to meet, discharge and satisfy the same.
- 35.3. It is hereby clarified that, unless expressly provided for, 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, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of Clause 35.
- 35.4. Where any of the liabilities pertaining to the Amalgamated Purearth on the Part D Appointed Date have been discharged by the Amalgamated Purearth after the Part D Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Amalgamated DCM Realty.
- 35.5. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, all loans raised and used, and liabilities incurred, if any, by the Amalgamated Purearth after the Part D Appointed Date, but prior to the Effective Date shall be deemed to be transferred to the Amalgamated DCM Realty without any further act or deed, and the Amalgamated DCM Realty shall be liable to discharge the same.
- 35.6. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, existing securities, charges, hypothecation and mortgages, if any, of the Amalgamated Purearth subsisting in relation to any loans or borrowings of the Amalgamated Purearth, wherein the assets of the Amalgamated Purearth have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the assets pertaining to the Amalgamated Purearth as are vested in the Amalgamated DCM Realty as per the Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other assets of the Amalgamated DCM Realty.
- 35.7. The provisions of Clause 35 shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions.

## 36. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 36.1. Upon this Scheme becoming effective and with effect from the Part D Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, subsidiaries/associate/joint venture companies, booking holders and other shareholders of such subsidiaries/associate/joint venture companies, arrangements and ~~other instruments~~ of whatsoever nature in relation to the Amalgamated Purearth and to which the



Amalgamated Purearth is a party or to the benefit of which the Amalgamated Purearth may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Amalgamated DCM Realty and may be enforced as fully and effectually as if, instead of the Amalgamated Purearth, the Amalgamated DCM Realty had been a party or beneficiary or obligee thereto or thereunder.

- 36.2. Without prejudice to the other provisions of this Scheme and notwithstanding that the vesting of the Amalgamated Purearth with the Amalgamated DCM Realty occurs by virtue of this Scheme itself, the Amalgamated DCM Realty 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, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Amalgamated Purearth is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Amalgamated DCM Realty shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamated Purearth and to carry out or perform all such formalities or compliances referred to above on part of the Amalgamated Purearth to be carried out or performed.
- 36.3. Upon this Scheme becoming effective, any and all registrations, goodwill, licenses, trademarks, trade names, service marks, patents, copyrights, domain names and all such rights of whatsoever description and nature in relation to the Amalgamated Purearth to which the Amalgamated Purearth is a party or to the benefit of which the Amalgamated Purearth may be eligible and which are subsisting or having effect immediately before the Effective Date, shall stand vested and transferred to the Resulting DCM Realty and be and remain in full force and effect in favour of the Amalgamated DCM Realty and may be enforced by or against it as fully and effectually as if, instead of the Amalgamated Purearth, the Amalgamated DCM Realty had been a party or beneficiary or obligee thereto. Trademarks of the Amalgamated Purearth shall stand vested and transferred to the Resulting DCM Realty with effect from the Effective Date. The Amalgamated Purearth and the Resulting DCM Realty shall execute all necessary deeds/documents/agreements to give effect to the assignment/transfer of all such trademarks to the Amalgamated DCM Realty.
- 36.4. Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Part D Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Amalgamated Purearth shall stand transferred to the Resulting DCM Realty as if the same were originally given by, issued to or executed in favour of the Amalgamated DCM Realty, and the Amalgamated DCM Realty shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Amalgamated DCM Realty. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any Governmental Authority, body, local authority, or by any other person, or availed by the Amalgamated Purearth are concerned, the same shall vest with and be available to the Amalgamated DCM Realty on the same terms and conditions as applicable to the Amalgamated Purearth, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Amalgamated DCM Realty.
- 36.5. Upon this Scheme becoming effective, all the resolutions, if any, of the Amalgamated Purearth which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as the resolutions of the Amalgamated DCM Realty, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in the Amalgamated DCM Realty.



For DCM LIMITED

Chairman & Managing Director

**37. EMPLOYEES**

- 37.1. Upon this Scheme becoming effective, all employees of the Amalgamated Purearth, if any, shall be deemed to have become employees of the Amalgamated DCM Realty, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Amalgamated Purearth, on the Effective Date. The services of such employees with the Amalgamated Purearth up to the Effective Date shall be taken into account for the purposes of all benefits to which the employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.
- 37.2. Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the Amalgamated Purearth shall be made by the Amalgamated DCM Realty in accordance with the provisions of such schemes or funds and Applicable Law.
- 37.3. Subject to Applicable Law, the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Amalgamated Purearth for the employees shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Resulting DCM Realty without any separate act or deed/approval.

**38. CONTINUATION OF LEGAL PROCEEDINGS**

- 38.1. From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Amalgamated Purearth, whether pending on the Part D Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Part D Appointed Date), or which may become the legal proceedings of the Amalgamated Purearth, if any, on effectiveness of Part B of this Scheme, and in each case relating to the Amalgamated Purearth, be continued and enforced by or against the Amalgamated DCM Realty after the Effective Date, to the extent legally permissible.
- 38.2. If any such legal or other proceeding(s) is/are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Amalgamated DCM Realty in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Amalgamated Purearth, as if this Scheme had not been made.
- 38.3. The ultimate beneficial shareholders of Tiara shall indemnify and hold harmless, in the ratio of their shareholding in Tiara as on the Effective Date, Amalgamated DCM Realty and its successors, against any legal or other proceedings or liability arising on the Amalgamated Purearth or Amalgamated DCM Realty ((pending as on Part B Appointed Date or initiated/arising any time post Part B Appointed Date (for the avoidance of doubt, whether relating to the period prior to Part B Appointed Date or thereafter)) which pertains to Tiara, which is initiated, continued and/or enforced by or against the Amalgamated DCM Realty or its successors as per Clause 38.1 of this Part above.

**39. TREATMENT OF TAXES**

- 39.1. Upon this Scheme becoming effective and with effect from the Part D Appointed Date, all taxes and duties payable by the Amalgamated Purearth (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, VAT/ Service tax and all other Applicable Laws), accruing and relating to the Amalgamated Purearth from the Part D Appointed Date onwards, including all advance tax payments, TDS, minimum alternate tax, any refund and claims shall, for all purposes, be treated as advance tax payments, TDS or refunds and claims, as the case may be, of the Amalgamated DCM Realty.



- 39.2. Upon this Scheme becoming effective, all unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including TDS, tax collected at source, advance tax, etc.), cenvat, customs, value added tax, sales tax, service tax etc. to which Amalgamated Purearth is entitled to shall be available to and vest in the Amalgamated DCM Realty, without any further act or deed.
- 39.3. Upon this Scheme becoming effective, the Amalgamated DCM Realty is permitted to revise and file its income tax returns, withholding tax returns, including TDS certificates, sales tax/value added tax returns, service tax returns and other tax returns for the period commencing on and from the Part D Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 39.4. Upon the Scheme becoming effective, any TDS deposited, TDS certificates issued or TDS returns filed by the Amalgamated Purearth shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Amalgamated DCM Realty.
- 39.6. Any refund under the tax laws due to Amalgamated Purearth consequent to the assessments made on the Amalgamated Purearth and for which no credit is taken in the accounts as on the date immediately preceding the Part D Appointed Date shall belong to and be received by the Amalgamated DCM Realty. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated DCM Realty upon the Scheme becoming effective upon relevant proof and documents being provided to the said authorities.

#### 40. SAVING OF CONCLUDED TRANSACTIONS

- 40.1. The transfer of properties and liabilities to, and the continuance of proceedings by, or against, the Amalgamated Purearth as envisaged in this Part D shall not affect any transaction or proceedings already concluded by the Amalgamated Purearth on or before the Part D Appointed Date and after the Part D Appointed Date till the Effective Date, to the end and intent that the Resulting DCM Realty accepts and adopts all acts, deeds and things done and executed by the Amalgamated Purearth in respect thereto as done and executed on behalf of itself.

#### 41. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 41.1. Subject to the effectiveness of the Scheme, with effect from the Part D Appointed Date and up to and including the Effective Date:
- (i) the Amalgamated Purearth undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets, for and on account of and in trust for the Amalgamated DCM Realty; and
  - (ii) all income, receipts, profits accruing to the Amalgamated Purearth and all taxes thereon or losses arising or incurred by it shall, for all purposes, be treated as and deemed to be the income, expenses, payments, profits, taxes or losses, as the case may be, of the Amalgamated DCM Realty.
- 41.2. Subject to the effectiveness of the Scheme, with effect from the date of approval of this Scheme by the Board of Directors of the Amalgamated Purearth and the Resulting DCM Realty, and up to and including the Effective Date:
- (i) the Amalgamated Purearth shall carry on the business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto;
    - (a) when the same is expressly provided in the Scheme;
    - (b) when the same is in the ordinary course of business as carried on by the Amalgamated Purearth, as on the date of filing of the Scheme in the Court; or
    - (c) when written consent of the Resulting DCM Realty has been obtained in this regard.



FOR DCM LIMITED  
*[Signature]*

- (ii) the Amalgamated Purearth shall not alter or substantially expand its business, except with the written concurrence of the Resulting DCM Realty;
- (iii) the Amalgamated Purearth shall not amend its Memorandum of Association or Articles of Association, except with the written concurrence of the Resulting DCM Realty; and

*except with the consent of the Board of Directors of the Resulting DCM Realty and the Amalgamated Purearth, the Amalgamated Purearth shall not make any change in its respective capital structure either by any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner effect the reorganisation of capital of the Amalgamated Purearth.*

- (iv) The Amalgamated Purearth shall also be entitled, pending the sanction of this Scheme, to apply to the central government, state government, and all other agencies, departments, statutory and other Governmental Authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Amalgamated Purearth may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any law for time being in force for carrying on business.
- 41.3. With effect from the Effective Date, the Amalgamated DCM Realty shall carry on and shall be authorised to carry on the businesses of the Amalgamated Purearth.
- 41.4. For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of the Scheme by the Court, the Amalgamated DCM Realty shall, at any time pursuant to the orders on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamated Purearth, in accordance with the provisions of Sections 230 to 232 of the Act. The Amalgamated DCM Realty is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.
- 41.5. Upon the Scheme becoming effective the Resulting DCM Realty unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Amalgamated Purearth with effect from the Part D Appointed Date, in order to give effect to the foregoing provisions.

#### 42. DISSOLUTION OF THE AMALGAMATED PUREARTH

- 42.1. Upon this Scheme becoming effective, the Amalgamated Purearth shall, without any further act or deed, stand dissolved without being wound up without any further act by the parties, in accordance with the Act. The name of the Amalgamated Purearth shall be struck off the register maintained by the concerned Registrar of Companies. The Amalgamated Purearth shall make necessary filings in this regard.

#### 43. ISSUE OF SHARES

- 43.1. Upon coming into effect of this Scheme and upon vesting in and transfer of the assets and liabilities of the Amalgamated Purearth to the Resulting DCM Realty in accordance with Part D of this Scheme, the Amalgamated DCM Realty shall take all actions for the purposes of this Scheme and for completion of all allotments to the respective members of the Amalgamated Purearth existing as on the Part D Record Date (including shareholders of Amalgamated Purearth who have been issued Purearth Equity Shares as per Clause 13.1 of Part B of this Scheme) as provided herein and without any further act or deed.

- (i) Issue and allot 100 (One Hundred) equity shares of Rs. 10/- (Rupees Ten only) each as fully paid up shares of the Amalgamated DCM Realty to the shareholders of the eligible Amalgamated Purearth for every 127 (One Hundred and Twenty Seven)





equity shares of Rs. 10/- (Rupees Ten only) each fully paid up shares held by the said shareholders of the Amalgamated Purearth (for the avoidance of doubt, also for every 127 (One Hundred and Twenty Seven) equity shares of Rs. 10/- (Indian Rupees Ten only) each fully paid up shares of Amalgamated Purearth deemed to have been issued and allotted to the shareholders of Tiara under Part B of the Scheme).

- (ii) The equity shares issued and allotted to the shareholders of the Amalgamated Purearth in the Amalgamated DCM Realty shall rank *pari passu* in all respects with existing equity shares of the Amalgamated DCM Realty.
- (iii) No fractional shares shall be issued by the Amalgamated DCM Realty to the shareholders of the Amalgamated Purearth in respect of the residual fractional entitlements (if any), to which the shareholders of the Amalgamated Purearth may be entitled on issue and allotment of the equity shares of the Amalgamated DCM Realty in pursuance of this Clause 43.1. Any fraction arising out of such allotment shall be rounded off to the immediately next higher integer.
- (iv) In so far as the issue of new equity shares pursuant to clause 43.1 above is concerned, each of the members of the Amalgamated Purearth holding shares in physical form shall have the option, exercisable by notice in writing by them to the Amalgamated DCM Realty on or before the Part D Record Date, to receive, the new equity shares of the Amalgamated DCM Realty either in physical form or in dematerialized form, in lieu of their equity shares in the Amalgamated Purearth in accordance with the terms hereof. In the event that such notice has not been received by the Amalgamated DCM Realty in respect of any of the members of the Amalgamated Purearth, the equity shares of the Amalgamated DCM Realty shall be issued to such members in physical form. Those of the members of the Amalgamated Purearth who exercise the option to receive the equity shares in the dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required in the notice provided by such member to the Amalgamated DCM Realty. It is only thereupon that the Amalgamated DCM Realty shall issue and directly credit the demat account of such member with the new equity shares of the Amalgamated DCM Realty.
- (v) Notwithstanding anything to the contrary, upon the issue and allotment of new shares in the Amalgamated DCM Realty to the eligible shareholders of the Amalgamated Purearth whose name shall appear on the respective Register of Members of the Amalgamated DCM Realty on Part D Record Date fixed as aforesaid, the share certificates in relation to the shares held by them in the Amalgamated Purearth shall be deemed to have been automatically cancelled and be of no effect, on and from such Record Date.

43.2. The equity shares so issued and allotted to the shareholders of the Amalgamated Purearth shall be listed at NSE and BSE where the existing DCM Realty Shares are proposed to be listed, subject to the approval of and/or any conditions imposed by, SEBI, NSE and BSE (as applicable). Apart from the current promoters of DCM Limited, the current promoters of Purearth (other than Tiara, which shall stand dissolved upon the effectiveness of the Scheme and DCM Limited) shall be the promoters of Amalgamated DCM Realty. Accordingly, on the Scheme becoming effective and post the allotment of equity shares by DCM Realty to the shareholders of the Amalgamated Purearth, promoter shareholding in Amalgamated DCM Realty shall exceed 75% of the total share capital of Amalgamated DCM Realty. Prior to listing of shares of Amalgamated DCM Realty, the promoter shareholding in of DCM Realty shall be reduced to 75% (or below 75%) of the total issued share capital in compliance with the requirement specified under Rule 19(2) and Rule 19A of the Securities Contract (Regulations) Rules, 1957 Such reduction of promoter shareholding and listing of shares issued by the Amalgamated DCM Realty would however be subject to approval of and compliance with conditions (if any) imposed by the SEBI, NSE and BSE (as applicable).



For DCM LIMITED

  
Chairman & Managing Director

- 43.3. The aforesaid Share Exchange Ratio i.e. 100 (One Hundred) equity shares of the Amalgamated DCM Realty to be issued in lieu of 127 (One Hundred Twenty Seven) equity shares of the Amalgamated Purearth, as described in Clause 43.1 herein above, has been arrived as per the Valuation Report and Fairness Opinion. The Valuation Report and Fairness Opinion Report have been placed before the Audit Committee of Purearth, wherein the Audit Committee of Purearth has furnished its report recommending the Scheme and the Share Exchange Ratio. The aforesaid Share Exchange Ratio has been determined by the Board of Directors of DCM Realty and Purearth based on their independent judgment and taking into account the Valuation Report and Fairness Opinion.
- 43.4. The issue and allotment of shares by the Amalgamated DCM Realty to the shareholders of the Amalgamated Purearth as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Companies Act, 2013 and any other applicable provisions of the Act were duly complied with. Approval of this Scheme by the shareholders of the Resulting DCM Realty shall be deemed to mean that the shareholders have also accorded all relevant consents under the Act for the issue and allotment of shares by the Amalgamated DCM Realty to the shareholders of the Amalgamated Purearth.
- 43.5. The Board of Directors of the Resulting DCM Realty shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Amalgamated DCM Realty on account of the difficulties if any in the transition period.
- 43.6. The issuance of the shares shall be made in compliance with the circular issued by SEBI dated November 30, 2015 bearing no. CIR/CFD/CMD/16/2015 and the requisite formalities under Applicable Law to be listed and/or admitted to the relevant stock exchange(s) where the existing equity shares of the Resulting DCM Realty are listed and/or admitted to trading.
- 43.7. The shares allotted by the Amalgamated DCM Realty pursuant to the Scheme shall remain frozen in the depositories' system till listing/trading permission is given by the Stock Exchanges.

**44. ACCOUNTING TREATMENT IN THE BOOKS OF THE AMALGAMATED DCM REALTY**

- 44.1. The Amalgamated DCM Realty, subject to the provisions of this Scheme, shall follow the method of accounting as prescribed for the pooling of interest method under Accounting Standard 14 as notified under the Company Accounting Rules, 2006 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular No. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs, Government of India).
- 44.2. The Amalgamated DCM Realty shall, upon the Scheme becoming effective and with effect from the Appointed Date, record the assets and liabilities of the Amalgamated Purearth at their respective book values as appearing in their respective books of accounts at the close of business on the day preceding the Appointed Date.
- 44.3. The identity of the reserves of the Amalgamated Purearth, if any, shall be preserved and they shall appear in the financial statements of the Amalgamated DCM Realty in the same form and manner, in which they appear in the financial statements of the Amalgamated Purearth, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of Tiara available for distribution as dividend, the same would also be available in the financial statements of the Amalgamated DCM Realty for distribution as dividend pursuant to this Scheme becoming effective.
- 44.4. The balances of the Profit and Loss Accounts of Amalgamated Purearth (as appearing in the books of accounts of the Amalgamated Purearth at the close of business on the day preceding the Appointed Date) shall be aggregated and added to or set-off with the corresponding balance appearing in the financial statements of the Amalgamated DCM Realty.



For DCM LIMITED

Chairman & Managing Director

- 44.5. Inter-se investments amongst Amalgamated Purearth and the Resulting DCM Realty, if any, shall stand cancelled upon the Scheme becoming effective.
- 44.6. The Amalgamated DCM Realty shall credit to its share capital account, the aggregate face value of the shares issued by it pursuant to clause 43.1 of this Scheme.
- 44.7. The difference between the net assets (assets minus liabilities and reserves) of Tiara transferred to the Amalgamated Purearth and the face value of equity shares issued and allotted (as detailed in Clause 43.1 herein above) by the Amalgamated Purearth adjusted for cancellation of investment as detailed and referred to in Clause 44.5 herein above, shall be adjusted in reserves in accordance with the provisions of Accounting Standard -14 on 'Accounting for Amalgamation'.
- 44.8. *The accounting treatment provided hereinabove is in accordance with the applicable accounting standards as on the date of approval of the Scheme by the Board of Directors of Purearth and DCM Realty and shall be followed as such or in such other manner as the regulatory authorities may approve.*
45. A reference to "Resulting DCM Realty" in Part D of the Scheme shall, if so required by the context, mean Amalgamated DCM Realty after giving effect to the provisions of Part D of this Scheme.



For DCM LIMITED  
  
Chairman & Managing Director

**PART E**

**GENERAL TERMS AND CONDITIONS**

**46. AUTHORISED SHARE CAPITAL OF AMALGAMATED DCM REALTY AND THE DEMERGED COMPANY**

46.1. Upon the Scheme becoming effective and with effect from the Part D Appointed Date, the Authorised Share Capital of the Amalgamated Purearth i.e. Rs. 1,108,000,000/- (One Hundred Ten Crore and Eighty Lac Only) comprising of 110,799,000 (Eleven Crore Seven Lac and Ninety Nine Thousand) equity shares of Rs. 10/- each and 100 13.50% redeemable cumulative preference shares of Rs. 100/- each, shall stand transferred to and be merged with the Authorised Share Capital of the Amalgamated DCM Realty, without any liability for payment of any additional fees or stamp duty.

46.2. Accordingly, upon the Scheme coming into effect and with effect from the Part D Appointed Date, the Authorised Share Capital of the Amalgamated DCM Realty of Rs. 5,00,000/- (Rupees Five Lac Only) divided into 50,000 (Five Thousand) ordinary equity shares of Rs. 10/- (Rupees Ten Only) each shall stand enhanced to an aggregate amount of Rs. 1,108,500,000 (Rs. One Hundred Ten Crore and Eighty Five Lac Only) and the Authorised Share Capital of the Amalgamated DCM Realty shall be reclassified. Accordingly, Clause V of the Memorandum of Association of the Amalgamated DCM Realty shall stand modified and reclassified as necessary and be substituted by the following:

*"The authorised share capital of the Company is Rs.1,108,500,000/- (Rs. One Hundred Ten Crore and Eighty Five Lakh Only) divided into 110,849,000 (Eleven Crore Eight Lakh and Forty Nine Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each and 100 13.50% redeemable cumulative preference shares of Rs. 100/- each with such rights, as may be decided"*

46.3. It is hereby clarified that for the purposes of this Clause, the consent of the shareholders of the Resulting DCM Realty and Amalgamated Purearth to the Scheme shall be deemed to be sufficient for purposes of effecting this amendment and that no further resolution under Sections 13, 61 and 62 of the Companies Act, 2013 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional registration fee, stamp duty, etc, shall be payable by the Resulting DCM Realty.

**47. APPLICATION AND PETITION TO THE RELEVANT COURTS**

47.1. Each of the Companies shall make the requisite company applications under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 and/ or Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Act to the Relevant Courts for seeking sanction of this Scheme.

47.2. Each of the Companies (acting through their respective Boards of Directors) shall, with all reasonable dispatch, make applications to the respective Relevant Courts, under the relevant provisions of applicable law, if any, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or creditors and for sanctioning the Scheme with such modifications, as may be approved by the Relevant Courts.

**48. MODIFICATION OR AMENDMENT TO THIS SCHEME**

48.1. Each of the Companies (acting through their respective Board of Directors) may, in their full and absolute discretion, assent to any amendments, alterations or modifications to this Scheme, which the Court and/or any other authorities may deem fit to direct, approve or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this



Scheme. Each of the Companies (acting through their respective Boards of Directors) be and are hereby authorised to take such steps and do all acts, deeds and things, as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of the order of the Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- 48.2. Each of the Companies (acting through their respective Boards of Directors) shall be at liberty to withdraw the Scheme in entirety, or to decide not to give effect to any one or more of the parts contained herein, whether for the reason of any condition or alteration imposed by the Relevant Courts or any other Governmental Authority/regulatory authority not being acceptable to them, or any other reason whatsoever.
- 48.3. Subject as provided hereinafter, if any part of this Scheme is held invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason whatsoever, whether under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties the benefits and obligations of this Scheme, including but not limited to such part. Provided however, if for any reason the amalgamation of Tiara into Purearth, or the demerger of the Real Estate Undertaking into DCM Realty or the amalgamation of the Amalgamated Purearth into Resulting DCM Realty is not possible for any reason whatsoever, then the entire Scheme shall not be implemented.

#### 49. **CONDITIONALITY OF THIS SCHEME**

49.1 The Scheme is conditional upon and subject to the following:

- (a) the Scheme being approved by the requisite majorities of the various classes of members and creditors of the Companies as required under Applicable Laws and as may be directed by the Relevant Courts or any other authority as may be prescribed or notified;
- (b) The approval of the public shareholders of the Demerged Company shall be obtained through postal ballot and e-voting. The Scheme shall be acted upon only if the votes cast by the public shareholders of Demerged Company in favour of the proposal are more than the number of votes cast by the public shareholders against it as required under the SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015.
- (c) Approval and compliance of the conditions, if any, by SEBI, NSE and BSE (as applicable) of reduction of the promoter shareholding below 75% (seventy five percent) of Amalgamated DCM Realty prior to the listing of the shares of the Amalgamated DCM Realty and for the listing of shares issued by Amalgamated DCM Realty;
- (d) the sanction of the Scheme by Relevant Courts;
- (e) such other sanctions and approvals including sanctions of any Governmental Authority or regulatory authority including the Foreign Investment Promotion Board as may be required by law or contract in respect of the Scheme being obtained; and
- (f) the certified copies of the orders of the Court referred to in this Scheme being filed with the Registrar of Companies by the Amalgamated Purearth, Demerged Company and Amalgamated DCM Realty.

Upon the sanction of the Scheme and upon the Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative on **For DCM LIMITED** and in the order mentioned hereunder:



- (a) Amalgamation of Tiara into and with Purearth in accordance with Part B of the Scheme; and
- (b) De-merger of Real Estate Undertaking of DCM Ltd. into and with DCM Realty in accordance with Part C of the Scheme; and
- (c) Amalgamation of Amalgamated Purearth (post giving effect of Part B of the Scheme) into and with DCM Realty (post giving effect of Part C of the Scheme) in accordance with Part D of the Scheme; and
- (d) Change in Authorised Share Capital of the Amalgamated DCM Realty as provided in Clause 46 of Part E of this Scheme;
- (e) Issue and allotment of fully paid-up equity shares in terms of this Scheme;
- (f) Cancellation of shares in terms of this Scheme

#### 50. EFFECT OF NON-RECEIPT OF APPROVALS

- 50.1. In case this Scheme is not sanctioned by the Court and/or appropriate authority in Mauritius (as applicable), or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in this Scheme not being obtained or complied or for any other reason, this Scheme cannot be implemented, this Scheme shall become null and void.

#### 51. COSTS, CHARGES AND EXPENSES

- 51.1. Notwithstanding anything else to the contrary in this Scheme, it is agreed that:

- (i) all costs, expenses, charges, fees, duties, taxes, levies, stamp duty, registration and transfer charges and all other expenses, if any (save as expressly otherwise agreed) in connection with the amalgamation of Tiara into and with Purearth, as set out in Part B, arising out of or incurred in carrying out and implementing Part B of this Scheme (including in relation to issuance of shares by the Amalgamated Purearth) and matters incidental thereto irrespective of whether such costs are levied on Tiara or the Amalgamated Purearth shall be borne by the ultimate shareholders of Tiara and they shall indemnify, defend and hold the Amalgamated Purearth, Amalgamated DCM Realty and their successors, harmless against any such liability, cost, charges, taxes, or expenses etc. (for the avoidance of doubt, whether relating to the period prior to Part B Appointed Date or thereafter), in ratio of their effective shareholding in Tiara as on the Effective Date, and enter into appropriate deeds, documents and writings as may be required in this respect with the Amalgamated Purearth;
- (ii) all costs, expenses, charges, fees, duties, taxes, levies, stamp duty, registration and transfer charges and all other expenses, if any (save as expressly otherwise agreed), in connection with the de-merger of the Real Estate Undertaking as set out in Part C of this Scheme, and subsequent amalgamation of the Amalgamated Purearth with Resulting DCM Realty, as set out in Part D of this Scheme, including the implementation thereof, shall be borne by the Resulting DCM Realty;

- 51.2. For avoidance of doubt and notwithstanding anything to the contrary, all liabilities (actual, contingent or otherwise), contracts, assets, obligations, employees, legal proceedings, taxes pertaining to Tiara shall vest with Amalgamated Purearth and subsequently with Amalgamated DCM Realty. The ultimate beneficial shareholders of Tiara shall jointly indemnify and hold the Amalgamated Purearth and/or Amalgamated DCM Realty as the case may be harmless against any such liabilities of Tiara (for the avoidance of doubt, whether relating to the period prior to Part B Appointed Date or thereafter) in the ratio of their effective shareholding in Tiara as on the Effective Date.



For DCM LIMITED

Chairman & Managing Director

52. **DIVIDEND/ DISTRIBUTION OF PROFITS**

52.1. Tiara, Purearth, Demerged Company and DCM Realty shall be entitled to declare and make a distribution/pay dividends, whether interim or final, and/or issue bonus shares, to their respective members/shareholders prior to the Effective Date in accordance with Applicable Law. However, any declaration of dividend or issuance of bonus shares by Purearth shall need prior approval of DCM Realty.

52.2. It is clarified that the aforesaid provisions in respect of making distributions, declaring dividends or issuing bonus shares are enabling provisions only and shall not be deemed to confer any right on any members of the Companies to demand or claim any distributions, dividends or bonus shares which, subject to the provisions of the said Act, shall be entirely at the discretion of the board of directors of the Companies, subject to the approval of the shareholders, as may be required.

53. **COMPLIANCE WITH APPLICABLE LAWS**

53.1. The Companies undertake to comply with all Applicable Laws (including all applicable compliances required by the SEBI and the Stock Exchanges and all applicable compliances required under the Foreign Exchange Management Act, 1999 and the rules regulations and guidelines issued thereunder as may be prescribed by the RBI, from time to time) including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the Central Government, RBI (if required) or any other statutory or regulatory authority, which by law may be required for the implementation of this Scheme or which by law may be required in relation to any matters connected with this Scheme.



For DCM LIMITED

  
Chairman & Managing Director

**Schedule I**

S. No.	Details of Property	Details of Conveyance Deed	Area Sq. Yards
A	<b>Leasehold Land Converted into Freehold</b>		
1	Residential Plot no. 1 in Block 66 situated at WEA, New Rohtak Road, Karol Bagh, New Delhi.	Conveyance deed dated 09.07.2014 Ref. No. S-1(22)14/OSB	36425.00
2	Residential Plot no. 2 in Block 67 situated at WEA, New Rohtak Road, Karol Bagh, New Delhi.	Conveyance deed dated 20.5.2014 Ref. No. S-1(23)14/OSB	1468.00
3	Residential Plot no. 3 in Block 67 situated at WEA, New Rohtak Road, Karol Bagh, New Delhi.	Conveyance deed dated 20.5.2014 Ref. No. S-1(24)14/OSB	1472.00
4	Residential Plot no. 4 in Block 67 situated at WEA, New Rohtak Road, Karol Bagh, New Delhi.	Conveyance deed dated 09.07.2014 Ref. No. S-1(25)14/OSB	1473.40
5	Residential Plot no. 11 in Block 67 situated at WEA, New Rohtak Road, Karol Bagh, New Delhi.	Conveyance deed dated 20.05.2014 Ref. No. S-1(26)14/OSB	1272.10
6	Residential Plot no. 12 in Block 67 situated at WEA, New Rohtak Road, Karol Bagh, New Delhi.	Conveyance deed dated 20.05.2014 Ref. No. S-1(27)14/OSB	1272.10
7	Residential Plot no. 13 in Block 67 situated at WEA, New Rohtak Road, Karol Bagh, New Delhi.	Conveyance deed dated 20.05.2014 Ref. No. S-1(28)14/OSB	1236.10
8	Residential Plot no. 14 in Block 67 measuring 1369 sq. yards situated at WEA, New Rohtak Road, Karol Bagh, New Delhi.	Conveyance deed dated 20.05.2014 Ref. No. S-1(29)14/OSB	1369.00
9	Khasra No. 154/99, Block No. 67, in BaghRaoji (C Line). Lease Deed dated 22.3.1930 between DIT and DCM Limited, Lease w.e.f. 01.03.1930 (C-Line)		11040.00
	<b>Total Leasehold Land converted into Freehold (A)</b>		<b>57027.70</b>
B.	<b>Leasehold Land</b>		
1	Khasra No. 28/27, Block J at BaghRao Ji, Delhi. Lease deed dated 15.09.1919 between DIT & DCM Limited Lease w.e.f. 08.11.1919 (B-Line)		17058.00
	<b>Total Leasehold Land (B)</b>		<b>17058.00</b>
	<b>Grand Total (A+B)</b>		<b>74085.70</b>



CERTIFIED TRUE COPY

For DCM LIMITED

*[Signature]*  
Chairman & Managing Director

For DCM LIMITED

*[Signature]*  
Company Secretary