



WADIA GHANDY & Co.

ADVOCATES, SOLICITORS & NOTARY

N. M. Wadia Buildings, 123, Mahatma Gandhi Road, Mumbai-400 005, India.

Tel: +91 22 2267 0669, +91 22 2271 5600 | Fax: +91 22 2267 6784, +91 22 2267 0226

General e-mail: contact@wadiaghandy.com | Personal e-mail: firmname.lastname@wadiaghandy.com

NL-DJM-10962/9259/2014

To,
Kanakia Spaces Private Limited
215, Atrium, 10th Floor,
Andheri Kurla Road,
Andheri East,
Mumbai - 400 093

REPORT ON TITLE

Re: All that piece and parcel of land collectively admeasuring 17,593.70 square meters or thereabouts, and which as per the Property Register bears CTS Nos. 629/1284/A (admeasuring 4722.90 square meters towards road reservation) ("DP Road Land"), 629/1284/B (admeasuring 7358.60 square meters towards free sale land) ("Free Sale Land") and 629/1284/C (admeasuring 5512.30 square meters towards rehab land) ("Rehab Land"), (earlier forming part of larger land bearing CTS No. 629), all of the revenue Village Bandra (East), Taluka Andheri in the Registration Sub-District of Andheri, District of Mumbai Suburban, situate, lying and being at Ambedkar Nagar, Maharashtra Nagar, Government Colony, Bandra, Kherwadi, Bandra (East), Mumbai - 400 052 hereinafter referred to as the "the said Land". The said Land is more particularly described in the First Schedule hereunder written. The Free Sale Land is more particularly described in the Second Schedule hereunder written. The Rehab Land is more particularly described in the Third Schedule hereunder written.

A. Introduction

We have been requested by our client Kanakia Spaces Private Limited ("Kanakia"), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 215, Atrium, 10th Floor, Andheri Kurla Road, Andheri East, Mumbai - 400 093 to investigate its right, title and interest to develop the Free Sale Land under the provisions of the Regulation 33(10) of the Development Control Regulations for Greater Mumbai, 1991 ("DCR") in accordance with the Development Agreement dated 25th September, 2014 ("the said Development Agreement") executed by and between (i) Terra Land Developers Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 201, Hamara Building, Opposite Gurunanak Park, Off Turner Road, Bandra (West), Mumbai - 400 050 ("the Company"), (ii) Ace Housing and Constructions Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its

8

registered office at 1 Rock Dale Street, Sebastian Road, Bandra West, Mumbai - 400 050 ("Ace Housing"), (iii) Mr. Rajat Patel, an Indian inhabitant, having his place of residence at 1003, A Wing, Quantum Park, Union Park, Khar (West), Mumbai 400 052 ("Rajat Patel"), (iv) M/s. Dhruv Enterprises, a partnership firm under the provisions of the Indian Partnership Act, 1932 and having its office at 1 Rock Dale Street, Sebastian Road, Bandra West, Mumbai - 400 050 ("Dhruv Enterprises") and (v) Shreegajraj Housing Nirman Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 229/231, 1st Floor, 101, Perin Nariman Street, Fort, Mumbai University, Mumbai - 400 001 ("Shree Gajraj"), (vi) Kanakia and (vii) Vrushti Builders Private Limited ("Vrushti"), a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 215, Atrium, 10th Floor, Andheri Kurla Road, Andheri East, Mumbai - 400 093 ("the Confirming Party").

B. Steps

With respect to the investigation of title, we have undertaken the following steps:-

- (a) Perused the original title deeds (a list whereof is annexed hereto as Annexure "A") with respect of the said Land.
- (b) We have inspected copies of the deeds, documents and writings pertaining to the said Land and are listed at Annexure "B" hereto.
- (c) Caused searches to be undertaken at the office of Sub-Registrar of Assurances for a period of 60 years from 1955 to 2014.
- (d) Examined the property register cards with respect of the said Land as specified hereinbelow.
- (e) Caused searches to be undertaken at the Registrar of Companies ("ROC") for the Company, Ace Housing, Shree Gajraj, Kanakia and Vrushti as specified in paragraph L hereinbelow.
- (f) We have caused to undertake searches at the office of the Registrar of Firms for M/s. Dhruv Enterprises upto 2014. However, M/s Dhruv Enterprises is not registered with the Registrar of Firms.
- (g) The Company, Ace Housing, Rajat Patel, Dhruv Enterprises, Shree Gajraj, Kanakia and Vrushti have furnished to us a declaration dated 25th

19

September, 2014 pertaining to various facts in relation to the said Property (hereinafter referred to as the "Declaration"). We have relied on the said Declaration for the purposes of preparing this Report on Title and we have assumed the same to be true.

- (h) We have been provided with the Certificate of an Architect which has certified that the said Land is not affected by CRZ.
- (i) We have been provided with copies of the following Letters issued by the Mithi River Development and Protection Authority ("MRDPA") in relation to the said Land:
 - (i) Letter dated 6th March, 2006 bearing reference number MRDPA/SRS/BKC/121/06 inter-alia stating that the development of the land comprised in CTS No. 629 (Part) was partially affected by Coastal Zone Regulations - II and 30 meters wide D.P. Road is passing through the western boundary of the land comprised in CTS No. 629 (Part).
 - (ii) Letter dated 15th December, 2006, bearing reference number MRDPA/SRS/BKC/VN/733/2006 inter-alia stating that the land comprised in CTS No. 629 (Part) was not influenced by the tidal influx zone according to the report of the IIT, Bombay of June 2006.
- (j) We have issued public notices ("the said Public Notices") in the following newspapers:
 - (i) The Times of India (English), Mumbai Edition dated 11th June, 2014
 - (ii) Navshakti (Marathi), Mumbai Edition dated 11th June, 2014

Details of the objections received and our comments thereto are set out in the paragraph J below.

C. Disclaimers

1. This Report is prepared solely for the use of Kanakia. No other person may rely on it for any purpose whatsoever. It must not be made available or copied in whole or in part to any other person without our express prior written permission which permission may be withheld by us without having to assign any reason for the same.

2. We have, at the instructions of Kanakia, investigate its right, title and interest Kanakia to develop the Free Sale Land under the provisions of the Regulation 33(10) of the DCR in accordance with the said Development Agreement and it is expressly clarified that this Report on Title is restricted only to ascertain the title and rights of Kanakia to develop the Free Sale Land, as set out in this paragraph, and does not address any other issue.
3. The accuracy of the Report necessarily depends on the documents furnished to us and the information provided to us during the course of our discussions and responses to our requisitions, being true, complete and accurate, which we have assumed to be the case. We, therefore, disclaim any responsibility for any misinformation or false or incorrect or incomplete information arising out of the documents, responses and other information furnished to us.
4. For the purpose of this Report, we have through our search clerk, conducted searches at the Office of the Sub-Registrar of Assurances, Mumbai. However, searches at the office of the Sub-Registrar of Assurances are subject to the availability of records and also to records being torn and mutilated. We, therefore, disclaim any responsibility for the consequences which may arise on account of such non-availability of records or on account of records being torn or mutilated.
5. For the purpose of this Report we have through our search clerk, conducted searches at the Office of the Collector and revenue offices. However, searches at the office of the Collector and revenue offices are subject to the availability of records and also to records being torn and mutilated. We therefore disclaim any responsibility for the consequences which may arise on account of such non-availability of records or on account of records being torn or mutilated.
6. For the purpose of this Report, we have also caused searches to be conducted of the records of the Registrar of Companies as specified hereinbelow. However, searches of the records of the Registrar of Companies are subject to the availability of records on the date of inspection. We therefore disclaim any responsibility for the consequences which may arise on account of such non-availability of records on the date of inspection.
7. For the purpose of this Report, we have also caused searches to be conducted of the records of the Registrar of Firms as specified hereinbelow. However, searches of the records of the Registrar of Firms are subject to the availability of records on the date of inspection. We therefore disclaim any responsibility for the

consequences which may arise on account of such non-availability of records on the date of inspection.

8. Unless specifically stated otherwise in the main section of this Report, we have not verified whether the formalities which have a direct bearing on the enforceability of contractual or other arrangements comprised in the documents furnished to us and/or the information provided to us during the course of our discussions have been complied with or not. In this regard, we disclaim any responsibility for the consequences which may arise on account of non-compliance of such formalities.
9. We have not formed any opinion on the approvals and sanctions granted/ required from the concerned authorities for the development or construction on the said Land or any part thereof.
10. This Report has been prepared in accordance with and is subject to the laws of India.

D. Ownership of the said Land

Government of Maharashtra is the owner of the said Land. The same is evidenced by the Property Card Register.

E. Slum Dwellers

1. Annexure II dated 3rd February, 2008 with respect to the said Land has been issued by the Additional Collector ("Annexure II"). The said Annexure II inter-alia records as follows:
 - (a) The said Land is a censused slum and is occupied by various slum dwellers ("Slum Dwellers").
 - (b) There a total of 1054 (one thousand and fifty four) slum structures on the said Land out of which 808 (eight hundred and eight) are eligible for rehabilitation ("Eligible Slum Dwellers") and 246 (two hundred and forty six) are ineligible (Ineligible Slum Dwellers).
 - (c) 784 (seven hundred and eighty four) Eligible Slum Dwellers have granted consent in favour of Shree Gajraj, which constitutes 84% thereof.
2. The said LOI (as defined below) evidences that the Slum Dwellers have constituted themselves into the following 5 (five) co-operative housing societies

limited ("the said Societies") as follows:

(a) **Dr. Babasaheb Ambedkar Utkarsh SRA Co-operative Housing Society Limited ("the First Slum Society"):**

- (i) By and under a resolution passed by the First Slum Society (then proposed) at their extra ordinary general body meeting held on 15th February, 2004, the First Slum Society (then proposed) inter-alia resolved to appoint Shree Gajraj to develop the said Land in the manner as setout therein.
- (ii) By and under an Agreement for Development dated 26th February, 2004 executed by and between the then proposed, the First Slum Society (then proposed) and Shree Gajraj, the First Slum Society (then proposed) appointed Shree Gajraj to develop the said Land in the manner and on the terms and conditions as setout therein.
- (iii) The First Slum Society (then proposed) executed a power of attorney dated 26th February, 2004 in favour of Shree Gajraj, thereby granting powers and authorities in relation to the development of the said Rehab Land as more particularly setout therein.
- (iv) The First Slum Society has been registered under the provisions of the Maharashtra Co-operative Societies Act, 1960 bearing Registration No. MUM/SRA/HSG/(T.C.)/11394/2007 and a Registration Certificate dated 23rd October, 2007 has been issued in this regard by the Assistant Registrar, Co-operative Societies, SRA.

(b) **Bharat Ratna Dr. Babasaheb Ambedkar Nagar Co-operative Housing Society Limited ("the Second Slum Society"):**

- (i) By and under a resolution passed by the Second Slum Society (then proposed) at their extra ordinary general body meeting held on 29th February, 2004, the Second Slum Society (then proposed) inter-alia resolved to appoint Shree Gajraj to develop the said Land in the manner as setout therein.
- (ii) By and under an Agreement for Development (executed on stamp paper dated 7th January, 2004) executed by and between the Second Slum Society (then proposed) and Shree Gajraj, the Second Slum

Society (then proposed) appointed Shree Gajraj to develop the said Rehab Land in the manner as setout therein.

- (iii) The Second Slum Society (then proposed) executed a power of attorney (executed on stamp paper dated 7th January, 2004) in favour of Shree Gajraj, thereby granting powers and authorities in relation to the development of the said Land as more particularly setout therein.
 - (iv) The Second Slum Society is registered under the provisions of the Maharashtra Co-operative Societies Act, 1960 bearing Registration No. MUM/SRA/HSG/(T.C.)/11465/2008 and a Registration Certificate dated 11th March, 2008 has been issued in this regard by the Assistant Registrar, Co-operative Societies, SRA.
- (c) **Dr. Babasaheb Ambedkar Nagar Rahivashi Co-operative Housing Society Limited ("the Third Slum Society"):**
- (i) By and under a resolution passed by the Third Slum Society (then proposed) at their extra ordinary general body meeting held on 24th March, 2004, the Third Slum Society (then proposed) inter-alia resolved to appoint Shree Gajraj to develop the said Rehab Land in the manner as setout therein.
 - (ii) By and under an Agreement for Development dated 21st March, 2004 executed by and between the Third Slum Society (then proposed) and Shree Gajraj, the Third Slum Society (then proposed) appointed Shree Gajraj to develop the said Land in the manner as setout therein.
 - (iii) The Third Slum Society (then proposed) executed a power of attorney dated 21st March, 2004 in favour of Shree Gajraj, thereby granting powers and authorities in relation to the development of the said Land as more particularly setout therein.
 - (iv) The Third Slum Society (then proposed) is registered under the provisions of the Maharashtra Co-operative Societies Act, 1960 bearing Registration No. MUM/SRA/HSG/(T.C.)/11674/2009 and a Registration Certificate dated 27th October, 2009 has been issued in this regard by the Assistant Registrar, Co-operative Societies, SRA.

(d) **Maharashtra Nagar Vikas SRA Co-operative Housing Society Limited ("the Fourth Slum Society"):**

- (i) By and under a resolution passed by the Fourth Slum Society (then proposed) at their extra ordinary general body meeting held on 27th March, 2004, the Fourth Slum Society inter-alia resolved to appoint Shree Gajraj to develop the said Land in the manner as setout therein
- (ii) By and under an Agreement for Development dated 5th May, 2004 executed by and between the Fourth Slum Society (then proposed) and Shree Gajraj, the Fourth Slum Society (then proposed) appointed Shree Gajraj to develop the said Land in the manner as setout therein.
- (iii) The Fourth Slum Society (then proposed) had executed a power of attorney dated 5th May, 2004 in favour of Shree Gajraj, thereby granting powers and authorities in relation to the develop the said Land as more particularly setout therein.
- (iv) The Fourth Slum Society is registered under the provisions of the Maharashtra Co-operative Societies Act, 1960 bearing Registration No. MUM/SRA/HSG/(T.C.)/11393/2007 and a Registration Certificate dated 23rd October, 2007 has been issued in this regard by the Assistant Registrar, Co-operative Societies, SRA.

(e) **Maharashtra Nagar SRA Co-operative Housing Society Limited ("the Fifth Slum Society"):**

- (i) By and under a resolution passed by the Fifth Slum Society (then proposed) at their extra ordinary general body meeting held on 29th March, 2004, the Fifth Slum Society (then proposed) inter-alia resolved to appoint Shree Gajraj to develop the said Land in the manner as setout therein.
- (ii) By and under an Agreement for Development dated 13th April, 2004 executed by and between the Fifth Slum Society (then proposed) and Shree Gajraj, the Fifth Slum Society (then proposed) appointed Shree Gajraj to develop the said Rehab Land in the manner as setout therein.
- (iii) The Fifth Slum Society (then proposed) executed a power of attorney dated 13th April, 2004 in favour of Shree Gajraj, thereby granting

powers and authorities in relation to development of the said Rehab Land as more particularly setout therein.

(iv) The Fifth Slum Society is registered under the provisions of the Maharashtra Co-operative Societies Act, 1960 bearing Registration No. MUM/SRA/HSG/(T.C.)/11395/2007 and Registration Certificate dated 23rd October, 2007 has been issued in this regard by the Assistant Registrar, Co-operative Societies, SRA.

3. The competent authorities have thereafter issued the following supplementary Annexure II (collectively "Supplementary Annexure II") with respect to the Slum Dwellers, where under 33 (thirty three) Slum Dwellers who were earlier held ineligible for rehabilitation, were held to be eligible for rehabilitation:

- (a) By and under an Order dated 31st January 2007 passed by the Slum Rehabilitation Authority ("SRA"), the SRA held that 1 (one) slum dweller (whose details are set out in this Order) who was earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land.
- (b) By and under an Order dated 11th October, 2011 passed by the SRA, the SRA held that 1 (one) slum dweller (whose details are set out in this Order) who was earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 11th October, 2011.
- (c) By an under an Order dated 10th January, 2012 passed by the SRA, the SRA held that 16 (sixteen) slum dwellers (whose details are set out in this Order) who were earlier held as ineligible under the Annexure II, are now eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 10th January, 2012.
- (d) By an under an Order dated 25th January, 2012 passed by the SRA, the SRA held that 1 (one) slum dwellers (whose details are set out in this Order) who was earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum

dweller is enclosed with this Order dated 25th January, 2012.

- (e) By and under an Order dated 25th January, 2012 passed by the SRA, the SRA held that 4 (four) slum dweller (whose details are set out in this Order) who were earlier held as ineligible under the Annexure II, are eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 25th January, 2012.
- (f) By an under an Order dated 25th January, 2012 passed by the SRA, the SRA held that 9 (nine) slum dwellers (whose details are set out in this Order) who were earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 25th January, 2012.
- (g) By and under an Order dated 26th December 2013 passed by the SRA, the SRA held that 1 (one) slum dweller (whose details are set out in this Order) who was earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 26th December, 2013.

F. Approvals

1. The development of the said Land is undertaken as a statutory scheme under the provisions of the Regulation 33(10) of the DCR.
2. By and under a Letter of Intent dated 27th August, 2014 bearing No. SRAVENG/1001/HE/STGLULOI (the said LOI) issued by the SRA, the SRA has accorded rights unto Shree Gajraj to undertake a Slum Rehabilitation Scheme on the said Land with an FSI of 3.439 in accordance with the provisions of Appendix - IV of Regulation 33(10) of the DCR in the manner as set out therein. Under the said LOI the rehabilitation component to be undertaken is 35,794.699 square meters for rehabilitation of 841 (eight hundred and forty one) Eligible Slum Dwellers and the free sale component permitted to be undertaken is 35,794.699 square meters. The said LOI supersedes the Letter of Intent dated 29th May, 2006 bearing No. SRAVENG/1001/HE/STGLULOI, Letter of Intent dated 25th August,

2006 bearing No. SRA/ENG/1001/HE/STGL/LOI and the Letter of Intent dated 5th January, 2009 bearing No. SRA/ENG/1001/HE/STGL/LOI issued by the SRA to Shree Gajraj.

3. By and under its Letter dated 2nd November, 2006 issued by the SRA, the SRA approved the plans submitted for layout / sub division of the said Land in the manner as set out therein ("Sanctioned Layout Plan"). The Sanctioned Layout Plan reflects as follows:
 - (a) A portion of the said Land admeasuring 4722.66 square meters is deducted towards the set-back for land reserved as road under the Development Plan;
 - (b) On a portion of the said Land admeasuring 7358.66 square meters, free sale buildings are to be constructed;
 - (c) On the remaining portion of the said Land admeasuring 5512.38 square meters rehab buildings are to be constructed.

4. By and under an order dated 3rd May, 2010 bearing No. SRA/CS/Office-1/T-1/K.V.-105/S.V.-08/2010/116 passed by the SRA ("Sub-Division Order"), SRA sanctioned the amalgamation / sub division of the said Land in the manner and on the terms and conditions as stated therein. Under the Sub-Division Order the said Land was sub divided in the following manner and it was ordered that separate property register cards be opened with respect to each of the sub divided portions of the said Land:-
 - (a) Land admeasuring 4722.82 square meters for land reserved as road under the Development Plan i.e. the DP Road Land;
 - (b) Land admeasuring 7358.66 square meters for land which is to be utilized as free sale land i.e. the Free Sale Land;
 - (c) Land admeasuring 5512.38 square meters for land which is to be utilized as rehab land i.e. the Rehab Land;

Pursuant to the Sub-Division Order, separate property register cards were opened with respect to each division of DP Road Land, the Free Sale Land and the Rehab Land.

19

5. 2 (two) rehab buildings ("Rehab Buildings") have been constructed on the Rehab Land in which all the 841 (eight hundred and forty one) Eligible Slum Dwellers are to be rehabilitated in the following manner:

(a) Rehab Building No. 1

- (i) Rehab Building No.1 consists of Ground and 12 upper floors with four Wings "A", "B", "C" and "D" of 406 tenements, of which 378 are residential tenements, 16 are residential-cum-commercial tenements, 4 are Bahadris, 4 are Welfare Centres and 4 are Society's office.
- (ii) The SRA vide its letter dated 22nd February, 2012 bearing Reference No. SRA/ENG/1763/HE/STGL/AP granted full occupation certificate with respect to Rehab Building No. 1, Wing A, B, C and D in the manner as stated therein.
- (iii) It is declared by Ace Housing, Rajat Patel, Dhruv Enterprises and Shree Gajraj that 394 (three hundred and ninety four) Eligible Slum Dwellers have been duly rehabilitated in the Rehab Building No. 1.

(b) Rehab Building No. 2

- (i) Rehab Building No. 2 is a composite building of Ground and 14 upper floors comprising of rehab tenements and sale tenements, of which 409 are residential tenements, 5 are residential-cum-commercial tenements, 5 Bahadris, 5 Welfare Centre, 5 Society Office aggregating to 429 tenements; 37 tenements are sale tenements admeasuring 1886.278 square meters built-up area.
- (ii) By and under its letter dated 1st August, 2011 bearing Reference No. SRA/ENG/1764/HE/STGL/AP issued by the SRA, the SRA granted occupation permission with respect to the Rehab Building No. 2 in the manner as stated therein.
- (iii) It is declared by Ace Housing, Rajat Patel and Shree Gajraj that 414 (four hundred and fourteen) Eligible Slum Dwellers have been duly rehabilitated in the rehab tenements comprised in the Rehab Building No. 2.
- (iv) It is declared by Ace Housing, Rajat Patel and Shree Gajraj that the

19

Ineligible Slum Dwellers who were subsequently held eligible under the Supplementary Annexure II have been rehabilitated in the sale tenements comprised in the Rehab Building No. 2.

- (c) By and under a Letter dated 18th November, 2009 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/2335, SRA recorded that allotment of 96 residential rehab tenements in the 'C' Wing of Rehab Building No. 1 was made to 129 Eligible Slum Dwellers, in the manner as stated therein.
 - (d) By and under a Letter dated 18th November, 2009 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/2336, SRA recorded that allotment of 96 residential rehab tenements in the 'B' Wing of Rehab Building No. 1 was made to 96 Eligible Slum Dwellers, in the manner as stated therein.
 - (e) By and under a Letter dated 18th November, 2009 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/2337, SRA recorded that allotment of 94 residential rehab tenements in the 'A' Wing of Rehab Building No. 1 was made to 94 Eligible Slum Dwellers, in the manner as stated therein.
 - (f) By and under a Letter dated 4th January, 2010 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/1908, SRA recorded that allotment of 100 residential rehab tenements (comprised in 92 in 'D' Wing, 3 in 'A' Wing, 2 in 'B' Wing, and 3 in 'C' Wing) of Rehab Building No. 1 was made to 92 Eligible Slum Dwellers, in the manner as stated therein.
 - (g) By and under a Letter dated 12th July, 2011 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/2163, SRA has recorded that allotment of 427 rehab tenements (comprising of 412 residential rehab tenements and 15 residential cum commercial rehab tenements) in the Rehabilitation Buildings was made to 427 Eligible Slum Dwellers, in the manner and on the terms and conditions as stated therein.
 - (h) By and under a Letter dated 4th December, 2012 bearing Ref. No. SGHN/81/12, Shree Gajraj forwarded a list of 31 slum dwellers who were declared eligible in appeal to the Assistant Registrar of Society SRA. It was further recorded that a lottery was held and the eligible slum dwellers were allotted the rooms and were accepted by them peacefully.
6. By and under its Letter dated 11th January, 2012 bearing reference No. SRA/ENG/1903/HE/STGL/AP issued by the SRA, the SRA approved amended

building plans with respect to the Sale Building (for commercial use), in the manner and on the terms and conditions as set out therein.

7. By and under its Letter dated 12th February, 2009 bearing Consent No. BO/RO (P&P)/CC-41 the Maharashtra Pollution Control Board ("MPCB") granted its Consent to Establish to Shree Gajraj under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1976 with respect to the development of the said Land subject to the terms and conditions as set out therein.
8. By and under its Letter dated 27th November, 2009 bearing No. SEAC-2008/CR-32/TC-3, Government of Maharashtra, Environment Department has accorded the necessary environment clearances for the project under category 8A of the Environment Notification 2006 issued by the Ministry of Environment and Forest in the manner and on the terms and conditions as stated therein.
9. By and under its letter dated 7th September, 2011 bearing reference No. BF-1/N.O.C.C./CS/MU/10/355 issued by the Airports Authority of India ("AAI") to Shree Gajraj, the Airports Authority of India granted height clearance with respect to the development of the said Land in the manner as stated therein.
10. By and under its letter dated 4th March, 2011 bearing reference No. FB/HR/WS/1090 issued by the office of the Chief Fire Officer, Municipal Corporation of Greater Mumbai, no objection was granted for the construction of a high rise commercial (office) building as per amended plans submitted by the architect having 1st level basement for car parking, 2nd level basement for car parking, lower ground floor for car parking, upper ground floor for car parking and from 1st to 20th upper floor for commercial (office) purpose, subject to the terms and conditions as set out therein.

G. Agreements

1. By and under Articles of Agreement dated 3rd April, 2006 executed by and between Shree Gajraj (therein referred to as the Developer) of the One Part and Ace Housing (therein referred to as the Co-Developer) and registered with the office of the Sub-Registrar of Assurances at Sr. No. BDR-15/2673/2006, Shree Gajraj and Ace Housing agreed to jointly develop the said Property in the manner and on the terms and conditions as more particularly set out therein.
2. By and under an Agreement dated 29th September 2006 executed by and between

Ace Housing of the First Part, Shree Gajraj of the Second Part and Rajat Patel of the Third Part, Rajat Patel agreed to jointly develop the said Land with Ace Housing and Shree Gajraj in the manner and on the terms and conditions as stated therein. The Company, Ace Housing, Rajat Patel, Dhruv Enterprises, Shree Gajraj have declared that the original of this Agreement dated 29th September 2006 is lost and / or misplaced.

3. By and under a Development Agreement dated 20th April, 2007 ("Development Agreement dated 20th April, 2007") executed by and between Ace Housing (therein referred to as the First Co-developers) and Rajat Patel (therein referred to as the Second Co-developers) of the One Part and Shree Gajraj (therein referred to as the First Developers/the Confirming Party) of the Second Part and M/s. Orville Construction ("Orville Construction") (therein referred to as the Developers) of the Third Part and registered with the office of the Sub Registrar of Assurances at Bandra-15 at Sr. No. 5452 of 2007, the Parties thereto agreed to jointly develop the said Land in the manner and on the terms and conditions as more particularly set out therein.
4. By and under a Service Agreement dated 20th April, 2007 executed by and between Ace Housing of the First Part, Rajat Patel of the Second Part, Shree Gajraj of the Third Part and Dhruv Enterprises of the Fourth Part, it was agreed that in consideration of the services rendered by Dhruv Enterprises it shall be entitled to a share in the constructed area in the free sale component to the extent as therein provided. The Company, Ace Housing, Rajat Patel, Dhruv Enterprises, Shree Gajraj have declared that the original of this Service Agreement is lost and / or misplaced.
5. By and under a Memorandum of Understanding dated 17th August, 2009 executed by and between Ace Housing and Patel Engineering Limited ("PEL"), Ace Housing had appointed Patel Engineering Limited to undertake the construction of the rehabilitation buildings, in the manner and on the terms and conditions as more particularly set out therein.
6. By and under Deed of Cancellation dated 20th June, 2011 executed by and between Shree Gajraj, Ace Housing, Rajat Patel of the One Part and Orville Construction of the Other Part and registered with the office of the Sub-Registrar of Assurances at Sr. No. BDR-15/8643/2011, Shree Gajraj, Ace Housing, Rajat Patel and Orville Construction recorded, declared and confirmed that the Development

Agreement dated 20th April, 2007, in so far as it relates to the rights granted to the Orville Construction under the Development Agreement dated 20th April, 2007 and the obligations entrusted thereunder upon Orville Construction was by mutual consent cancelled, determined, terminated and revoked in the manner and on the terms and conditions as setout therein. Under the Deed of Cancellation it is inter-alia further recorded that Dhruv Enterprises shall continue to be entitled to the benefits conferred on it under the Development Agreement dated 20th April, 2007 to the intent that the Deed of Cancellation record only the cancellation of the rights conferred on and discharge of the obligations of the Orville Construction.

7. By and under an Agreement dated 18th October, 2011 executed by and between Ace Housing, Rajat Patel, Dhruv Enterprises, Shree Gajraj and the Company (therein referred to as the Developer) and registered with the office of the Sub-Registrar of Assurance at Sr. No. BDR-1/13245 of 2011 ("Joint Development Agreement"), Ace Housing, Rajat Patel, Dhruv Enterprises, Shree Gajraj and the Company agreed to jointly develop the said Property in the manner and on the terms and conditions as more particularly setout therein.
8. By and under a Power of Attorney dated 25th November, 2011 executed by Shree Gajraj, Ace Housing, Rajat Patel and M/s. Dhruv Enterprises in favour of the Company and registered with the office of the Sub-Registrar of Assurance at Sr. No. 13245 of 2011, Shree Gajraj, Ace Housing, Rajat Patel and M/s. Dhruv Enterprises granted powers and authorities in favour of the Company in relation to the development of the said Land as more particularly setout therein.
9. By and under its Letter dated 28th November, 2011, Shree Gajraj informed the SRA about the execution of the said Joint Development Agreement.
10. By and under an Engineering, Procurement and Construction Contract dated 22nd November, 2011 ("EPC Contract") executed by and between the Company (therein referred to as "the Employer") of the One Part and PEL (therein referred to as "the Contractor") of the Other Part, the Company appointed PEL to do civil engineering works for construction of the rehab component and the sale component, in the manner and on the terms and conditions as more particularly setout therein.
11. By and under a Deed of Cancellation and Settlement dated 25th September, 2014 executed by and between the Company, the PEL and Ace Housing, the said EPC Contract and the said MOU was mutually cancelled, revoked and rescinded, in the

19

manner and on the terms and conditions as more particularly setout therein.

12. By and under the said Development Agreement i.e. the Development Agreement executed by and between Ace Housing, Rajat, Dhruv Enterprises, Shree Gajraj, the Company, Kanakia and Vrusti, the Developer has acquired the development rights with respect to the Free Sale Land in the manner and on the terms and conditions as agreed and recorded herein. The same needs to be registered.
13. By and under a Power of Attorney dated 25th September, 2014 ("the said Power of Attorney") executed by Ace Housing, Rajat, Dhruv Enterprises and Shree Gajraj in favour of Kanakia, Kanakia is empowered to undertake acts, deeds, matters and things as stated therein. The same needs to be registered.

H. Mortgage

1. The Company had borrowed a sum of Rs.300,00,00,000/- (Rupees Three Hundred Crores Only) by issuance of secured non-convertible debentures ("the Company Debentures"). The same were secured by inter-alia creation of mortgage of the development rights obtained by the Company under the said Development Agreement dated 16th October, 2011 in favour of IDBI Trusteeship Services Limited (being the security trustee). The same is duly recorded in debenture trust deed dated 29th November, 2011 executed by and between the Company, Shree Gajraj, Ace Housing, Rajat Patel, Dhruv Enterprises and IDBI Trusteeship Services Limited (therein referred to as the Trustee) and registered with the office of the Sub Registrar of Assurances under Serial No. BDR-4/10589 of 2011 (as modified by the First Amendment Deed dated 15th April, 2013 executed by and between the Parties to the debenture trust deed and registered with the office of the Sub-Registrar of Assurances at Sr. No. BDR-4/2821 of 2013) (hereinafter collectively referred to as "the Company Debenture Trust Deed"). The Company Debenture Trust Deed records that Shree Gajraj has joined the execution of the Company Debenture Trust Deed only for purpose of effectuating the mortgage of the share of Ace Housing and Rajat and the Company's development rights and that Shree Gajraj has not by executing the Deed incurred any financial liability nor is the share of Shree Gajraj in any manner liable for payment of any monies owed by it.
2. By and under a Deed of Re-conveyance dated 25th September, 2014 executed by and between the Company, Shree Gajraj, Ace Housing, Rajat Patel, Dhruv Enterprises and IDBI Trusteeship Services Limited (therein referred to as the Trustee), IDBI Trusteeship Services Limited inter-alia re-conveyed, re-transferred,

g

reassigned, reassured and released mortgage of the development rights obtained by the Company under the said Development Agreement dated 18th October, 2011, in the manner and on the terms and conditions as set out therein. The same needs to be registered.

3. Kanakia had borrowed a sum of Rs. 165,00,00,000/- (Rupees One Hundred and Sixty Five Crores only) by issuance of Senior Secured Unlisted Redeemable Non-Convertible Debentures ("the Kanakia Debentures"). The same were secured by inter-alia creation of mortgage of the development rights obtained by the Kanakia under the said Development Agreement in favour of GDA Trusteeship Limited (being the security trustee). The same is duly recorded in debenture trust deed dated 25th September, 2014 executed by and between the Kanakia and GDA Trusteeship Limited (herein referred to as the Trustee) (hereinafter collectively referred to as "Kanakia Debenture Trust Deed") The same needs to be registered.
4. Vrusti had borrowed a sum of Rs. 110,00,00,000/- (Rupees One Hundred and Ten Crores only) by issuance of Senior Secured Unlisted Redeemable Non-Convertible Debentures ("the Vrusti Debentures"). The same were secured by inter-alia creation of mortgage of the development rights obtained by the Kanakia under the said Development Agreement in favour of GDA Trusteeship Limited (being the security trustee). The same is duly recorded in debenture trust deed dated 25th September, 2014 executed by and between the Vrusti, Kanakia and GDA Trusteeship Limited (herein referred to as the Trustee) (hereinafter collectively referred to as "Vrusti Debenture Trust Deed") The same needs to be registered.

I. Revenue Records:

Property Register Cards

We have examined the copies of the Property Register Cards with respect to the Free Sale Land, the Rehab Land and the DP Road Land and the same reflects as follows:

- (a) Land bearing CTS No. 629/1284/A admeasuring 4722.82 square meters for land reserved as road under the Development Plan i.e. the DP Road Land reflects that the Government of Maharashtra is the owner of this land;
- (b) Land bearing CTS No. 629/1284/B admeasuring 7356.66 square meters for land which is to be utilized as free sale land i.e. the Free Sale Land reflects

that the Government of Maharashtra is the owner of this land;

- (c) Land bearing CTS No. 629/1284/C admeasuring 5512.38 square meters for land which is to be utilized as rehab land i.e. the Rehab Land reflects that the Government of Maharashtra is the owner of this land;

J. Public Notice

1. In response to the said Public Notices, we have received the following replies:

- (a) Letter dated 17th June, 2014 from the IDBI Trusteeship Services Limited bearing reference number 850/ITSL/OPR/2014-15 inter-alia stating that the said Land had been mortgaged in their favour and to that effect security had been created in their favour as IDBI Trusteeship Services Limited on behalf of the holders of the said Debentures. Vide our letter dated 20th June, 2014 issued to IDBI Trusteeship Services Limited we requested IDBI Trusteeship Services Limited to furnish us copies of all the deeds, documents and writings in relation to the issuance of the said Debentures. In response to the same we have received the letter dated 3rd July, 2014 thereby forwarding us copies of the Debenture Trust Deed and the aforesaid First Amendment Deed. Prior to the execution of the said Development Agreement, the mortgage of the IDBI Trusteeship Services Limited is duly redeemed.
- (b) Letter dated 25th June, 2014 from Advocate K.P. Tiwari & Co., on behalf of his client, Maharashtra Nagar Residents SRA Co-operative Housing Society Limited inter alia protesting the proposed joint development agreement. Ace Housing, Rajal, Dhruv and Shree Gajraj have vide their letter dated 23rd September, 2014 informed us that that the Maharashtra Nagar Residents SRA Co-op. Hsg. Society Ltd. is a Society with respect to slum dwellers not forming part of the said Land and hence they having any objections in relation to the captioned matter does not arise as alleged or at all. We have accordingly responded to the aforesaid letter dated 25th June, 2014 vide our letter dated 24th September, 2014.
- (c) Letter dated 12th June, 2014 from the Dr. Babasaheb Ambedkar Nagar Rahivashi Building 2/D S. R. A. Sahakari Grihanirman Sanstha Maryadi bearing reference number 04/2014 inter-alia alleging various defects in the construction of the Rehab Buildings and alleging that the certain work in the Rehab Buildings is yet incomplete and inter-alia calling upon for the

completion of the pending work in the Rehab Buildings that the same should be completed before work commences on the Free Sale Land. In this regard, Ace Housing, Rajat, Dhruv and Shree Gajraj have vide their letter dated 23rd September, 2014 informed us that (i) they have duly completed the Rehabilitation Buildings on the Rehab Land in accordance with applicable law and the same are without any defects as alleged or at all, (ii) the SRA has duly granted the occupation certificate with respect to the Rehab Buildings and (iii) there are no defects in the Rehab Buildings constructed on the Rehab Land as alleged in the aforesaid letter 12th June, 2014 and there is no work pending with respect to the same. We have accordingly responded to the aforesaid letter dated 25th June, 2014 vide our letter dated 24th September, 2014.

K. Third Party Allotment

The Company, Ace Housing, Rajat, Dhruv Enterprises, Shree Gajraj, Kanakia and Vrushi has declared and stated that save and except the allotment of aggregating to 6,000 square feet (saleable built-up area) out of the free sale component neither party has created any other third party rights in the free sale component and / or the free sale land and / or any part thereof.

L. Searches at Registrar of Companies

We have caused searches to be conducted at the office of the Registrar of Companies with respect to (i) Terra Land Developers Limited i.e. the Company, (ii) Ace Housing and Constructions Private Limited i.e. Ace Housing, (iii) Shreegajraj Housing Nirman Private Limited i.e. Shree Gajraj, (iv) Kanakia Spaces Private Limited i.e. Kanakia and (v) Vrusti Builders Private Limited i.e. Vrusti and as per the same, save and except the mortgage as set out in the paragraphs H(3) and H(4) above there are no charges on the said Land and or the buildings proposed to be constructed thereon.

M. Site Status

1. With respect to the current site status of the said Land, the Company, Ace Housing, Rajat, Dhruv Enterprises and Shree Gajraj has declared and stated as follows:

- (a) The Rehab Buildings have been duly constructed and completed on the Rehab Land. Further, all the Eligible Slum Dwellers being 841 (eight hundred

8

and forty one) have been duly rehabilitated in the Rehab Buildings. Save and except the Rehab Buildings there are no other structures on the Rehab Land.

- (b) The Free Sale Land is completely vacant.
- (c) The DP Road Land is presently occupied by approximately 50 Ineligible Slum Dwellers.

N. Conclusion

Subject to (i) the registration of the said Development Agreement and the said Power of Attorney, (ii) the mortgage created in favour of GDA Trusteeship Limited by Kanakia and Vrusti as set out in paragraph H(3) and H(4) respectively, (iii) the terms and conditions of the said Development Agreement and the said LOI and (iv) obtainment of all the statutory permissions and approvals for the development of the Free Sale Land, we are of the opinion that the title of Kanakia to develop the Free Sale Land is clear and marketable.

FIRST SCHEDULE

(Description of the said Land)

All that piece and parcel of land admeasuring 17,593square meters or thereabouts which as per Property Register Card bears CTS Nos. 629/1284/A (admeasuring 4,722.80 square meters towards road reservation), 629/1284/B (admeasuring 7,358.60 square meters towards free sale land) and 629/1284/C (admeasuring 5,512.30 square meters towards rehab land) (earlier forming part of larger land bearing CTS No. 629) at in the revenue Village Bandra (East), Taluka Andheri in the Registration Sub-District of Andheri, District Mumbai Suburban situate, lying and being at Ambedkar Nagar, Maharashtra Nagar, Government Colony, Kherwadi, Bandra (East), Mumbai - 400 052 and bounded as follows:-

On or towards the East:	By Government Colony on land bearing CTS No.629 (Part)
On or towards the South:	By 13.25 meters wide Existing Road;
On or towards the West:	By land bearing CTS No. 629 (Part); and
On or towards the North:	By 25 meters Existing Road;

8

SECOND SCHEDULE

(Description of the said Free Sale Land)

All that piece and parcel of land admeasuring bearing CTS No. 629/1284/B admeasuring 7,358.60 square meters (as per Property Register Card) towards free sale land earlier forming part of larger land bearing CTS No. 629 at in the revenue Village Bandra (East), Taluka Andheri in the Registration Sub-District of Andheri, District Mumbai Suburban situate, lying and being at Ambedkar Nagar, Maharashtra Nagar, Government Colony, Bandra, Kherwadi, Bandra (East), Mumbai - 400 052 and bounded as follows:-

On or towards the East: Land bearing CTS No. 629 (part)
 On or towards the South: Land bearing CTS No. 629/1284/C
 On or towards the West: Land bearing CTS No. 629/1284/A
 On or towards the North: Land bearing CTS No. 629 (part)

THIRD SCHEDULE

(Description of the said Rehab Land)

All that piece and parcel of land admeasuring bearing CTS No. 629/1284/C admeasuring 5,512.30 square meters (as per Property Register Card) towards free sale land earlier forming part of larger land bearing CTS No. 629 at in the revenue Village Bandra (East), Taluka Andheri, in the Registration Sub-District of Andheri, District Mumbai Suburban, situate, lying and being at Ambedkar Nagar, Maharashtra Nagar, Government Colony, Bandra, Kherwadi, Bandra (East), Mumbai - 400 052 and bounded as follows:-

On or towards the East: Land bearing CTS No. 629 (part)
 On or towards the South: 13.40 meters Wide Road to Government Colony
 On or towards the West: Land bearing CTS No. 629/1284/A
 On or towards the North: Land bearing CTS No. 629/1284/B

DATED THIS 25th DAY OF SEPTEMBER, 2014

For Wadia Ghandy & Co.



Partner

Annexure "A"

(List of Original Title Deeds Inspected by us)

1. Articles of Agreement dated 3rd April, 2006 executed by and between Shreegajraj Housing Nirman Private and Ace Housing and Construction Limited and registered with the office of the Sub-Registrar of Assurances at Sr. No. BDR-15/2673/2006.
2. Letter of Intent dated 29th May, 2006 bearing No. SRA/ENG/1001/HE/STGL/LOI issued by the SRA.
3. Letter of Intent dated 25th August, 2006 bearing No. SRA/ENG/1001/HE/STGL/LOI issued by the SRA.
4. Development Agreement dated 20th April, 2007 executed by and between Ace Housing and Construction Limited and Rajat Patel of the one part and Shreegajraj Housing Nirman Private Limited of the second part and M/s. Orville Construction of the third part and registered with the office of the Sub Registrar of Assurances at Bandra-15 at Sr. No. 6452 of 2007.
5. Letter of Intent dated 5th January, 2009 bearing no. SRA/ENG/1001/HE/STGL/LOI issued by the SRA.
6. Deed of Cancellation dated 20th June, 2011 executed by and between Shreegajraj Housing Nirman Private Limited, Ace Housing and Construction Limited, Rajat Patel of the one part and M/s. Orville Construction of the other part and registered with the office of the Sub-Registrar of Assurances at Sr. No. BDR-15/8643/2011.
7. Agreement dated 18th October, 2011 executed by and between Ace Housing and Construction Limited, Rajat Patel, M/s. Dhruv Enterprises, Shreegajraj Housing Nirman Private Limited and Terra Land Developer Limited and registered with the office of the Sub-Registrar of Assurance at Sr. No. BDR-1/13245 of 2011.
8. Power of Attorney dated 25th November, 2011 executed by Shreegajraj Housing Nirman Private Limited, Ace Housing and Construction Limited, Rajat Patel and M/s. Dhruv Enterprises in favour of Terra Land Developers Limited and registered with the office of the Sub-Registrar of Assurance at Sr. No. 13246 of 2011.
9. Debenture Trust Deed dated 29th November, 2011 executed by and between the

14

Developer (therein referred to as the Company), Shree Gajraj (therein referred to as the Gajraj), Ace Housing (therein referred to as Ace), Rajat Patel (therein referred to as Rajat), Dhruv Enterprises (therein referred to as M/s. Dhruv Enterprises) IDBI Trusteeship Services Limited (therein and hereinafter referred to as "the Trustee") and registered with the office of the Sub Registrar of Assurances under Serial No. BDR-4/10589 of 2011, the Developer (and Ace Housing, Dhruv Enterprises and Rajat Patel).

10. First Amendment Deed dated 15th April, 2013 ("First Amendment Deed") executed between (1) the Developer, (2) Shree Gajraj, (3) Ace Housing, (4) Rajat Patel, (5) Dhruv Enterprises and IDBI Trusteeship Services Limited.
11. Letter of Intent dated 27th August, 2014 issued by the SRA.

Annexure "B"

(List of copies of the deeds, documents and writings inspected by us)

1. Property register cards with respect of the Free Sale Land, the Rehab Land and the DP Road Land
2. We have been provided with copies of the following Letters issued by the Mithi River Development and Protection Authority ("MRDPA") in relation to the said Land:
3. Letter dated 6th March, 2006 bearing reference number MRDPA/SRS/BKC/121/06 issued by the Mithi River Development and Protection Authority.
4. Letter dated 15th December, 2006, bearing reference number MRDPA/SRS/BKC/VN/733/2006 issued by Mithi River Development and Protection Authority.
5. Annexure II dated 3rd February, 2006 with respect to the said Land has been issued by the Additional Collector ("Annexure II").
6. By and under a resolution passed by the First Slum Society (then proposed) at their extra ordinary general body meeting held on 15th February, 2004.
7. Agreement for Development dated 26th February, 2004 executed by and between the then proposed, the First Slum Society (then proposed) and Shree Gajraj.
8. Power of attorney dated 26th February, 2004 executed by the First Slum Society (then proposed) in favour of Shree Gajraj.
9. Registration Certificate dated 23rd October, 2007 issued by the Assistant Registrar, Co-operative Societies, SRA in relation to the First Slum Society.
10. Resolution passed by the Second Slum Society (then proposed) at their extra ordinary general body meeting held on 29th February, 2004.
11. Agreement for Development (executed on stamp paper dated 7th January, 2004) executed by and between the Second Slum Society (then proposed) and Shree Gajraj.
12. Power of attorney (executed on stamp paper dated 7th January, 2004) executed by the Second Slum Society in favour of Shree Gajraj.

13. Registration Certificate dated 11th March, 2008 issued by the Assistant Registrar, Co-operative Societies, SRA in relation to the Second Slum Society.
14. Resolution passed by the Third Slum Society (then proposed) at their extra ordinary general body meeting held on 24th March, 2004.
15. Agreement for Development dated 21st March, 2004 executed by and between the Third Slum Society (then proposed) and Shree Gajraj.
16. Power of attorney dated 21st March, 2004 executed by the Third Slum Society in favour of Shree Gajraj.
17. Registration Certificate dated 27th October, 2009 issued by the Assistant Registrar, Co-operative Societies, SRA in relation to the Third Slum Society.
18. Resolution passed by the Fourth Slum Society (then proposed) at their extra ordinary general body meeting held on 27th March, 2004.
19. Agreement for Development dated 5th May, 2004 executed by and between the Fourth Slum Society (then proposed) and Shree Gajraj.
20. Power of attorney dated 5th May, 2004 executed by the Fourth Slum Society in favour of Shree Gajraj.
21. Registration Certificate dated 23rd October, 2007 issued by the Assistant Registrar, Co-operative Societies, SRA in relation to the Fourth Slum Society.
22. Resolution passed by the Fifth Slum Society (then proposed) at their extra ordinary general body meeting held on 29th March, 2004.
23. Agreement for Development dated 13th April, 2004 executed by and between the Fifth Slum Society (then proposed) and Shree Gajraj.
24. Power of attorney dated 13th April, 2004 executed by the Fifth Slum Society in favour of Shree Gajraj.
25. Registration Certificate dated 23rd October, 2007 issued by the Assistant Registrar, Co-operative Societies, SRA in relation to the Fifth Slum Society.
26. Following supplementary Annexure II (collectively "Supplementary Annexure II") with respect to the Slum Dwellers:



- (a) By and under an Order dated 31st January 2007 passed by the Slum Rehabilitation Authority ("SRA"), the SRA held that 1 (one) slum dweller (whose details are set out in this Order) who was earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land.
- (b) By and under an Order dated 11th October, 2011 passed by the SRA, the SRA held that 1 (one) slum dweller (whose details are set out in this Order) who was earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 11th October, 2011.
- (c) By an under an Order dated 10th January, 2012 passed by the SRA, the SRA held that 16 (sixteen) slum dwellers (whose details are set out in this Order) who were earlier held as ineligible under the Annexure II, are now eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 10th January, 2012.
- (d) By an under an Order dated 25th January, 2012 passed by the SRA, the SRA held that 1 (one) slum dwellers (whose details are set out in this Order) who was earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 25th January, 2012.
- (e) By and under an Order dated 25th January, 2012 passed by the SRA, the SRA held that 4 (four) slum dweller (whose details are set out in this Order) who were earlier held as ineligible under the Annexure II, are eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 25th January, 2012.
- (f) By an under an Order dated 25th January, 2012 passed by the SRA, the SRA held that 9 (nine) slum dwellers (whose details are set out in this Order) who were earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum

dweller is enclosed with this Order dated 25th January, 2012.

- (g) By and under an Order dated 26th December 2013 passed by the SRA, the SRA held that 1 (one) slum dweller (whose details are set out in this Order) who was earlier held as ineligible under the Annexure II, is eligible for rehabilitation in the rehab building to be constructed on the rehab land. Supplementary Annexure II evidencing the details of this eligible slum dweller is enclosed with this Order dated 26th December, 2013.
27. By and under a Letter of Intent dated 27th August, 2014 bearing No. SRA/ENG/1001/HE/STGL/LOI issued by the SRA.
28. Letter of Intent dated 29th May, 2006 bearing No. SRA/ENG/1001/HE/STGL/LOI issued by the SRA.
29. Letter of Intent dated 25th August, 2006 bearing No. SRA/ENG/1001/HE/STGL/LOI issued by the SRA.
30. Letter of Intent dated 5th January, 2009 bearing No. SRA/ENG/1001/HE/STGL/LOI issued by the SRA.
31. Letter dated 2nd November, 2006 issued by the SRA whereby the SRA approved the plans submitted for layout / sub division of the said Land.
32. Order dated 3rd May, 2010 bearing No. SRA/CS/Office-1/T-1/K.V.-105/S.V.-08/2010/116 passed by the SRA.
33. Letter dated 22nd February, 2012 bearing Reference No. SRA/ENG/1763/HE/STGL/AP issued by the SRA.
34. Letter dated 1st August, 2011 bearing Reference No. SRA/ENG/1764/HE/STGL/AP issued by the SRA, the SRA granted occupation permission with respect to the Rehab Building No. 2 in the manner as stated therein.
35. Letter dated 18th November, 2009 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/2335 issued by the SRA.
36. Letter dated 18th November, 2009 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/2336 issued by the SRA.

19

37. Letter dated 18th November, 2009 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/2337 issued by the SRA.
38. Letter dated 4th January, 2010 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/1908 issued by the SRA.
39. Letter dated 12th July, 2011 bearing Ref. No. OW No. SRA/JAR/Desk1/T.C.6/2009/2163 issued by the SRA.
40. Letter dated 4th December, 2012 bearing Ref. No. SGHN/81/12 from Shree Gajraj to the SRA.
41. Letter dated 11th January, 2012 bearing reference No. SRA/ENG/1903/HE/STGL/AP issued by the SRA.
42. Letter dated 12th February, 2009 bearing Consent No. BO/RO (P&P)/CC-41 issued by the Maharashtra Pollution Control Board ("MPCB").
43. Letter dated 27th November, 2009 bearing No. SEAC-2008/CR-32/TC-3 issued by the Government of Maharashtra, Environment Department.
44. Letter dated 7th September, 2011 bearing reference No. BT-1/N.O.C.C./CS/MU/10/355 issued by the AAI to Shree Gajraj.
45. Letter dated 4th March, 2011 bearing reference No. FB/HRWS/1080 issued by the office of the Chief Fire Officer, Municipal Corporation of Greater Mumbai
46. Articles of Agreement dated 3rd April, 2006 executed by and between Shree Gajraj (therein referred to as the Developer) of the One Part and Ace Housing Construction Ltd. ("Ace Housing") (therein referred to as the Co-Developer) and registered with the office of the Sub-Registrar of Assurances at Sr. No. BDR-15/2673/2008
47. Agreement dated 29th September 2006 executed by and between Ace Housing of the First Part, Shree Gajraj of the Second Part and Mr. Rajat Ramesh Patel ("Rajat Patel") of the Third Part, Rajat Patel agreed to jointly develop the said Land with Ace Housing and Shree Gajraj in the manner and on the terms and conditions as stated therein.
48. The said Development Agreement dated 20th April, 2007.

49. Service Agreement dated 20th April, 2007 executed by and between Ace Housing of the First Part, Rajat Patel of the Second Part, Shree Gajraj of the Third Part and M/s Dhruv Enterprises of the Fourth Part.
50. Memorandum of Understanding dated 17th August, 2009 executed by and between Ace Housing and Patel Engineering Limited ('PEL').
51. Deed of Cancellation dated 20th June, 2011 executed by and between Shree Gajraj, Ace Housing, Rajat Patel of the One Part and Orville Construction of the Other Part and registered with the office of the Sub-Registrar of Assurances at Sr. No. BDR-15/8643/2011.
52. The Joint Development Agreement.
53. Power of Attorney dated 25th November, 2011 executed by Shree Gajraj, Ace Housing, Rajat Patel and M/s. Dhruv Enterprises in favour of the Company and registered with the office of the Sub-Registrar of Assurance at Sr. No. 13246 of 2011.
54. Letter dated 28th November, 2011 whereby Shree Gajraj informed the SRA about the execution of the said Joint Development Agreement.
55. The said EPC Contract.
56. Deed of Cancellation and Settlement dated 25th September, 2014 executed by and between the Company and the Contractor.
57. The said Development Agreement.
58. The said Power of Attorney.
59. The Company Debenture Trust Deed.
60. Deed of Re-conveyance dated 25th September, 2014 executed by and between the Company, Shree Gajraj, Ace Housing, Rajat Patel, Dhruv Enterprises and IDBI Trusteeship Services Limited (therein referred to as the Trustee).
61. The said Kanakia Debenture Trust Deed.
62. The said Vrusli Debenture Trust Deed.
63. Order dated 29th August, 2008 passed by Administrator and Divisional



Commissioner in Appeal/Desk/Slum-502/07 filed by Devendra Y. Kamble and 5
ors.

64. Order dated 11th September, 2009 passed by the Administrator and Divisional
Commissioner in Appeal/Desk/Slum-660/07 filed by Shaikh Jumman and 3 Ors
65. By and under a common Order dated 9th February 2009 passed in the Writ
Petitions No. 2225 of 2008 and 2239 of 2008 in the Hon'ble Bombay High Court.

18

735136

HIGH COURT, BOMBAY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 374 OF 2016

CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 204 OF 2016
KANAKIA KING STYLE CONSTRUCTION PRIVATE LIMITED
... Petitioner/Transferor Company
WITH

COMPANY SCHEME PETITION NO. 375 OF 2016
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 205 OF 2016
KANAKIA SUPREMO CONSTRUCTION PRIVATE LIMITED
... Petitioner/ Transferor Company
WITH

COMPANY SCHEME PETITION NO. 376 OF 2016
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 206 OF 2016
KANAKIA SPACES PRIVATE LIMITED
... Petitioner/ Debtor/Company
WITH

COMPANY SCHEME PETITION NO. 377 OF 2016
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 207 OF 2016
KANAKIA SPACES REALTY PRIVATE LIMITED
... Petitioner/ Remaining/Transferee Company

In the matter of the Companies Act, 1956
(1 of 1956);

Page 1 of 1

Disclaimer Clause : Authenticated copy is not a Certified Copy

735136

HIGH COURT, BOMBAY

AND
In the matter of Sections 391 to 394 of the
Companies Act, 1956;

AND
In the matter of Scheme of Arrangement
between Kanakia King Style Construction
Private Limited (the First Transferor
Company)

AND
Kanakia Supreme Construction Private
Limited (the Second Transferor Company)

AND
Kanakia Spaces Private Limited (the
Debtor/Company)

AND
Kanakia Spaces Realty Private Limited
(the Remaining Company or the Transferee
Company)

AND
Their respective Shareholders

Called for Notices

Mr. Mahesh Suresh D. Hecawat Brij & Co. Advocate for the
Petitioners to all the said Petitions.
Mr. Prabhakar Dhanraj (b. Parik) Kataria for Regional Director in all
the four Petitions.
Mr. Vinod Sridhar, Official Liquidator, present in CGP No 374 of
2016 and CGP No 375 of 2016

COBAM: SC Cases, J

Date: 29th NOVEMBER, 2016

PC:

1. Heard the learned counsel for the Petitioner Companies. None
appears before the Court to oppose the Petitions and no
contentious questions arise in the Petitions.
2. The sanction of the Court is sought to the Scheme of
Arrangement between Kanakia King Style Construction Private
Limited and Kanakia Supreme Construction Private Limited
part of

Disclaimer Clause : Authenticated copy is not a Certified Copy

and Kanaka Space Private Limited and Kanaka Space Realty Private Limited and their respective Shareholders.

3. Learned Counsel for the Petitioners state that the Transferor Company, Receiving Company and Transferee Company are engaged in the business of construction and development of real estate properties.
4. The proposed Scheme of Arrangement will lead to consolidation of companies within the group, reduction of intra-group transactions and compliance requirements under various laws, reduction of operating and compliance costs and achievement of administrative, operative and managerial efficiencies.
5. The Transferor Company, the Transferee Company, the Demerged Company and the Receiving Company have approved the said Scheme of Arrangement by passing the Board Resolutions which are annexed to the respective Company Scheme Petitions.
6. The Counsel for the Petitioner Companies further state that the Petitioner Companies have complied with all the directions issued in Company Summons by Direction and that the Company Scheme Petition have been filed in consonance with the orders passed in respective Company Summons for Direction.
7. The Counsel for the Petitioner Companies further state that the Petitioner Companies have complied with all requirements as per the directions of this Court and they have filed necessary Affidavits of compliance in the Court. Moreover, the Petitioner Companies through their Counsel undertake to comply with all statutory requirements, if any, as required

Page 2 of 1

Digitized by www.indiancourts.com

Digitized by www.indiancourts.com

Disclaimer Clause : Authenticated copy is not a Certified Copy

under the Companies Act, 1956 or Companies Act 2013, as may be applicable and the rules made there under. The said undertaking is accepted.

8. The Regional Director has filed an Affidavit on 17th November 2016 stating therein that save and except as stated in paragraph 5 (a) to 5 (c) of the said Affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, the Regional Director Submits that

(a) In addition to compliance of AS-14 the Transferor Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 etc.

(b) Regarding clause 15 of the scheme it is submitted that the surplus if any arising out of the scheme shall be credited to Capital Reserve and deficit if any arising out of the scheme shall be debited to Goodwill Account of Receiving Company.

(c) The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the demerged/receiving Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Company.

9. In so far as observations made in paragraph 5(c) of the Affidavit of Regional Director is concerned, the Petitioners through their Counsel undertake that the Transferee Company shall pass such accounting entries which are necessary in connection

Page 4 of 1

Digitized by www.indiancourts.com

Digitized by www.indiancourts.com

Disclaimer Clause : Authenticated copy is not a Certified Copy

HIGH COURT, BOMBAY

735143

with the Scheme to comply with A5-14 or any other applicable Accounting Standard such as A5-5.

- 10. In so far as observations made in paragraph 8(b) of the Affidavit of the Regional Director is concerned, the Petitioners through their Counsel undertake that the surplus if any arising out of the scheme shall be credited to Capital Reserve and deficit if any arising out of the same shall be debited to Goodwill Account of the Resulting Company.
- 11. In so far as observations made in paragraph 8(c) of the Affidavit of the Regional Director is concerned, the Petitioners through their Counsel undertake to comply with all applicable provisions of the Income Tax Act and the Implications, if any arising out of the Scheme of Arrangement will be met and ensured in accordance with law.
- 12. The Counsel for the Regional Director on instructions of Mr. B Ramakrishna, Joint Director (Inspection) in the office of Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertaking by the Petitioner Companies. The said undertakings given by the Petitioner Companies are accepted.
- 13. The Official Liquidator has filed his report on 25th October, 2016 stating therein that the Affairs of the Transferee Company have been conducted in a proper manner and that the Transferee Company may be ordered to be dissolved by this Court.
- 14. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.

Page 1 of 1

... ..

Disclaimer Clause : Authenticated copy is not a Certified Copy

HIGH COURT, BOMBAY

735144

- 15. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 374 of 2016, Company Scheme Petition No. 375 of 2016, Company Scheme Petition No. 376 of 2016 and Company Scheme Petition 377 of 2016 are made absolute in terms of proper clause (a) of the respective Petitions.
- 16. The Petitioner Companies to lodge a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (D.S.), Bombay, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.
- 17. Petitioner Companies to deposit to the Registrar a copy of this order along with a copy of the Scheme of Arrangement with the concerned Registrar of companies, electronically, along with form DRC-2B in addition to the physical copy, within 30 days from the date of issuance of the order by the Registry.
- 18. The Brokerage Companies in all Petitions to pay costs of Rs.10,000/- each to the Regional Director. The Petitioner Company in Company Scheme Petition No. 374 of 2016 and Company Scheme Petition No.375 of 2016 to pay costs of Rs.10,000/- each to the Official Liquidator, High Court, Bombay. The Costs to be paid within four weeks, from date of this Order.
- 19. Filing and intimation of the above order is dispensed with.
- 20. All authorities concerned to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (D. S.), Bombay.

Page 4 of 7

... ..

Disclaimer Clause : Authenticated copy is not a Certified Copy

HIGH COURT, BOMBAY

795/65

21. It is directed that the scheme shall take effect from the date of the filing of a signed copy of this order with the Registrar of Companies. Learned Counsel for the Petitioner undertakes to file a authenticated copy of the scheme along with this order with the Registrar of Companies within a period of one month from today.

(M.C. Gupta, J)

CERTIFICATE

I certify that this Order uploaded in e-Court and correct copy of original signed order.

Verified by: Manish Gupta, Durgamchalo

TRUE-COPY

TRUE COPY

AR. C KALEJ
COMPANY REGISTRAR
HIGH COURT 10 S.I.
BOMBAY

Office Office
High Court, Appellate Bench
Bombay

Page 1

Disclaimer Clause : Authenticated copy is not a Certified Copy

SCHEME OF ARRANGEMENT

BETWEEN

KANAKIA KING STYLE CONSTRUCTION PRIVATE LIMITED (FIRST TRANSFEROR COMPANY)

AND

KANAKIA SUPREMO CONSTRUCTION PRIVATE LIMITED (SECOND TRANSFEROR COMPANY)

AND

KANAKIA SPACES PRIVATE LIMITED (DORMERGED COMPANY)

AND

KANAKIA SPACES REALTY PRIVATE LIMITED (RESULTING COMPANY OR TRANSFEREE COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS

(Under Sections 391 to 394 of the Companies Act, 1956)

PREAMBLE

1. This Scheme of Arrangement (Scheme) is presented under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 (Companies Act, 2013). The Scheme provides for amalgamation of Kanakia King Style Construction Private Limited (First Transferor Company or 'KKSCL') and amalgamation of Kanakia Supremo Construction Private Limited (Second Transferor Company or 'KSCL') into Kanakia Spaces Realty Private Limited (Transferor Company or 'Resulting Company' or 'KSREL') and demerger of Real Estate Undertaking of Kanakia Spaces Private Limited (Dormerged Company or 'KSPL') into KSREL.

2. Rationale of the proposed Scheme is as under:

KKSCL, KSCL, KSPL and KSREL are a part of the Kanakia Group (The Group). KKSCL, KSCL, KSPL and KSREL are engaged in real estate underwriting and are currently developing projects in Mumbai. The management of KKSCL, KSCL, KSPL and KSREL believe that consolidation of KKSCL, KSCL and KSPL into KSREL, inter alia, would have the following benefits for the group:

- Consolidation of companies within the Group;
- Reduction of inter - group transactions and compliance requirements under various laws;
- Reduction of operating and compliance costs; and
- Active administration, operational and management efficiencies.

In view of the aforesaid, the Board of Directors of all the Companies have considered and proposed the Scheme under the provisions of Sections 391 to 394 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013.

3. The Scheme is divided into the following Parts:

PART I - Deals with the Definitions and the Share Capital

PART II - Deals with the amalgamation of KSCPL and KSCPL into KSPPL.

PART III - Deals with the amalgamation of the Real Estate Undertaking of KSPPL into KSPPL; and

PART IV - Deals with the General Terms and Conditions that will be applicable to the Scheme.

PART I - DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 1.1 'Act' means the Companies Act, 1956 and the Companies Act, 2013 as in force from time to time, it being clarified that as on the date of approval of the Scheme by the Board of Directors of KSCPL, KSCPL, KSPPL and KSPPL, Sections 391 to 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956/Companies Act, 2013 as may be in force.

1.2 'Admitted Date' means the 1st day of April, 2015 or such other date as may be fixed or approved by the High Court or National Company Law Tribunal, as and when applicable.

1.3 'Board' means the Board of Directors of KSCPL, KSCPL, KSPPL and KSPPL or any Committee of Directors constituted or appointed and authorized to take any decision for the implementation of this Scheme on behalf of such Board of Directors.

1.4 'Court' or 'High Court' means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable.

1.5 'Effective Date' means the date on which the certified copies of the orders sanctioning the Scheme, passed by the High Court at Bombay or the National Company Law Tribunal, if applicable, are filed with the Registrar of Companies, Mumbai.

Notwithstanding in this Scheme to the date of coming into effect of this Scheme' or 'upon the Scheme being effective' shall mean the Effective Date.

1.6 'KSCPL' or 'the First Transferor Company' means Karalia Jung Bays Construction Private Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 215 - A/1st, 10th Floor, Opposite Divine School, JB Nagar, Andheri Kurla Road, Andheri - East, Mumbai 400059, Maharashtra.

1.7 'KSCPL' or 'the Second Transferor Company' means Karalia Supreme Construction Private Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 215 - A/1st, 10th Floor, Opposite Divine School, JB Nagar, Andheri Kurla Road, Andheri - East, Mumbai 400059, Maharashtra.

1.8 'KSPPL' or 'the Demerged Company' means Karalia Spaces Private Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 215 - A/1st, 10th Floor, Opposite Divine School, JB Nagar, Andheri Kurla Road, Andheri - East, Mumbai 400059, Maharashtra.

1.9 'KSPPL' or 'the Transferee Company' or 'the Resulting Company' means Karalia Spaces Realty Private Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 215 - A/1st, 10th Floor, Opposite Divine School, JB Nagar, Andheri Kurla Road, Andheri - East, Mumbai 400059, Maharashtra.

- 1.10 'Real Estate Undertaking' or 'Covered Undertaking' shall mean the Real Estate Undertaking of KSPIL as a going concern and shall include (without limitation) all the assets, liabilities and employees of KSPIL related to such Real Estate Undertaking, in particular including the following:
- all assets and properties, whether movable or immovable, tangible or intangible, including all rights, title and interest in any land and buildings including office premises whether leasehold or otherwise, plant and machinery, fleet of motorcars, and whether leased or otherwise, capital work in progress, other fixed assets, patents, trade marks, trademarks, franchises, offices, deposits, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including but not limited to contracts / agreements with vendors, customers, government etc.) of other rights including, but not limited to right to use and sell electricity connections, water connections, environmental clearances, telephone connections, fire alarm connections, licenses, permits, leased land connections and installations, lease rights, equipment, powers and licences, relating to the Real Estate Undertaking, as on the Appointed Date;
 - all debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured, relating to the Real Estate Undertaking as on the Appointed Date;
 - all statutory licences, approvals, commissions, no-objection certificates, permits, consents, permits, registrations, licences, offices, deposits, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including but not limited to contracts / agreements with vendors, customers, government etc.) of other rights including, but not limited to right to use and sell electricity connections, water connections, environmental clearances, telephone connections, fire alarm connections, licenses, permits, leased land connections and installations, lease rights, equipment, powers and licences, relating to the Real Estate Undertaking, as on the Appointed Date;
 - all permanent employees and labour, if any, engaged in the Real Estate Undertaking;
 - all deposit money, money security deposits in connection with or relating to the Real Estate Undertaking;
 - all records, files, papers, engineering and process information, computer programs, manuals, data catalogue, questionnaires, sales and advertising materials, list of present and former customers and suppliers, customer credit information, customer pricing information and other records, whether in physical form or electronic form, in connection with or relating to the Real Estate Undertaking.

11) For the purpose of the Scheme, the liabilities pertaining to the Real Estate Undertaking of KSPIL include

- Liabilities which arise out of the activities or operations of the Real Estate Undertaking of KSPIL;
- Specific loans and borrowings raised, incurred and utilised solely for the activities or operations of the Real Estate Undertaking of KSPIL;
- Liabilities other than those referred to in sub-clauses (i) and (ii) above and not directly referable to the Remaining Undertaking of KSPIL, being the amounts of general or multipurpose borrowings of KSPIL, shall be allocated to the Real Estate Undertaking of KSPIL in the same proportion which the value of the assets transferred under the Scheme bears to the total value of the assets of KSPIL immediately before giving effect to the Scheme.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Real Estate Undertaking of KSPIL or whether a liability arises out of the activities or operations of the Real Estate Undertaking of KSPIL, shall be decided by mutual agreement between the Board of Directors of KSPIL and KQRPL.

12) 'Scheme' or 'the Scheme' or 'this Scheme' means this Scheme of arrangements in its present form or with any modification(s) made under Clause 22 of the Scheme as approved or decided by the High Court.

All terms and words not defined in the Scheme and, unless contextual or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2) DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme as set out herein in its present form or with any modification(s) and amendment(s) made under Clause 22 of the Scheme and be effective from the Appointed Date but shall be operative from the Effective Date.

1. SHARE CAPITAL

3.1 The share capital of KSCPL, as per latest audited balance sheet as on March 31, 2015 was as under:

Particulars	Amounts (Rs.)
Authorized Share Capital	
10,000 Equity Shares of Rs. 10/- each with voting rights	1,00,000
TOTAL	1,00,000
Issued Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10/- each with voting rights	1,00,000
TOTAL	1,00,000

As on the date of this Scheme being approved by the Board of Directors of KSCPL, there has been no change in its authorized, issued, subscribed and paid up share capital. The entire paid up share capital of KSCPL is directly or indirectly held by KSRPL.

3.2 The share capital of KSCPL, as per latest audited balance sheet as on March 31, 2015 was as under:

Particulars	Amounts (Rs.)
Authorized Share Capital	
10,000 Equity Shares of Rs. 10/- each with voting rights	1,00,000
TOTAL	1,00,000
Issued Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10/- each with voting rights	1,00,000
TOTAL	1,00,000

As on the date of this Scheme being approved by the Board of Directors of KSCPL, there has been no change in its authorized, issued, subscribed and paid-up share capital. The entire paid up share capital of KSCPL is held by KSRPL.

3.3 The share capital of KSRPL, as per latest audited balance sheet as on March 31, 2015 was as under:

Share Capital	Amounts (Rs.)
Authorized Share Capital	
1,50,00,000 Equity shares of Rs. 10/- each with voting	15,00,00,000
10,000 Preference Shares of Rs. 10/- each	1,00,000
TOTAL	15,01,00,000
Issued Subscribed and Paid-up Share Capital	
1,28,91,452 Equity shares of Rs. 10/- each with voting	12,89,14,520
TOTAL	12,89,14,520

As on the date of this Scheme being approved by the Board of Directors of KSRPL, there has been no change in its authorized, issued, subscribed and paid-up share capital.

3.4 The share capital of KSRPL, as per latest audited balance sheet as on March 31, 2015 was as under:

Particulars	Amounts (Rs.)
Authorized Share Capital	
14,48,200 Equity shares of Rs. 10/- each with voting rights	14,48,20,000
20,000 Preference Shares of Rs. 10/- each	2,00,000
TOTAL	14,50,20,000
Issued Subscribed and Paid-up Share Capital	
7,00,000 Equity Shares of Rs. 10/- each with voting rights	7,00,00,000
10,000 8% Cumulative Redeemable Preference Shares of Rs. 10/- each	1,00,000
20,000 8% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each	2,00,000
TOTAL	7,22,00,000

As on the date of this Scheme being approved by the Board of Directors of KSRPL, there has been no change in its authorized issued subscribed and paid-up share capital. The entire paid up share capital of KSRPL is held by KSCPL.

PART II - AMALGAMATION OF KKSOPPL AND KSCOPPL INTO KSRPL

4. TRANSFER AND VESTING

4.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and whole of the undertaking of KKSOPPL and KSCOPPL including all its respective properties and assets, (whether movable or immovable, tangible or intangible), all the debts, liabilities, duties and obligations of KKSOPPL and KSCOPPL of every description and also including, without limitation, all the movable and immovable properties, Floor Space Index (FSI), Comprehensive Development Rights (CDR) and assets of KKSOPPL and KSCOPPL, comprising amongst others all plant and machinery, investments, vehicles, furniture and fixtures, computers, office equipment, electrical installations, water connections, telephones, lifts, escalators and other communication facilities and business licenses, permits, authorizations, if any, rights and benefits of all agreements and all other movable rights and powers of every kind, nature and description whatsoever amongst others, easement, advantages, tenures and appurtenances, advances and other funds paid to the subscribers, brand names, trademarks, logos, licenses, lease rights, lease, tenancy rights, statutory permissions, consents and registrations or approvals obtained from any authorities including but not limited to approval from Government Municipal Corporation (GMC) in Mumbai Metropolitan Region Development Authority (MMRDA), Environment Clearance Certificate, Title Clearance Certificate issued by any Competent Authority, all rights or titles or interest in properties by virtue of any court decree or order, all accounts, bills, papers, contracts, Intimation Of Quasi-final (IOQ), Commencement Certificate, Occupation Certificate, Development Right Certificate (DRC), No Objection Certificate from any authorities, including the Municipal authorities, competent authority under Maharashtra and Rajasthan Transfer of Property Act, 1930, Mumbai Metropolitan Region Development Authority, Competent authority under the Urban Land Ceiling Act, 1975 or any other competent authority, benefits under income tax, sales tax / VAT, excise tax and / or any other

rights, including if any and all other rights, title, interests, contracts including Development Agreements, Conveyance Agreements for Sale etc. consent, approvals or powers of every kind and description, agreeably made, pursuant to the Order of the High Court and pursuant to provisions of Sections 391 to 394 and other applicable provisions of the Act and without further act, instrument or deed, but subject to the charges affecting the same or transferred assets assumed to be insulated to and vested in KSRPL on a going concern basis so as to become the assets and liabilities of KSRPL. In so far as the immovable properties in respect of which KKSOPPL and KSCOPPL has executed an Agreement to sell or Development Agreements or other agreement had been executed by the KKSOPPL and KSCOPPL with the land owners and which Agreements have been duly stamped, conveyance deed / sale deed will be executed in favor of KSRPL, whereby KSRPL shall be entitled to avail credit to the same duly already paid on the respective Agreements.

Without prejudice to Clause 4.1 above, in respect of such of the assets of KKSOPPL and KSCOPPL, as are movable in nature or are otherwise capable of transfer by means delivery or by endorsement and/or delivery, the same shall be so transferred by KKSOPPL and KSCOPPL and shall upon such transfer, become the property, assets, debts, rights, title, interests and authorities of KSRPL by way of physical delivery or otherwise.

4.2 The investments, if any, made by KKSOPPL and KSCOPPL, in physical certificate form will be transferred to KSRPL, by duly executed transfer deeds. The investments held in dematerialized form will be transferred to KSRPL by issuing operation orders/ instructions to the depository concerned with whom KKSOPPL and KSCOPPL has an account. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Directors of KKSOPPL, KSCOPPL and KSRPL, being a Date after the sanction of the Scheme by the High Court.

4.3 The transfer and vesting as aforesaid shall be subject to the existing charges / hypothecation / mortgages, if any, in respect of the assets and agreed to be created out of or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements in which KKSOPPL and KSCOPPL

are party wherein the assets of KSCPL and KBCPL have been or are offered or agreed to be offered as security for any financial liabilities or obligations shall be construed as reference only to the assets pertaining to KSCPL and KBCPL and vested in KSRPL by virtue of this Scheme and the erst and know that the charges shall not extend or deemed to extend to any assets of KSRPL.

- 4.5 Provided that the Solvents shall not operate to enlarge the liability for the said liabilities of KSCPL and KBCPL which shall vest in KSRPL by virtue of the Scheme and KSRPL shall not be obliged to create any further, or additional security, beyond what the charge has become effective or otherwise.
- 4.6 All debts, liabilities, duties and obligations of whatsoever nature of KSCPL and KBCPL shall also, without any further act, instrument or deed, be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by KSRPL pursuant to the provisions of Sections 201 to 204 of the Act, so as to become the debts, liabilities, duties and obligations of KSRPL, and further there 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 debts, liabilities, duties and obligations liabilities have arisen, in order to give effect to the provisions of this Clause.
- 4.7 KSRPL may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so requested under any law or otherwise, execute Deeds of Confirmation in favour of the creditors of KSCPL and KBCPL or in favour of any other party to any contract or arrangement to which KSCPL and KBCPL is a party or any writings as may be necessary to be executed in order to give force and effect to the above provisions, KSRPL may under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of KSCPL and KBCPL, and to implement or carry out all such remedies or compliance referred to above on the part of KSCPL and KBCPL to be carried out or performed.
- 4.8 With effect from the Appointed Date and upon the Scheme becoming effective, all developments rights, statutory powers, permissions, approvals or consents to carry on

the operations and business of KSCPL and KBCPL, shall stand vested to or transferred to KSRPL, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of KSRPL. The benefit of all statutory and regulatory permissions, regulations or other licences and consents shall vest in and become available to KSRPL pursuant to this Scheme.

- 4.9 This Part of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 210 of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent deemed necessary to comply with Section 210 of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.



ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY

Upon the Scheme becoming effective and with effect from the Appointed Date, KSRPL shall account for amalgamation in its books, as per Provisions of the method under Accounting Standard (AS) 14 on Accounting for Amalgamations.

- 5.1 All assets, liabilities and reserves of KSCPL and KBCPL shall be transferred to and vested in KSRPL pursuant to this Scheme and shall be recorded by KSRPL at their respective book values as appearing in the books of KSCPL and KBCPL on the Appointed Date.
- 5.2 Inter-company balances and transactions, if any, shall stand cancelled.
- 5.3 The investment made by the Transferor Company in the shares of the First Transferee Company and the Second Transferee Company would stand cancelled.
- 5.4 The details of the net assets of KSCPL and KBCPL acquired and recorded by KSRPL in terms of sub-clause 5.1 and after making the adjustment as mentioned in sub-clause 5.2 and 5.3 above, shall be credited to Capital Reserve Account or debited to the Profit and Loss Account of KSRPL, as the case may be.

6.5 It is considered appropriate for the purpose of application of uniform accounting methods and policies between KNSOPL, KSCOPL and KSRPL, they make suitable adjustments and reflect the effect thereof in the Capital Reserve Account or Profit and Loss Account of KSRPL as the case may be.

8. CONSIDERATION

8.1 Upon the coming into effect of the Scheme and in consideration for the transfer of and vesting of the assets and liabilities of KNSOPL and KSCOPL into KSRPL, no consideration is to be received by KSRPL, to the members of KNSOPL and KSCOPL, since KSRPL directly or indirectly holds the entire share capital of KNSOPL and KSCOPL.

9. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

With effect from the date of filing the Scheme and up to and including the Effective Date:

9.1 KNSOPL and KSCOPL shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all their properties and assets for and on account of and in trust for KSRPL, KNSOPL and KSCOPL, undertake to sell its said assets with utmost diligence until the Effective Date.

9.2 KNSOPL and KSCOPL shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of KSRPL, alter its, mortgage, mortgage, encumber or otherwise deal with or dispose of any business or part thereof.

9.3 All the profits or income accruing or arising to KNSOPL and KSCOPL or expenditure or losses arising or incurred or suffered by KNSOPL and KSCOPL until the Appointed Date, shall for all purposes be treated and be deemed to be accrued to the extent of profits or losses or expenditure as the case may be of KSRPL.

7.4 KNSOPL and KSCOPL shall not vary the terms and conditions of employment of any of their employees except in the ordinary course of business or without the prior consent of KSRPL or pursuant to any pre-existing obligation undertaken by them, as the case may be, prior to the Appointed Date.

7.5 KNSOPL, KSCOPL and KSRPL shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities constituted as are necessary under any law or rules, for such consents, approvals and permissions, which may be required pursuant to the Scheme.

10. EMPLOYEES

10.1 Upon the Scheme becoming Effective, all staff, workmen and employees of KNSOPL and KSCOPL, who are in service as on the Effective Date shall become staff, workmen and employees of KSRPL, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with KSRPL, shall not be less favorable than those applicable to them with reference to their employment with KNSOPL and KSCOPL on the Effective Date. KSRPL agrees that the service of all such employees with KNSOPL and KSCOPL, respectively, up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible as on the Effective Date.

10.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or such other Special Fund, if any, or Funds (hereafter collectively referred as Funds) created for the benefit of the staff, workmen and employees of KNSOPL and KSCOPL shall, with the approval of the concerned authorities, become Funds of KSRPL, or shall be transferred or merged with other similar Funds of KSRPL, for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds, in accordance with the provisions thereof, as per the terms provided in the respective Trust Deeds, if any, to the said and extent the said rights, duties, powers and obligations of KNSOPL and KSCOPL in relation to such Funds shall become those of KSRPL. It is clarified that the services of the staff

workmen and employees will be treated as having been continued for the purpose of the said funds.

8. LEGAL PROCEEDINGS

8.1 If any suit, action, appeal or other proceeding of whatsoever nature by or against KASCP and KSCPL is pending on the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against KSRPL, in the same manner and in the same extent as it would or might have been continued, prosecuted and enforced by or against KASCP and KSCPL, as if the Scheme had not been made.

9. CONTRACTS, DEEDS, ETC.

9.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, underwriting, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to KASCP and KSCPL, which are subsisting as on the Effective Date, shall be in full force and effect against or in favour of KSRPL and may be enforced by or against KSRPL, as fully and effectually as if, instead of KASCP and KSCPL, KSRPL had been a party or beneficiary thereof.

9.2 KSRPL and / or KASCP and / or KSCPL shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, contributions or payments in order to give formal effect to the provisions of this Scheme. KSRPL shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of KASCP and KSCPL and to sign and/or carry out all formalities required on the part of KASCP and KSCPL to give effect to the provisions of this Scheme.

9.3 All debts of any nature, debts, dues or any other liabilities or deductions made by KASCP and KSCPL to any statutory authorities such as Income tax, Sales tax, Service Tax, Value Added Tax etc. or any tax deduction/ collection at source related to the period upto the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of KSRPL, and the relevant authorities shall be

bound to transfer to the account of and give credit for the same to KSRPL, upon the passing of the order on the Scheme by the High Court or any other appropriate authority and upon relevant proof and documents being presented to the said authorities.

9.4 KSRPL is expressly permitted to exercise its full powers including the deduction of source deducted amounts and to claim interest, advance tax credits, income and service tax credits, etc. etc. upon coming into effect of this Scheme to claim to make such releases in the related tax returns and related certificates, as applicable, and the right to claim interest, adjustments, credit, set-off, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

10. SAVING OF CONCLUDED TRANSACTIONS

10.1 The transfer of properties and liabilities under Clause 4 above and the continuation of proceedings by or against KASCP and KSCPL under Clause 8 above shall not affect any transaction or proceedings concluded by KASCP and KSCPL after filing of the Scheme with the High Court on the Effective Date, to the end and intent that KSRPL accepts and adopts all debts and things done and executed by KASCP and KSCPL in respect thereof at date and executed on behalf of KSRPL.

11. DISSOLUTION OF KASCP AND KSCPL

11.1 On the Scheme becoming effective, KASCP and KSCPL shall stand dissolved automatically without being wound up in accordance with the provisions of Section 204 to 206 of the Act.

PART IV - DEMERGER OF REAL ESTATE UNDERLYING

OF KASPL INTO KSRPL

12. DEMERGER OF REAL ESTATE UNDERLYING OF KSRPL

13.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the Real Estate Undertaking of KSPIL shall in accordance with Section 2 (2)(A) of the Income Tax Act, 1961, stand transferred to and vest in or deemed to be transferred to and vest in KSRPL as a going concern and respective properties and assets, (whether movable or immovable, tangible or intangible), all the debts, liabilities, duties and obligations pertaining to the Real Estate Undertaking of KSPIL of every description and also including without limitation, all the movable and immovable properties, Floor Space Index (FSI), Transferable Development Rights (TDR) and loans, bonds, stocks of KSPIL, comprising amongst others all plant and machinery, furniture, vehicles, finished and stores, computers, office equipment, electrical installations, water connections, telephones, fax, facsimile and other communication facilities and business licenses, permits, authorizations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind nature and description whatsoever, privileges, licenses, easements, advantages, benefits and approvals, advance and other loans paid to the authorities, brand names, trademarks, logos, labels, copy rights, lease, tenancy rights, statutory permissions, consents and relaxations or approvals obtained from any authorities including the one issued to approval from Maharashtra Municipal Corporation (MCMC) or Municipal Metropolitan Region Development Authority (MMRDA), Environmental Clearance Certificate, Title Certificate issued by any Competent Authority, all rights or titles or interests in properties by virtue of any own documents, all records, files, papers, contracts, Intimation of Disapproval (IOD), Commencement Certificate, Occupation Certificate, Development Right Certificate (DRC), No Objection Certificate from any authorities including the Municipal authorities, competent authority under Metropolitan and Regional Trade Practices Act, 1965, Mumbai Metropolitan Regional Development Authority, Competent authority under the Urban Land Ceiling Act, 1975 or any other competent authority, benefits under Income tax, sales tax / value added tax and / or of any other statute, insurance if any and all other rights, title, interests, contracts including Development Agreement, Conveyance Agreement for Sale etc. contracts, approvals or powers of every kind and description, agreements shall pursuant to the Order of the High Court and pursuant to paragraphs of Section 36

to 38A and other applicable provisions of the Act and without further instrument of deed, but subject to the charges affecting the same to be transferred either deemed to be transferred to and vest in KSRPL as a going concern shall so as to become the assets and liabilities of KSRPL, in so far as the immovable properties in respect of which KSPIL has executed an Agreement to Sell or Development Agreement or similar agreement that have been entered by KSPIL with the land owners and which Agreements have been duly stamped, conveyance deed / sale deed will be executed in favor of KSRPL whereby KSRPL shall be entitled to own credit to the amount duly already paid in the respective Agreements.

13.2 Without prejudice to Clause 13.1 above, in respect of each of the assets of Real Estate Undertaking of KSPIL as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by KSPIL, and shall upon such transfer, become the property, estate, assets, rights, title, interest and liabilities of KSRPL by way of physical delivery or equitation.

13.3 The investments, if any, made by KSPIL related to Real Estate Undertaking of KSPIL as physical certificates form will be transferred to KSRPL by duly executed transfer deed. The investments held in dematerialized form will be transferred to KSRPL by issuing appropriate delivery instructions to the depository participant with whom KSPIL has an account. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Directors of KSPIL and KSRPL, being a Date after the inception of the Scheme by the High Court.

13.4 The transfer and vesting or proposed shall be subject to the existing charges / hypothecation / mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which KSPIL is a party wherein the assets pertaining to the Real Estate Undertaking of KSPIL have been or are offered or agreed to be offered as security for any financial institution or obligations shall be construed as reference only to the assets pertaining to KSPIL.

and vested in KSRPL by virtue of this Scheme to the end and effect that the charges shall not extend or deemed to extend to any assets of KSRPL.

11.5 Provided that the Scheme shall not operate to enlarge the security for the said liabilities of Real Estate Undertaking of KSRPL which shall vest in KSRPL by virtue of the Scheme and KSRPL shall not be obliged to create any further, or additional security insofar as the charge created becomes effective as aforesaid.

11.6 All assets, liabilities, debts and obligations of whatsoever nature of Real Estate Undertaking of KSRPL shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and be deemed to be transferred to and vested in and assumed by KSRPL pursuant to the provisions of Sections 287 to 294 of the Act so as to become the debts, liabilities, debts and obligations of KSRPL and further that it shall not be necessary to obtain the consent of any third party or other person who as a party to any contract or arrangement by virtue of which such liabilities, debts and obligations liabilities have arisen, in order to give effect to the provisions of this Clause.

11.7 KSRPL may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so required under any law or otherwise execute Deeds of Conveyance, in favour of the creditors of Real Estate Undertaking of KSRPL or in favour of any other party to any contract or arrangement to which KSRPL is a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. KSRPL shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of KSRPL and to implement or carry out all such formalities or compliance required to be done on the part of KSRPL to be caused out or performed.

11.8 With effect from the Appointed Date and upon the Scheme becoming effective, all developments (plans, statutory consents, permissions, approvals or consents) to carry on the operations and business of Real Estate Undertaking of KSRPL shall stand vested in or transferred to KSRPL without any further act or deed and shall

be appropriately mutated by the statutory authorities concerned in favour of KSRPL. The benefit of all statutory and regulatory permissions, registrations or other approvals and consents shall vest in and become available to KSRPL pursuant to this Scheme.

11.9 The Part of the Scheme has been drawn up to comply with the conditions relating to 'Transfer' as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme shall be inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961, the provisions of Section 2(19AA) of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income-tax Act, 1961; such modification to not affect other terms or provisions of the Scheme.

ISSUE AND ALLOTMENT OF SHARES BY KSRPL

14.1 Upon coming into effect of the Scheme and in consideration for transfer of Real Estate Undertaking of KSRPL into KSRPL, KSRPL shall, without any further application or deed, issue and allot redeemable preference shares of face value Rs. 10/- each, created by fully paid up, to all the shareholders of KSRPL or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the following proportion:

10,000 fully paid up Redeemable Preference Shares of Rs. 10/- each of KSRPL shall be issued and allotted to Equity Shareholders of KSRPL, collectively, in proportion to the market value of shares held by them in KSRPL.

14.2 The Preference Shares in KSRPL to be issued to the Shareholders of KSRPL shall be subject to the Memorandum and Article of Association of KSRPL. The Preference Shares shall rank seniority with the existing preference shares of KSRPL in all respects including (subject to the provisions of Section 205 of the Act) for the purpose of any dividend declared after the Scheme becomes effective. Further the Preference Shares to be issued pursuant to Clause 14.1 above shall rank in dividend in priority

to the equity shares of KSRPL, and shall, on winding up of KSRPL, be entitled to rank, as regards repayment of capital upon the commencement of winding up, in priority to the equity shares of KSRPL.

- 14.3 No shares shall be allotted in respect of fractional entitlements, if any, by KSRPL to which the members of KSRPL may be entitled on allotment of shares as per Clause 14.1. The Board of Directors of KSRPL shall, instead, consider all such fractional entitlements and thereupon allot equity shares in lieu thereof to a director or an officer of KSRPL or such other person as the Board of Directors of KSRPL shall appoint in this regard who shall hold the shares in trust on behalf of the members of KSRPL entitled to fractional entitlements with the aforesaid understanding that such director or officer or person shall call for the same at such time or times and at such price or prices and to such person, as he deems fit, and pay to KSRPL the net sale proceeds thereof. Whereupon KSRPL shall distribute such net sale proceeds subject to the deductions as applicable, to the members of KSRPL in proportion to their respective fractional entitlements.
- 14.4 Preference Shares shall be issued by KSRPL in physical form to all the equity shareholders of KSRPL. One certificate shall be issued by KSRPL to every such equity shareholder of KSRPL in respect of Preference Shares allotted by KSRPL. The terms and conditions for the Preference Shares to be issued pursuant to Clause 14.1 above are specified in Schedule I hereto.
- 14.5 KSRPL shall take necessary steps to increase or split or re-classify (if required) its Authorized Share Capital liability to enable it to issue and allot Preference Shares required to be issued and allotted by it under this Scheme.
- 14.6 Approval of this Scheme by the shareholders of KSRPL shall be deemed to be the due compliance of the provisions of Section 62 of the Companies Act, 2013, and the other relevant and applicable provisions of the Act for the issue and allotment of Preference Shares by KSRPL to the shareholders of KSRPL, as provided in this Scheme.
- 14.7 The approval of this Scheme by the shareholders of all the companies under Sections 391 and 394 of the Act shall be deemed to have the approval under sections 13 and

14 of the Companies Act, 2013 and other applicable provisions of the Act and any other contracts and approvals required in the report.

16. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF KSRPL

- 15.1 Upon the Scheme becoming effective and from the Appointed Date, KSRPL shall record the assets and liabilities pertaining to the Real Estate Undertaking of KSRPL in their respective book values.
- 15.2 Loans and advances and other debts outstanding between KSRPL and KSRPL, to the extent it relates to the Real Estate Undertaking of KSRPL, if any, will stand cancelled and there shall be no further compliance outstanding in that regard.
- 15.3 KSRPL shall credit to its share capital account the aggregate face value of the Preference Shares issued by it to the shareholders of KSRPL pursuant to clause 14.1 above.

The excess of the net assets of Real Estate Undertaking of KSRPL acquired and recorded by KSRPL, in terms of sub-clause 15.1 and after making the adjustments as mentioned in sub-clauses 15.2 and 15.3 above, shall be credited to General Reserve Account or debited to the Goodwill Account of KSRPL, as the case may be.

- 15.4 In case of any difference in accounting policy between KSRPL and KSRPL with respect to the Real Estate Undertaking of KSRPL, the impact of the same on the Appointed Date will be quantified and adjusted in the balances of KSRPL, to ensure that the financial statements of KSRPL reflect the financial position on the basis of consistent accounting policy.

ACCOUNTING TREATMENT IN THE BOOKS OF KSRPL

- 15.5 Upon the Scheme becoming effective, KSRPL shall reduce the book value of all the assets and liabilities relating to Real Estate Undertaking.
- 15.7 The difference in the book value of assets over book value of liabilities transferred will be adjusted against the Profit and Loss Account.

16. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

With effect from the date of filing the Scheme and up to and including the Effective Date.

16.1 KSPIL shall be deemed to have been carrying on and shall carry on its business and activities, pertaining to the Real Estate Undertaking of KSPIL, and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all their properties and assets fit and on account of and in trust for KSRPL. KSPIL undertakes to hold its said assets with utmost prudence until the Effective Date.

16.2 KSPIL shall carry on its business and activities pertaining to the Real Estate Undertaking of KSPIL, with reasonable diligence, business prudence and shall not engage in the ordinary course of business or without prior written consent of KSRPL, leases, charge, mortgage, encumber or otherwise deal with or dispose of any business or asset pertaining to the Real Estate Undertaking of KSPIL, thereof.

16.3 All the profits or income accruing or arising to the Real Estate Undertaking of KSPIL, or expenditure or losses arising or incurred or suffered by the Real Estate Undertaking of KSPIL, post the Appointed Date, shall for all purposes be deemed and be deemed to be accrued to the income or profits or losses or expenditure as the case may be of KSRPL.

16.4 KSPIL shall not vary the terms and conditions of employment of any of their employees, pertaining to the Real Estate Undertaking of KSPIL, except in the ordinary course of business or without the prior consent of KSRPL or pursuant to any pre-existing obligation undertaken by them, as the case may be, prior to the Appointed Date.

16.5 KSPIL and KSRPL shall be entitled, pending sanction of the Scheme, to apply to the Competent Government, and all other agencies, departments and authorities concerned as are necessary under any laws or rules, for such consents, approvals and sanctions which may be required pursuant to the Scheme.

16.6 With effect from the Effective Date, KSRPL shall commence and carry on and shall be authorized to carry on the business carried on by the Real Estate Undertaking of KSPIL, in relation to the business of KSRPL.

17. EMPLOYEES

17.1 Upon the Scheme becoming effective, all staff, workmen and employees pertaining to the Real Estate Undertaking of KSPIL, who are in service as on the Effective Date shall become staff, workmen and employees of KSRPL, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with KSRPL shall not be less favorable than those applicable to them with reference to their employment with KSPIL, on the Effective Date. KSRPL agrees that the period of all such employees with KSPIL, up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible as on the Effective Date.

If it is necessary provided that on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Separation Fund or such other Special Fund, if any, or Trust created for the benefit of the staff, workmen and employees pertaining to the Real Estate Undertaking of KSPIL, shall, with the approval of the competent authority, become Funds of KSRPL, or shall be transferred to or merged with other similar funds of KSRPL, for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of KSPIL in relation to such Funds shall become those of KSRPL. It is clarified that the consents of the staff, workmen and employees will be treated as having been obtained for the purpose of the said Funds.

18. LEGAL PROCEEDINGS

18.1 If any suit, action, appeal or other proceeding of whatsoever nature by or against KSPIL, related to the Real Estate Undertaking of KSPIL, is pending on the Effective Date, the same shall not stand to be discontinued in any way by any person.

affected by release of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against KSRPL, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against KSRPL, as if this Scheme had not been made.

18. CONTRACTS, DEBTS, ETC.

18.1 Subject to the other provisions of this Scheme, all contracts, debts, bonds, insurance, Letters of Intent, leaseholdings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Real Estate Undertaking of KSRPL, which is subsisting as on the Effective Date, shall be in full force and effect against or in favour of KSRPL and may be enforced by or against KSRPL, as fully and effectually as if, excepted KSRPL, KSRPL had been a party of beneficiary thereof.

18.2 KSRPL, and / or KSRPL, shall cause and order issue under suitable deeds, writings or confirmations or under any other appropriate confirmations or resolutions in order to give formal effect to the provisions of this Scheme. KSRPL, shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of KSRPL, and to implement or carry out all liabilities required on the part of KSRPL, to give effect to the provisions of this Scheme.

18.3 All taxes of any nature, duties, fees or any other like payments or deductions made by KSRPL, relating to the Real Estate Undertaking of KSRPL, to any statutory authorities such as Income tax, Sales tax, Service Tax, Value Added Tax etc. or any tax deductory collection at source, relating to the period after the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of KSRPL, and the relevant authorities shall be obliged to transfer to the account of and give credit for the same to KSRPL upon the vesting of the assets in this Scheme by the High Court or any other appropriate authority and such returns, audit and documents being provided to the said authorities.

18.4 KSRPL is expressly permitted to retain its accounts, to the extent it retains in the Real Estate Undertaking, including the deducted at source certificate returns and to

claim refunds, advance tax credits, credits and service tax credits, etc. etc., upon coming into effect of this Scheme, its right to make such returns in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credit, refunds, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

20. SAVINGS OF CONCLUDED TRANSACTIONS

20.1 The transfer of properties and liabilities under Clause 13 above and the certificates of proceedings by or against KSRPL, related to the Real Estate Undertaking of KSRPL under Clause 13 above shall not affect any transaction or proceedings conducted by KSRPL after filing of the Scheme with the High Court for the Effective Date, to the extent and intent that KSRPL, accepts and adopts all acts, deeds and things done and executed by KSRPL in respect thereto as done and executed on behalf of KSRPL.

PART IV

GENERAL TERMS AND CONDITIONS

21. APPLICATION TO THE HIGH COURT

21.1 KSRPL, KSRPL, KSRPL and KSRPL shall with all reasonable dispatch make applications to the High Court or such other appropriate authority under Sections 321 of the Act, seeking orders for directing with or removing, holding and conducting of the meetings of the respective classes of the members and/or creditors of each of KSRPL, KSRPL, KSRPL, KSRPL and KSRPL, to the extent directed by the High Court or such other appropriate authority.

21.2 On the Scheme being agreed to by the requisite majority of the classes of the members and/or creditors of KSRPL, KSRPL, KSRPL and KSRPL, as directed by the High Court or such other appropriate authority, KSRPL, KSRPL, KSRPL and KSRPL, if required, shall with all reasonable dispatch apply to the High Court or such other appropriate authority for sanctioning the Scheme under Sections 321 to 324 of the Act and for such other orders or orders, as the said High Court or such

other approvals authority may deem fit for carrying the Scheme into effect and for dissolution of KJSCPL and KBCPL without winding-up

21. **MODIFICATION/AMENDMENT TO THE SCHEME**

22.1 Subject to approval of High Court, the Board of Directors of respective companies may consent, on behalf of all persons concerned, to any modifications or amendments of the Scheme or to any conditions or limitations that the High Court may deem fit to direct or impose or which may otherwise be considered necessary desirable or appropriate by them (i.e. the Board of Directors) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect. For the purpose of giving effect to the Scheme or to any modification thereof, the Board of Directors of KJSCPL, KBCPL, KSPIL and KSRPL be and are hereby authorized to give such directions and to take all such steps as may be necessary, desirable or proper to give effect to the Scheme and to resolve any doubt, difficulties whether by reason of any directions or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerning or connected therewith.

22. **CONDITIONALITY OF THE SCHEME**

The Scheme is conditional upon and subject to the following:

- 22.1 The Scheme being approved by the requisite consent of the members and/or creditors of KJSCPL, KBCPL, KSPIL and KSRPL, as may be directed by the High Court;
- 22.2 The sanction of the High Court under Section 391 to 394 of the Companies Act, 1956 in favour of KJSCPL, KBCPL, KSPIL and KSRPL under the said provisions and to the necessary order under Section 394 of the Act being obtained;
- 22.3 The requisite consent, approval or permission of any other statutory or regulatory authority, which by law may be necessary for the implementation of the Scheme;
- 22.4 Authentic and Certified copy of the order of the High Court sanctioning the Scheme being filed with the Registrar of Companies at Mumbai by KJSCPL, KBCPL, KSPIL and KSRPL, as may be applicable.

23. **EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS**

24.1 In the event of any of the said conditions and approvals referred to in the preceding Clause not being obtained within the Scheme not being sanctioned by the High Court, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto or in contemplation hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be performed or worked out as is specifically provided in the Scheme or as may otherwise stand in law. Each party shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme.

25. **COSTS, CHARGES & EXPENSES**

25.1 All costs, charges, taxes including duties,印花 and of other expenses, if any (and/or expenses otherwise agreed) incurred in carrying out and implementing this Scheme and all other incidental matters, shall be borne by KSPIL.

26. **MISCELLANEOUS**

26.1 If any part of this Scheme is held to be illegal by any Court of competent jurisdiction or unenforceable under present or future laws, that it is the intention of the parties to the Scheme that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become generally adverse to any party, in which case the parties to the Scheme shall attempt to bring about a modification in the Scheme, as will best preserve for each party the benefits and obligations of the Scheme, nothing herein limited to such part.

SCHEDULE I

TERMS AND CONDITIONS FOR ISSUE OF PREFERENCE SHARES

Dividend Rate	8% p.a. paid yearly
Accumulation of Dividend	Non-cumulative
Convertibility	Non-convertible
Term	5 years
Voting Right	No voting rights
Listing	The Preference Shares will not be listed on any Stock Exchanges unless required by any laws/regulations.

Redemption Terms	Redemption of Preference Shares would be done at par
Transferability	Freely transferable

TRUE COPY
Rajesh
 (R. C. KALE)
 COMPANY REGISTRAR
 HIGH COURT (O.S.)
 BOMBAY

CERTIFIED TRUE COPY
 For Record No. 19 & 20
 19-12-16
 R. C. KALE

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
 ORDINARY ORIGINAL CIVIL JURISDICTION
 COMPANY SCHEME PETITION NO 75 OF 2016
 CONNECTED WITH
 COMPANY SUMMONS FOR DIRECTION NO 280 OF
 2016

In the matter of Companies Act, 1956 (1 of 1956)

AND

In the matter of Sections 391 to 394 of the Companies Act,
 1956

AND

In the matter of Scheme of Arrangement

BETWEEN

Kapile King Style Cosmetics Private Limited (the First
 Transferor Company)

AND

Kapile Supreme Cosmetics Private Limited (the
 Second Transferor Company)

AND

Kapile Space Private Limited (the Transferee Company)

AND

Kapile Space Realty Private Limited (the Transferee
 Company) in the Transferor Company)

AND

Their Respective Shareholders

KALAJA SUPREMO CONSTRUCTION PRIVATE
 LIMITED . . . Petitioner/Plaintiff

Authenticated Copy of the Minutes of Order dated 27th
 November, 2016 along with
 Scheme of Arrangement

MS NEHANT RETH & CO

Advocates for the Petitioner
 1002, New Park Road,
 Behind Anar Cinema,
 Chhatrapati Shivaji - 400 071

Admitted to authentic copy on *Caliber*
 Authenticated copy submitted on *Caliber*
 Entered on *Caliber*
 19 DEC 2016
 22 DEC 2016