



D B REALTY LIMITED

Registered Office: DB House, General A.K.Vaidya Marg, Goregaon East, Mumbai – 400 063

NOTICE is hereby given that an Extra-ordinary General Meeting of the members of D B Realty Limited will be held on Saturday, the 3rd November, 2012 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldharm, Goregaon (East), Mumbai 400 063 to transact the following Special Business:

1. To consider and if deemed fit, to pass, with or without modification(s), the following as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any of the Companies Act, 1956 (including any statutory amendments thereto and all modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the rules/regulations/guidelines/clarifications issued by the Securities and Exchange Board of India (hereinafter referred to as "SEBI"), including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 on Preferential Issue (hereinafter referred to as "SEBI Regulations for Preferential Issue"), Listing Agreements entered into by the Company with BSE Limited and The National Stock Exchange of India Limited, where the equity shares of the Company are listed and all other applicable laws and regulations and subject to the Company obtaining all such approvals, permissions, sanctions and consents as may be required from any Government or Regulatory Authorities and/or other institutions and bodies including banks provided that such terms, conditions, alterations, modifications, corrections, changes and variations, if any, that may be stipulated or imposed or prescribed under such approvals, permissions, sanctions and consents are acceptable to the Board of Directors (which term shall include any duly constituted and authorized "Committee of Directors" thereof), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, from time to time and in one or more tranches, upto 3,70,00,000 (Three Crores Seventy Lakhs) convertible warrants with a right exercisable by the Warrant holder to subscribe for one Equity Share having face value of Rs. 10/- each per warrant which option shall be exercisable at any time within a period of 18 months from the date of issue of the Warrants (hereinafter referred to as Securities') to the Promoters / Promoter Group of the Company for cash on a preferential allotment basis on such other terms and conditions as the Board may in its absolute discretion decide in accordance with the conditions specified in the SEBI Regulations for Preferential Issue, provided that minimum price of Warrants so issued shall not be less than the price arrived at in accordance with the provisions of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of the Securities may have all or any terms or conditions or combination of terms in accordance with applicable regulations, prevalent market practices, including but not limited to terms and conditions relating to payment of dividend, price of equity shares those arising out of exercise of option attached to the warrants, variation of the price or period of exercise of option by Warrant holder.

RESOLVED FURTHER THAT the said warrants on conversion into equity shares shall be subject to the lock-in as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for preferential issue.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the relevant date, for determination of price for the Equity Shares to be issued and allotted upon exercise of right attached to the Warrants referred to above, is 30 days prior to this Extra Ordinary General Meeting i.e. 4th October, 2012.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and matters flowing there from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue/offer or allotment or conversion of the aforesaid Securities, listing thereof with the stock exchange(s) and to resolve and settle all questions and difficulties that may arise in the proposed issue/ offer, allotment and conversion of any of the aforesaid Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors or any other officer or officers of the Company to give effect to the aforesaid resolutions including to execute any documents on behalf of the Company and to represent the Company before any governmental authorities, and to appoint any professional advisers/consultants/lawyers."

2. To consider and if deemed fit, to pass, with or without modification(s), the following as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("ESOS Guidelines"), including any statutory modification(s) or re-enactment(s) thereof, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be required from appropriate bodies and authorities, and subject to such conditions or modifications as may be prescribed, imposed or suggested while granting such approvals, permissions or sanctions which may be agreed to by the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include any duly constituted Committee/s thereof including the Compensation

and Benefits Committee of directors), consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and grant at any time to or to the benefit of such Employees (as defined under the Explanatory Statement attached hereto and hereinafter referred to as the "Employees"), either directly or through an employee benefit trust formed for this purpose as determined by the Administrator (as defined under the Explanatory Statement attached hereto), such number of options not exceeding 1,21,00,000 (One Crore Twenty One Lakhs) as per terms and conditions of the Employees Stock Option Plan (hereinafter referred to as the "ESOP Scheme-2012"), which entitles the option-holders to subscribe to one equity share of Rs. 10/- each of the Company against each option granted to them, i.e. in total 1,21,00,000 (One Crore Twenty One Lakhs) equity shares of Rs. 10/- each of the Company, or such other adjusted number of equity shares for any bonus, stock split, consolidation or other reorganization of the capital structure of the Company as may be applicable from time to time, at such price, in one or more tranches, and on such other terms and conditions as set out in the "ESOP Scheme-2012" and as amended from time to time.

RESOLVED FURTHER THAT subject to the terms as approved by the members, the Board be and is hereby authorised to formulate a detailed "ESOP Scheme-2012" in compliance with the guidelines issued by Securities and Exchange Board of India (SEBI) at such time or times as it may in its absolute discretion decide.

RESOLVED FURTHER THAT the shares may be allotted to the Employees in accordance with the "ESOP Scheme – 2012" either directly or through an employee benefit trust as determined in the sole discretion by the Board which may be set up by the Company or by a designee of the Company in its sole discretion and / or in any other permissible manner and that accordingly approval be and is hereby accorded for providing financial assistance to the trust to enable the said trust to acquire, purchase or subscribe to the equity shares of the Company for the purpose of issuance/transfer to the Employees under the "ESOP Scheme – 2012".

RESOLVED FURTHER THAT the vesting of the options under the "ESOP Scheme - 2012" may be subject to such criteria as may be decided by the Administrator at its own discretion including but not limited to the date of joining of the Employee, performance evaluation, current compensation, criticality or any other criteria, as the Administrator determines.

RESOLVED FURTHER THAT the equity shares issued and allotted on exercise of the Stock Option(s) granted under the "ESOP Scheme - 2012" shall rank *pari passu* in all respects, including rights in relation to dividend, with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted pursuant to conversion of the Stock Option(s) granted under the "ESOP Scheme – 2012", on the Stock Exchanges where the shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to all or any of the foregoing Resolutions, the Board be and is hereby authorized in its absolute discretion to make and give effect in compliance with Applicable Laws (as defined under the Explanatory Statement attached hereto), to any modification(s), change(s) or revision(s) in the "ESOP Scheme – 2012" or the terms and conditions of the trust deed made for setting up of the employee benefit trust from time to time or to suspend, withdraw or revive the same from time to time, settlement of the trust and execution of the trust deed for the purposes of implementing the "ESOP Scheme – 2012", and to do all such acts, things and deeds whatsoever, including settling any question, doubt or difficulty that may arise in relation to the setting up of the employee benefit trust or the said "ESOP Scheme - 2012" or with regard to or in connection with the offer, subscription, issue, allotment or payment of any equity shares arising out of conversion of Stock Options granted under the "ESOP Scheme - 2012" or setting up of the said employee benefit trust as the Board may consider necessary, expedient or proper without being required to seek further consent or approval of members or otherwise, to the end and intent that the members shall be deemed to have given the approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred to any Committee of Directors as may be formed by them in accordance with the ESOS Guidelines for the aforesaid purpose."

3. To consider and if deemed fit, to pass, with or without modification(s), the following as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("ESOS Guidelines"), including any statutory modification(s) or re-enactment(s) thereof, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be required from appropriate bodies and authorities and subject to such conditions or modifications as may be prescribed, imposed or suggested while granting such approvals, permissions or sanctions which may be agreed to by the Board of Directors (hereinafter referred to as "the Board" which term shall include any duly constituted Committee/s thereof including Compensation and Benefits Committee of directors), consent of the Company be and is hereby accorded to the Board to extend the benefits of the "ESOP Scheme - 2012" proposed in the Resolution under Item No. 2 of this Notice to or for the benefit of the Employees of the Company's Subsidiaries (as defined under the Explanatory Statement attached hereto) or a holding company, whether in India or outside India and whether they are shareholders of the Company or not, as may from time to time be allowed under prevailing laws, rules and regulations and/or amendments thereto from time to time, either directly or through an employee benefit trust formed for this purpose as determined by the Administrator under "ESOP Scheme - 2012" on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to all or any of the foregoing Resolution, the Board be and is hereby authorized in its absolute discretion to make and give effect to any modification(s), change(s) or revision(s) in the terms and conditions of the trust deed made for setting up of the employee benefit trust or the "ESOP Scheme - 2012" from time to time or to suspend, withdraw or revive the same from time to time, and to do all such acts, things and deeds whatsoever, including settling any question,

doubt or difficulty that may arise in relation to the said "ESOP Scheme - 2012" or setting up of the employee benefit trust or with regard to or in connection with the offer, subscription, issue, allotment or payment of any equity shares arising out of conversion of Stock Options granted under the "ESOP Scheme - 2012" or setting up of the said employee benefit trust as the Board may consider necessary, expedient or proper without being required to seek further consent or approval of members or otherwise, to the end and intent that the members shall be deemed to have given the approval thereto expressly by the authority of the above resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred to any Committee of Directors as may be formed by them in accordance with the ESOS Guidelines for the aforesaid purpose."

**By Order of the Board of Directors
For D B Realty Limited**

**Place: Mumbai
Date: 05th October, 2012**

**(S. A. K. Narayanan)
Company Secretary**

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxies to be effective should be deposited at the registered office of the Company not less than Forty Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.

2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business specified above is annexed hereto.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 forming part of the Notice dated 5th October, 2012

Item No. 1 :

A. Material Facts relating to the Issue of Convertible warrants on Preferential Basis

1. The following Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, sets out all material facts relating to the business mentioned under item 1 of the accompanying Notice:
 - (i) With a view to complete various Projects of the Company/its subsidiaries/JVs or partnership firms (in which the Company is a partner), your Company needs to strengthen its financial position and net worth by augmenting long term resources. This will necessitate external infusion of funds at different points of time in the future. To this end and for general corporate purposes of the Company/its subsidiaries/JVs or partnership firm (in which the Company is a partner) or the purposes as may be decided by the Board from time to time, it is proposed to issue warrants on a Preferential Allotment basis to some of the Promoters / Promoter Group in accordance with SEBI [Issue of Capital and Disclosure Requirements] Regulations, 2009 ("SEBI ICDR Regulations"). This would be the most cost effective source of raising equity funds as it would be at market related prices and enable the Company to meet a part of its fund requirements.
 - (ii) The Equity Shares proposed to be allotted on exercise of option by Warrant holder shall rank in all respects pari passu with the existing Equity Shares of the Company.
 - (iii) Pursuant to the provisions of Section 81(1A) of Companies Act, 1956 and as per the requirements of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, issue of convertible warrants on preferential basis requires prior approval of the shareholders by a Special Resolution. The proposed issue of convertible warrants on preferential basis to the Promoters / Promoter Group would be strictly in accordance with Chapter VII of the SEBI ICDR Regulations and the following parameters would be subject to such changes as may be required to conform to the SEBI ICDR Regulations Such proposed issue of convertible warrants on preferential basis to the Promoter group would comprise of up to 3,70,00,000 Warrants with a right exercisable by the warrant holder to subscribe for one Equity Share per warrant at such price which shall not be lower than the price determined in accordance with the SEBI ICDR Regulations. The holders of the Warrants shall have the option to convert the Warrants to Equity Shares of the Company at any time within a period of eighteen (18) months of its allotment.
 - (iv) The Company had sought indication from Promoters / Promoter Group if they would be desirous to subscribe to the above securities. The Promoters / Promoter Group in turn have confirmed and conveyed their intent to subscribe to these securities.
 - (v) The pricing of the convertible warrants to be allotted on preferential basis to the Promoters /Promoter Group shall not be lower than the price determined in accordance with the SEBI ICDR Regulations. Currently SEBI ICDR Regulations provide that the issue of securities on preferential basis can be made at a price not less than higher of the following:
 - a. The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognized stock exchange during the six months preceding the relevant date; Or
 - b. The average of the weekly high and low of the closing prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

The Relevant Date for the purpose of pricing of the Equity Shares arising out of exercise of Warrants shall be 4th October, 2012, being the date which is 30 days prior to the date of the Extra-ordinary General Meeting.

"Stock Exchange" for this purpose shall mean any of the recognized stock exchanges in which the highest trading volume in respect of the shares of the Company has been recorded during the preceding six months prior to the Relevant Date.

(vi) An amount equivalent to at least 25% of the consideration payable on the Warrants shall be paid at the time of allotment of the Warrants and the balance amount shall be paid upon allotment of Equity Shares on exercise of the Convertible Warrants.

(vii) The Equity Shares arising out of exercise of right attached to the Warrants to be allotted to the Promoters / Promoter Group pursuant to the proposed special resolution shall be subject to lock-in for a period of 3 years from the date of allotment, consistent with SEBI ICDR Regulations.

B. The details of the issue and other particulars as required under Chapter VII of SEBI ICDR Regulations, 2009 in relation to the resolutions proposed are given as under :

i. The object(s) of the preferential issue : To strengthen financial position of the Company by raising long term funds for the Company to part finance the execution of the Projects and general corporate purposes of the Company/ its subsidiaries/JVs or partnership firms (in which the Company is a partner) as mentioned above.

ii. The Proposal of the Promoters/Promoter Group, Directors or key management personnel of the Issuer to subscribe to the offer: Promoters/Promoter Group viz. Mrs. Aseela Vinod Goenka, Mr. Jayvardhan Vinod Goenka (Director), Ms. Sanjana Vinod Goenka, SB Fortune Realty Private Limited and Feel Good Hotels Private Limited have conveyed their intention to subscribe to the offer.

iii. Shareholding pattern before and after the proposed preferential issue (on conversion):

Class of Shareholders	Pre allotment		Post Allotment after Conversion of Warrants into equity	
	No. of Shares	%	No. of Shares	%
Promoters / Promoter Group Holdings	152,364,369	62.63	189,364,369	67.57
Others (Other than Promoters/Promoters Group Holdings)	90,894,413	37.37	90,894,413	32.43
Total	243,258,782	100.00	280,258,782	100.00

iv. Proposed time within which the allotment shall be completed: The Board proposes to allot the preferential warrants within a period of 15 days from the date of passing of the proposed special resolution.

v. The Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them:

Name of the Proposed Allottees (1)	No. of Shares and Percentage held by the proposed allottee prior to the preferential issue (2)	No. of Convertible warrants proposed to be issued (3)	No. of shares and percentage of post preferential issue capital that may be held by the proposed allottee if the conversion option of warrants is exercised (4)
*Aseela Vinod Goenka	5,834,892 (2.4%)	6,166,666	12,001,558 (4.28%)
*Jayvardhan Vinod Goenka	0 (0.0%)	6,166,667	6,166,667 (2.20%)
* Sanjana Vinod Goenka	0 (0.0%)	6,166,667	6,166,667 (2.20%)
SB Fortune Realty Private Limited	0 (0.0%)	13,500,000	13,500,000 (4.82%)
Feel Good Hotels Private Limited	0 (0.0%)	5,000,000	5,000,000 (1.78%)

*In terms of the disclosure made in the Prospectus for IPO and other filings, certain shares which were lent by aforesaid allottees to Neelkamal Tower Construction LLP (erstwhile known as Neelkamal Tower Construction Pvt. Ltd.) shall be re-transferred from Neelkamal Tower Construction LLP to the aforesaid allottees and the said shares have not been considered in their holdings in column (2) and (4) above.

The allotment would not result in any change in control over the Company or the management of the affairs of the Company, or in the Board of Directors of the Company and the Promoters / Promoter Group will continue to be in control of the Company.

vi) The Company hereby undertakes that -

- It would recompute the price of the Securities specified above in terms of the provisions of the SEBI ICDR Regulations where it is required to do so.
- If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

vii) The Auditors' Certificate required under Clause 73(2) of the SEBI ICDR Regulations will be placed before the Extra Ordinary General meeting of the shareholders.

None of the directors except Mr. Vinod Goenka, Mr. Shahid Balwa, Mr. Jayvardhan Goenka and Mr. Salim Balwa, who are part of the Promoters / Promoter Group is any way concerned or interested in the above resolution.

Your Directors recommend the resolution for approval as a Special Resolution.

Item No. 2

For attracting and retaining the best talent and thereby arrest the attrition, which is essential for the sustained growth of the Company, it is proposed by the Board of Directors of the Company to reward the contribution made by the Employees (as defined herein) by grant of stock options convertible into equity shares of the Company.

In order to grant such options to Employees, your Board of Directors has approved the institution of a new ESOP Scheme called "ESOP Scheme - 2012". A copy of the draft "ESOP Scheme – 2012" is available for inspection at the registered office of the Company during 11.00 a.m. to 3.00 p.m. on any working day of the Company upto the date of Extra Ordinary General meeting.

The "ESOP Scheme - 2012" shall be subject to and in conformity with the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 ("ESOS Guidelines"). The Compensation and Benefits Committee of Directors of the Company has been empowered to formulate details of the scheme, administer and supervise the "ESOP Scheme -2012" of the Company.

Definitions:

"Administrator" means the Board or the Compensation and Benefits Committee appointed by the Board or such other committee to whom the power may be delegated under Applicable Laws from time to time;

"Applicable Laws" means the legal requirements relating to stock options plans, including, without limitation, tax, corporate laws of India or of any stock exchange in which the shares are/may be listed or quoted;

"Compensation and Benefits Committee" means the Compensation and Benefits Committee appointed by the Board of Directors of the Company, the majority of which shall comprise of independent directors;

"Director" means a member of the Board of Directors of the Company and/or its Subsidiaries, whether whole time or not;

"Employee" means a permanent employee or a Director of the Company or Subsidiary or a holding company, working in India or out of India or such other persons as may be permitted to be granted options, from time to time as per Applicable Laws. An Employee shall continue to be an employee during the period of (i) any leave of absence approved by the Company (or its Subsidiary or holding company), or (ii) transfers between locations of the Company or between the Company, its holding company, any Subsidiary, or any successor;

"Subsidiary" means a subsidiary of the Company, whether now or hereafter existing as defined under Section 4 of the Companies Act, 1956.

Under the "ESOP Scheme - 2012", a maximum of 1,21,00,000 (One Crore Twenty One Lakhs) equity shares of Rs. 10/- each of the Company, being approximately 4.97% of the present paid up Equity Share Capital, are proposed to be earmarked with respect to which the Stock Option(s) may be granted to the Employees. Such equity shares may be offered directly by the Company to the Employees or may be offered through an employee benefit trust to be set up for such purpose on such terms and conditions as set out in the ESOP Scheme 2012 and as determined by the Administrator in accordance with Applicable Laws.

The introduction of the "ESOP Scheme - 2012", under the ESOS Guidelines requires the approval of the members at a General Meeting by way of a Special Resolution. Further, in terms of Section 81(1A) of the Companies Act, 1956, the issue of further shares by a public limited company to persons other than the existing members requires the approval of the members by way of a Special Resolution at a General Meeting of the Company. Hence, the resolution is proposed for members' approval as a Special Resolution.

Based on whether the stock options are granted directly or through an employee benefit trust, these guidelines may be suitably modified for implementation of the "ESOP Scheme - 2012". The salient features of "ESOP Scheme - 2012" and information required to be disclosed as per Clause 6.2 of the ESOS Guidelines are as follows:

- a. The maximum number of Stock Options to be granted are 1,21,00,000 (One Crore Twenty One Lakhs), which on exercise would result into 1,21,00,000 (One Crore Twenty One Lakhs) equity shares of Rs. 10/- each of the Company, or such other adjusted number of equity shares for any bonus, stock split, consolidation or other reorganization of the capital structure of the Company as may be applicable from time to time. The maximum number of options to be issued per Employee shall be as per the ESOS Guidelines.
- b. Employees will be entitled to participate in the "ESOP Scheme – 2012" as per the eligibility criteria determined by the Administrator. A person who is the promoter or belongs to the promoter group and a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company shall not be eligible to participate in the "ESOP Scheme-2012".
- c. The vesting period of an Option may vary from 12 months to 60 months from the date of grant. The Options shall have to be exercised within a maximum period of 36 months from the vesting of the Options, provided the Employee is in continuous employment of the Company or its Subsidiary or its holding company and not serving under notice of resignation/termination period of the Company on the date of vesting of the options. Subject to the minimum and maximum vesting period of an Option, the Administrator will decide upon the vesting period in respect of any optionee or a category of optionees.

The number of Options to be vested to the Employees is subject to such criteria as may be decided by the Administrator at its own discretion including but not limited to the date of joining of the Employee, performance evaluation, current compensation, criticality or any other criteria, as the Administrator determines.

It may, therefore, be possible that all the Options granted may not vest in the option-holder. The Compensation and Benefits Committee of Directors of the Company shall be empowered to decide the parameters and quantity of the vesting in respect of each Employee.

- d. The exercise price of Options shall be a price, as may be determined by the Administrator, which shall be lesser of (i) equivalent to or discounted upto 50% of the Average Market price or (ii) Rs. 80/- per share. In the event that the shares to be allotted to the optionees on exercise of the Options as per the "ESOP Scheme-2012" are issued and allotted to the employee benefit trust so set up, then such shares will be issued and allotted to such employee benefit trust, in one or more tranches, taking into consideration the vesting schedule of the Options so granted, either at par, or equivalent to or discounted upto 50% of the Average Market price or at Rs. 80/- per share, as may be determined between the Board and the Administrator.

The Average Market Prices for this purpose would mean the average of the closing price of the equity shares of the Company on the Stock Exchange, where there was highest trading volume during two weeks period prior to the date of the Administrator at which the Plan Series under the Scheme is approved.

- e. The maximum exercise period would be 36 months from the vesting of Options. At the time of exercise, option-holder will communicate to the Company the number of Options to be exercised by him/her and also pay the exercise price of the Options so exercised. An option-holder may exercise in part or in full the vested options.
- f. The appraisal process for determining the vesting eligibility of Employees shall be in accordance with the guidelines framed by the Administrator from time to time.
- g. The Company hereby declares that it shall conform to the accounting policies specified in Clause 13.1 of the ESOS Guidelines from time to time.
- h. The Company shall use the 'Intrinsic Value Method' to value the options.
- i. In case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report, along with the impact of this difference on profits and on EPS of the Company.
- j. The Company reserves the right to re-issue any Options surrendered/forfeited on cessation of employment due to retirement or resignation or other cause, to other eligible Employees.
- k. The Employee will not sell, transfer, pledge or create any encumbrance on the shares issued to them under the terms of the "ESOP Scheme – 2012" upon exercise of the options granted for such period as may be determined by the Administrator or as may be prescribed under Applicable Laws, whichever is longer and will be subject to such other restrictions as may be contained in the "ESOP Scheme – 2012" or as prescribed by the Administrator from time to time.
- l. In the event of any bonus/rights issue of equity shares, the entitlement of equity shares will be suitably revised.
- m. In the event, there is dilution of equity pursuant to any corporate restructuring/merger/acquisition, the Compensation and Benefits Committee of Directors of the Company shall be empowered to make pro-rata adjustment in the entitlement of Options.
- n. The option-holder shall not be construed as a member of the Company and as such shall not be entitled to any rights and privileges applicable to the members of the Company, until conversion of Options into equity shares as provided herein and the option holder becomes a shareholder of the Company.
- o. The equity shares issued to the option-holder upon conversion of Options shall be subject to the Memorandum and Articles of Association of the Company.

The Board recommends the resolution to the members for their approval as a Special Resolution.

None of the Directors of the Company is in any way concerned or interested in the resolution, except to the extent of the options / equity shares that may be offered to them under the "ESOP Scheme - 2012".

Item No. 3

Clause 6.3 (a) of the ESOS Guidelines of SEBI requires a separate resolution to be passed for granting of Stock Options to the Employees of the Subsidiary/ies or holding company of the Company. To extend the benefits of "ESOP Scheme - 2012" to the Employees of the Company's Subsidiaries or holding company, this resolution is proposed.

The Board recommends the resolution to the members for their approval as a Special Resolution.

None of the Directors of the Company is in any way concerned or interested in the resolution, except to the extent of the options / equity shares that may be offered to them under the "ESOP Scheme - 2012".

**By Order of the Board of Directors
For D B Realty Limited**

**Place: Mumbai
Date: 05th October, 2012**

**(S. A. K. Narayanan)
Company Secretary**



D B REALTY LIMITED
Regd.Office: DB House, Gen. A. K. Vaidya Marg,
Goregaon (East), Mumbai - 400 063.

ATTENDANCE SLIP

DP ID : _____

Client ID : _____

Regd.Folio No : _____

Name of the Member(s) or Proxy : _____

No. of Shares held : _____

I/We hereby record my/our presence at the Extra Ordinary General Meeting of the Company held on Saturday, the 3rd day of November, 2012 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400 063.

SIGNATURE OF THE MEMBER(s) OR PROXY

(To be signed at the time of handing over this slip)



D B REALTY LIMITED
Regd.Office: DB House, Gen. A. K. Vaidya Marg,
Goregaon (East), Mumbai - 400 063.

PROXY FORM

DP ID : _____ Client ID : _____

Ledger Folio No. : _____ No.of Shares held : _____ Proxy No : _____

I/We _____ of _____ in the district of _____

being a Member(s) of D B REALTY LIMITED. hereby appoint _____ of _____

in the District of _____ or failing him _____ of _____

in the District of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Extra Ordinary General Meeting of the Company to be held on the 3rd day of November, 2012 and at any adjournment thereof.

Signed this _____ day of _____ 2012.

Signature of Member/s

(Affix a
Re.1/-
Revenue
Stamp)

NOTE:- The proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.

BOOK-POST

If not delivered, please return to:

DB REALTY LIMITED

DB House, Gen. A. K. Vaidya Marg,
Goregaon (East),
Mumbai – 400 063.
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