



BOMBAY DYEING
THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED
REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF DIRECTORS

Members Present :

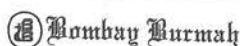
Mr. Keki M. Elavia	Chairman
Mr. R. A. Shah	Member
Mr. S. M. Palia	Member
Mr. S. Ragothaman	Member
Mr. S. S. Kelkar	Member
Mr. Vinesh Kumar Jairath	Member

The Audit Committee of the Board at the Meeting held today has considered and reviewed a Draft of the Scheme of Arrangement ('Scheme'), under Sections 230 to 232 of the Companies Act, 2013 and other applicable regulatory provisions, between Scal Services Limited ("Scal" or "Demerged Company") and The Bombay Dyeing and Manufacturing Company Limited ("BDMC" or "Resulting Company") and their respective shareholders (hereinafter referred to as the "Scheme") inter alia for Demerger of Demerged Undertaking of Scal vesting into BDMC as required vide SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

In this regard, the Audit Committee has perused the following documents:

- 1) Draft of the Scheme presented by the Management including the rationale and its salient features.
- 2) Valuation Report dated August 1, 2018, issued by Independent Valuer, Walker Chandiook & Co. LLP, recommending share entitlement ratio.
- 3) Fairness Opinion dated August 1, 2018, issued by Dalmia Securities Private Limited.

Based on the Share Entitlement Report dated August 1, 2018 of an independent valuer, Walker Chandiook & Co. LLP, and Fairness opinion issued by Dalmia Securities Private Limited, the Share Exchange Ratio for the Arrangement between Demerged Company and Resulting Company is as under:



THE BOMBAY DYEING & MANUFACTURING CO. LTD.

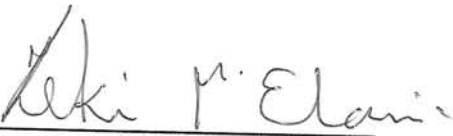


3 (Three) fully paid up 8% Redeemable Non-convertible Non-Cumulative Preference Share of Rs. 100 each of the Resulting Company shall be issued and allotted for every 1 (One) equity share of Rs. 100 each held in the Demerged Company.

Thereafter after detailed deliberation on the Scheme, Valuation Report and Fairness Opinion, the Audit Committee at the meeting held today had approved the Scheme of Arrangement and recommended the same to the Board for its consideration.

In order for the Company to comply with the requirements of extant regulations applicable to listed company which undertakes any Scheme of Arrangement including SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, this report of the Audit Committee may please be taken on record by the Board while considering the Scheme for approval and further authorisations.

For and on behalf of the Audit Committee



Keki M. Elavia

Chairperson – Audit Committee

The Bombay Dyeing and Manufacturing Company Limited

Mumbai, August 1, 2018



SCAL SERVICES LIMITED

(CIN : U65990MH1983PLC031492)

Regd. Office: Wing "A", Raheja Point I, Pt. Jawaharlal Nehru Road,
Vakola, Santacruz (E), Mumbai 400055.

Telephone – 91-22-6733 9400, Fax : 91-22-2667 3193, E-Mail ID : scalservicesltd@gmail.com

REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF DIRECTORS

Members Present :

Dr. (Mr.) Shailesh Karnik	Chairman of the Meeting
Mr. D. S. Gagrat	Member
Mr. N. H. Datanwala	Member

The Audit Committee of the Board at the Meeting held today has considered and reviewed a Draft of the Scheme of Arrangement ('Scheme'), under Sections 230 to 232 of the Companies Act, 2013 and other applicable regulatory provisions, between Scal Services Limited ("Scal" or "Demerged Company") and The Bombay Dyeing and Manufacturing Company Limited ("BDMC" or "Resulting Company") and their respective shareholders (hereinafter referred to as the "Scheme") inter alia for Demerger of Real Estate Business Undertaking of Scal vesting into BDMC as required vide SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

In this regard, the Audit Committee has perused the following documents:

- 1) Draft of the Scheme presented by the Management including the rationale and its salient features.
- 2) Valuation Report dated August 1, 2018, issued by Independent Valuer, Walker Chandiook & Co. LLP, recommending share entitlement ratio.
- 3) Fairness Opinion dated August 1, 2018, issued by Dalmia Securities Private Limited.

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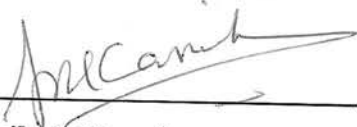
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3 (Three) fully paid up 8% Redeemable Non-convertible Non-Cumulative Preference Share of Rs. 100 each of the Resulting Company shall be issued and allotted for every 1 (One) equity share of Rs. 100 each held in the Demerged Company.

Thereafter after detailed deliberation on the Scheme, Valuation Report and Fairness Opinion, the Audit Committee at the meeting held today had approved the Scheme of Arrangement and recommended the same to the Board for its consideration.

In order for the Company to comply with the requirements of extant regulations applicable to Scheme of Arrangement including SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, this report of the Audit Committee may please be taken on record by the Board while considering the Scheme for approval and further authorizations.

For and on behalf of the Audit Committee



Shailesh Karnik

Chairperson of the Meeting

SCAL Services Limited

Mumbai, August 1, 2018

