



HB STOCKHOLDINGS LTD.

Regd. Office : Plot No .31, Echelon Institutional Area, Sector - 32, Gurgaon -122001 (Haryana)
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Website : www.hbstockholdings.com, CIN No. L65929HR1985PLC033936

HBSL/ 2018

March 1, 2018

The Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400001

Kind Attn: Mr. Marian D'Souza

Company Code: 532216

Ref: - Composite Scheme of Arrangement between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956

Dear Sir / Madam,

In reference to your e-mail Dated 28.02.2018, please find information by way of an Illustration given in Annexure A regarding the share entitlement of the Shareholders consequent upon Demerger and Reduction of Capital as provided in the Composite Scheme of Arrangement.

Yours truly,

For HB Stockholdings Limited

ANIL KUMAR MITTAL
(Company Secretary & Compliance Officer)

Encl: As Above

Illustration:

If a Person holds say 100 Equity Shares in HB Stockholdings Limited (HBSL), his entitlement would come as under:

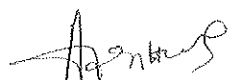
<u>Particulars</u>	<u>HBSL</u>	<u>HBPL</u>	<u>HBEDL</u>
Existing Holding (No. of Equity Shares)	100	-	-
<u>Demerger 1:</u> HBPL will issue and allot its Equity Shares to the Shareholders of HBSL in the ratio of 25:100		25	-
Total No. of Shares after Demerger 1	100	25	-
<u>Demerger 2:</u> HBEDL will issue and allot its Equity Shares to the Shareholders of HBSL in the ratio of 24:100			24
Total No. of Shares after Demerger 2	100	25	24
<u>Demerger 3:</u> HBEDL will issue and allot its Equity Shares to the Shareholders of HBPL in the ratio of 59:100 i.e. For 25 Shares of HBPL issued to the Shareholders of HBSL in Demerger 1. <i>It has been provided in the Scheme that the members of HBSL entitled to receive the equity shares of HBPL in Demerger 1 shall also be entitled to receive the equity shares of HBEDL in Demerger 3.</i>			14.75
Total No. of Shares after Demerger 3	100	25	38.75
Capital Reduction & Consolidation of Shares (On the total number of shares after Demerger 3)	3 equity Shares for every 10 Equity Shares	3 equity Shares for every 5 Equity Shares	3 equity Shares for every 5 Equity Shares
	30	15	23.25*
Number of fresh Equity Shares to be issued & allotted pursuant to the Scheme	30	15	23

*Fractional Shares shall be treated as per the Scheme.

Note:

- 1) The existing 100 Equity Shares held by the Shareholder, whether in dematerialized form or physical form, shall stand cancelled without any further act, deed or thing.
- 2) It is evident from the above illustration that a Shareholder holding 100 Equity Shares of HBSL shall finally get 30 Equity Shares of HBSL, 15 Equity Shares of HBPL and 23 Equity Shares of HBEDL pursuant to the Scheme.

For HB Stockholdings Limited



ANIL KUMAR MITTAL
(Company Secretary & Compliance Officer)