

STRICTLY PRIVATE & CONFIDENTIAL

January 13, 2016

<p>The Board of Directors, Marathon Nextgen Realty Limited Marathon Futurex N.M. Joshi Marg, Lower Parel Mumbai 400 013</p>	<p>The Board of Directors, Parmeka Private Limited 702 Marathon Max Junction of Mulund Goregaon Link Road, Mulund (West) Mumbai 400 080</p>
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Subject: Fairness Opinion for the proposed amalgamation of Parmeka Private Limited (PPL), a wholly owned subsidiary with its holding company, viz., Marathon Nextgen Realty Limited (MNRL) pursuant to Scheme of Amalgamation and Arrangement in terms of Clause 24 (h) of the Listing Agreement.

Dear Sirs,

This is reference to the engagement letter dated January 10, 2016 and further discussions we had with your officials regarding the Fairness Opinion Report in terms of Clause 24(h) of the Listing Agreement, for the proposed amalgamation of Transferor Company viz. Parmeka Private Limited (PPL), a wholly owned subsidiary with Transferee Company viz. Marathon Nextgen Realty Limited (MNRL) pursuant to Scheme of Amalgamation and Arrangement in terms of provisions of Section 391 to 394 of the Companies Act, 1956 ('The Act') along with other applicable provisions of the Act and/or Rules/Regulations made there under.

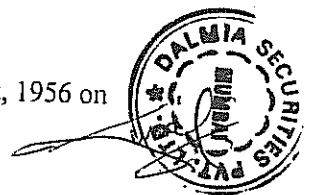
I. Background

(A) Marathon Next gen Realty Limited (MNRL)

MNRL is public limited company incorporated under the provisions of the Companies Act, 1956 on 13th January 1978 and having its Registered Office at Lower Parel Mumbai 400 013, with CIN L65990MH1978PLC020080, Maharashtra, India. Its business consists of development of real estate both residential and commercial, and implementation of infrastructure projects. The fully paid up share capital of MNRL as on March 31, 2015 is Rs.1895.82 lakh comprises 189.582 lakh shares of face value of Rs.10/ share. MNRL is listed on BSE.

(B) Parmeka Private Limited (PPL)

PPL is a private limited company incorporated under the provisions of the Companies Act, 1956 on



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23rd day of March 1995 having its registered office at Mulund Mumbai, with CIN U74999MH1995PTC086748. Its business consists of development of real estate projects and construction activities.

The entire fully paid up share capital, of Rs.93.61 lakh comprising 10,000 equity shares of face value of Rs.10 each and 92,612-0% redeemable preference shares of Rs.100 each is held by MNRL (as at September 30,2015). The shares of PPL are not listed on any stock exchange. PPL is a wholly owned subsidiary of MNRL.

2. Scheme of Amalgamation and Arrangement

2.1 We have been informed that it is proposed to merge PPL with MNRL with effect from October 1,2015. (hereinafter referred to as 'Appointed Date') pursuant to the Draft Scheme under sections 391 to 394 of the Companies Act, 1956. The Draft Scheme would need the approval from the Bombay Stock Exchange Ltd before filing with Ho'able High Court of Bombay and other regulatory authorities, etc, as applicable.

2.2 The salient features of the Draft Scheme are as under:

- a) The Draft Scheme provides for merger of PPL with MNRL
- b) Upon merger and the scheme becoming effective, the equity shares of PPL held by MNRL shall stand cancelled.

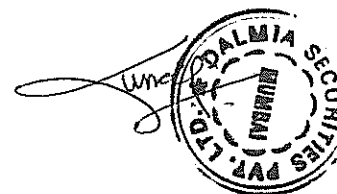
3. Scope of Engagement

For the aforesaid purpose, MNRL has appointed us to issue a fairness opinion for the intended Scheme in terms of Clause 24(h) of the Listing Agreement as per the requirement of SEBI and Stock Exchange(s). This report is intended only for the sole use of MNRL and PPL and in connection with the proposed Scheme including for the purpose of obtaining judicial and regulatory approvals for the amalgamation.

4. Sources of Information:

We have relied on the following information in issuing this fairness opinion for the purpose of the amalgamation:

- 1) Draft Scheme of Amalgamation and Arrangement under Section 391 to 394 of the Companies Act, 1956 with regard to the proposed amalgamation;
- 2) Copy of Memorandum of Association and Articles of Association of MNRL and PPL;
- 3) Audited financial statement of MNRL for the years ended March 31, 2013, March 31, 2014 and March 31, 2015 and unaudited results as at September 30,2015
- 4) Audited financial statements of PPL for the year ended March 31,2015
- 5) Valuation Report dated January 13,2016 issued by M/s Dinesh Pai & Co, Chartered Accountants, Mumbai (Membership NO. 36669 and ICAI FRN 102608 W); and



- 6) Such other information, documents, data, reports, discussions and verbal & written explanations from MNRL and PPL as well as advisors for merger/amalgamation to MNRL/ PPL, public domain websites, as were considered relevant for the purpose of the Fairness Opinion.

5. Basis of Valuation:

Based on information provided by the management of the entities forming part of the amalgamation and after analyzing the Scheme, and the report of the Chartered Accountant, we understand PPL will merge into MNRL without any consideration. The amalgamation is proposed to result in following advantages:

1. Provide economies in cost by combining and integrating the total business functions and thus contribute to the profitability of the amalgamated company.
2. The increase in networth of MNRL would enable it to capitalise upon such improved networth to enhance stake holders' value.
3. Enable MNRL to further enhance its resource raising capabilities.
4. Optimisation of overall shareholders' value of MNRL.

6. Exclusions and Limitations

Our report is subject to the scope limitations detailed hereinafter.

- a) This report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- b) In the course of the present exercise, we were provided with both written and verbal information, including financial data. Our report is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financials and the information and representations furnished to us without carrying out any audit or other tests to verify its accuracy with limited independent appraisal. Also, we have been given to understand by the managements of the companies that they have not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assume no responsibility whatsoever for any errors in the above information furnished by the companies and their impact on the present exercise.
- c) We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.
- d) Our work does not constitute an audit, due diligence or verification of historical financials including the working results of the Companies or their business referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- e) We express no opinion whatsoever and make no recommendation at all to the companies underlying decision to effect the proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection with the proposed Scheme. We do not express and should not be deemed to have

expressed any views on any other term of the proposed Scheme. We also express no opinion and accordingly accept no responsibility or as to the prices at which the equity shares of MNRL will trade following the announcement of the proposed Scheme or as to the financial performance of MNRL following the consummation of the proposed Scheme

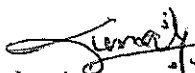
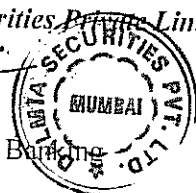
- f) Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation and arrangement with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- g) Our analysis and results are also specific to the date of this report. An exercise of this nature involves consideration of various factors. This report is issued on the understanding that the companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies, their businesses, and any other matter, which may have an impact on our opinion for the proposed merger, including any significant changes that have taken place or are likely to take place in the financial position of the Companies or their businesses subsequent to the proposed Appointed Date for the proposed Scheme. We have no responsibility to update this report for events and circumstances occurring after the date of this report. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.
- h) This report has been issued for the sole purpose to facilitate the Company to comply with clause 24(f) and 24(h) of the Listing Agreement and SEBI Circular No CIR/CFID/DIL/5/2013 dated 4 February 2013 and CIR/CFD/DIL/8/2013 dated 21 May 2013 and it shall not be valid for any other purpose.

7. Opinion & Conclusion

With reference to above and based on information provided by the management of the entities forming part of the amalgamation and after analysing the Draft Scheme, we understand that the present Scheme has been intended to merge PPL into MNRL and the valuer M/s Dinesh Pai & Co, Chartered Accountants, Mumbai have observed that NO SHARES are proposed to be issued by MNRL to the shareholders of PPL and that there would not be any change in the shareholding pattern of MNRL. Further, the shareholders of MNRL would continue to remain beneficial owners of MNRL in the same proportion as they held the shares prior to the amalgamation.

In light of the forgoing and subject to the caveats as detailed hereinbefore, we as a Merchant Banker hereby certify that, in our opinion the proposed Scheme of Amalgamation and Arrangement is reasonable as there would be no change in the shareholding pattern of MNRL, post amalgamation.

For Dalmia Securities Private Limited


Jeyakumar S
COO-Investment Banking


Place: Mumbai
SEBI Reg. No.: INM000011476