

**COMPOSITE SCHEME OF ARRANGEMENT**

**BETWEEN**

**JKPL Utility Packaging Solutions Private Limited**  
**(Formerly Manipl Utility Packaging Solutions Private Limited)**  
**("TRANSFEROR COMPANY 1")**

**AND**

**Securipax Packaging Private Limited**  
**("TRANSFEROR COMPANY 2")**

**AND**

**Horizon Packs Private Limited**  
**("TRANSFEROR COMPANY 3")**

**AND**

**Enviro Tech Ventures Limited**  
**("DEMERGED COMPANY FOR PART 'E' OF THE SCHEME" AND "TRANSFEROR COMPANY 4 FOR PART F OF THE SCHEME")**

**AND**

**PSV Agro Products Private Limited**  
**("RESULTING COMPANY")**

**AND**

**JK Paper Limited**  
**("TRANSFEE COMPANY")**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**(UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES THEREUNDER)**



## (A) PREAMBLE

Upon the Scheme becoming effective, this Composite Scheme of Arrangement ("Scheme") is presented under Sections 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder and provides inter alia for the following:

- amalgamation of JKPL Utility Packaging Solutions Private Limited (Formerly Manipal Utility Packaging Solutions Private Limited) ("**Transferor Company 1**"), Securipax Packaging Private Limited ("**Transferor Company 2**"), Horizon Packs Private Limited ("**Transferor Company 3**") with and into JK Paper Limited ("**Transferee Company**");
- reduction and conversion of Redeemable Preference Shares of Enviro Tech Ventures Limited ("**Demerged Company for Part 'E' of the Scheme**" and "**Transferor Company 4 For Part 'F' of the Scheme**") into unsecured loan;
- demerger of Demerged Undertaking of Demerged Company into **PSV Agro Products Private Limited ("**Resulting Company**")**; and
- amalgamation of Transferor Company 4 with and into JK Paper Limited ("**Transferee Company**")
- Re-organization of reserves of the Transferee Company post effectiveness of Scheme.

## (B) Parts of the Scheme

This Scheme is divided into the following parts: -

**Part A** deals with the description of the companies and the rationale for the Scheme;

**Part B** deals with the definitions and the share capital of the Companies involved in the Scheme.;

**Part C** deals with the amalgamation of Transferor Company 1, Transferor Company 2 Transferor Company 3 with and into the Transferee Company; the consequent dissolution without being wound up of Transferor Companies and matters incidental thereto;

**Part D** deals with the reduction and conversion of Redeemable Preference Shares of Enviro Tech Ventures Limited into unsecured loan;

**Part E** deals with the demerger of Demerged Undertaking of Enviro Tech Ventures Limited ("**Demerged Company**") into PSV Agro Products Private Limited;

**Part F** deals with the amalgamation by absorption of the Transferor Company 4 with and into the Transferee Company; the consequent dissolution without being wound up of Transferor Company 4 and matters incidental thereto;

**Part G** deals with re-organization of reserves of the Transferee Company post effectiveness of Scheme.

**Part H** deals with the general terms and conditions applicable to this Scheme.



The Scheme also provides for various other matters consequential, incidental or otherwise integrally connected herewith.

## PART A – GENERAL

### 1. DESCRIPTION OF THE COMPANIES

1.1. JKPL Utility Packaging Solutions Private Limited (Formerly Manipal Utility Packaging Solutions Private Limited) ("**Transferor Company 1**") was incorporated as a private limited company under the provisions of the erstwhile Companies Act, 1956 on 15<sup>th</sup> February 2008 vide Corporate Identity Number (CIN) U21014KA2008PTC045299, having registered office at Plot No. 19B, Shivalli Industrial Area, Manipal, Udipi, Karnataka, India - 576104. The Transferor Company 1 is engaged in the business of manufacturing of folding cartons, Corrugated boxes and labels and pre-press activities. The Transferor Company 1 is a wholly owned subsidiary of Transferee Company. Transferor Company 1 is under process to shift its registered office from State of Karnataka to State of Gujarat.

1.2. Securipax Packaging Private Limited ("**Transferor Company 2**"), was incorporated as a private limited company under the provisions of the erstwhile Companies Act, 1956 on 15<sup>th</sup> September 1980 vide Corporate Identity Number (CIN) U74999DL1980PTC122583, having registered office at Gulab Bhawan, 3<sup>rd</sup> Floor (Rear Block), 6A, Gulab Bhawan, Bahadur Shah Zafar Marg, New Delhi, India - 110002. The Transferor Company 2 is engaged in the business of manufacturing of corrugated boxes, corrugated sheet and other packaging related work. The Transferor Company 2 is a wholly owned subsidiary of Transferee Company. Transferor Company 2 is under process to shift its registered office from State of Delhi to State of Gujarat.

1.3. Horizon Packs Private Limited ("**Transferor Company 3**") was incorporated as a private limited company under the provisions of the erstwhile Companies Act, 1956 on 20<sup>th</sup> August 2001 vide Corporate Identity Number (CIN) U21014MH2001PTC133116, having registered office at Ashford Centre, 2nd Floor, Shankar Rao Naram Marg, Lower Parel (West), Delisle Road, Mumbai, Maharashtra - 400013. The Transferor Company 3 is engaged in the business of manufacturing of corrugated boxes, corrugated sheet and other packaging related work. The Transferor Company 3 is a wholly owned subsidiary of Transferee Company. Transferor



Company 3 is under process to shift its registered office from State of Maharashtra to State of Gujarat.

- 1.4. Enviro Tech Ventures Limited (**"Demerged Company for Part 'E' of the Scheme"** and **"Transferor Company 4 For Part F of the Scheme"**) was incorporated as a public limited company under the provisions of the erstwhile Companies Act, 1956 on 19<sup>th</sup> December 2007 vide Corporate Identity Number (CIN) U73100GJ2007PLC075963, having registered office at P.O. Central Pulp Mills, Fort Songadh, District Tapi, Gujarat, India - 394660. The Demerged Company / Transferor Company 4 is engaged in the business of trading of all types of goods on wholesale basis in India or elsewhere. The Transferor Company 4 is a subsidiary of Transferee Company with 96.08% of the equity shares being owned by Transferee Company and remaining 3.92% of the equity shares being by Promoter Group of the Transferee Company.
- 1.5. PSV Agro Products Private Limited (**"Resulting Company"**) was incorporated as a private limited company under the provisions of the Companies Act, 2013 on 3<sup>rd</sup> November 2017 vide Corporate Identity Number (CIN) U01820DL2017PTC325611, having registered office at Patriot House, 3, Bahadur Shah Zafar Marg, New Delhi, North Delhi, Delhi, India - 110002. Currently, the Resulting Company has, as its main objects, to be engaged in the business of agriculture, hunting and related services. The objects of the Resulting Company are under process of being changed and consequently, the Resulting Company will be engaged in the business of trading all types of goods on a wholesale basis. Additionally, the Resulting Company is under process to shift its registered office from State of Delhi to State of Gujarat.
- 1.6. JK Paper Limited (**"Transferee Company"**) was incorporated as a public limited company under the provisions of the erstwhile Companies Act, 1956 on 4<sup>th</sup> July 1960 vide Corporate Identity Number (CIN) L21010GJ1960PLC018099, having registered office at Fort Songadh, District - Tapi, Gujarat, India - 394660. The Transferee Company is engaged in the business of manufacturing and distribution of a wide range of paper products, including office paper, writing & printing, packaging boards, coated paper, specialty paper and other paper related products.



2. **OBJECT AND RATIONALE OF THIS SCHEME**

a) **Object and rationale for amalgamation of Transferor Company 1, Transferor Company 2, Transferor Company 3 with and into Transferee Company:**

The Transferor Company 1, Transferor Company 2, Transferor Company 3 are wholly owned subsidiaries of the Transferee Company. The amalgamation of the Transferor Company 1, Transferor Company 2, Transferor Company 3 with and into the Transferee Company is, inter alia, expected to yield the following benefits:

- The Transferor Company 1, Transferor Company 2, Transferor Company 3, and the Transferee Company are engaged in similar line of business, and the Board of the respective companies has decided to consolidate all packaging business, manufacturing, and trading entities under the Transferee Company. The proposed consolidation of business operations through amalgamation will therefore lead to more efficient utilization of capital assets, supply chain, and customer relationships, thereby creating a stronger base for future growth;
- Facilitate flexibility in funding the capex of the Transferor Company 1, Transferor Company 2, Transferor Company 3, eliminate intra-group transactions and consequent cash flow blockages which shall result in efficient utilization of capital at a group level;
- Assist in rationalizing the corporate structure and reduction of shareholding tiers;
- Reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company 1, Transferor Company 2, Transferor Company 3 and Transferee Company;
- Result in savings of administration and other costs associated with managing separate entities

b) **Object and rationale for reduction and conversion of Redeemable Preference Shares held by the Transferee Company in the Transferor Company 4 into unsecured loan:**

The reduction and conversion of preference share capital of the Transferor Company 4 into unsecured loan, would, inter alia, entail the following benefits:



- The reduction and conversion of Redeemable Preference Shares (RPS) in the manner proposed in the Scheme would enable the Transferee Company to reflect the true nature of investment in the Transferor Company 4 i.e., as a liability, and thereby, facilitate the demerger from the Transferor Company 4 (as a part of this Scheme);
- The RPS issued by Transferor Company 4 (or the Demerged Company) shall, upon the effectiveness of Part D of the Scheme, be converted into an unsecured loan. Furthermore, upon the effectiveness of Part F of the Scheme, whereby Transferor Company 4 is merging with the Transferee Company, such unsecured loan, previously arising from the conversion of the RPS, shall stand cancelled without any further act, deed, or instrument;
- Facilitate support for organic growth opportunities and eliminating intra-group transactions and consequent cash flow blockages which shall result in efficient utilization of capital at a group level;
- The Scheme would not affect the ability or liquidity of the Transferor Company 4 to meet its obligations / commitments in the normal course of business upon effectiveness of the Part D of the Scheme.

**c) Object and rationale for demerger of Demerged Undertaking into Resulting Company:**

The following benefits would, inter alia, accrue to the Demerged Company and the Resulting Company:

- Facilitate segregation of the Demerged Undertaking from the Demerged Company so that the Resulting Company may focus and expand the business of the Demerged Undertaking subsequent to the demerger;
- The demerger shall allow the Demerged Company to merge the residual business (related to paper and packaging business) with the Transferee Company in Part F of the Scheme, thereby consolidating paper and packaging business, manufacturing, and trading entities under the Transferee Company as part of the overall objective of the restructuring scheme.

**d) Object and rationale for merger of Transferor Company 4 into Transferee Company:**

- Upon effectiveness of Part E of the Scheme, Transferor Company 4 would be left with paper and packaging business and management of Transferor Company 4 and Transferee Company are engaged in the same line of business, and so the Board of the respective



companies have decided to consolidate all paper and packaging business, manufacturing, and trading entities under the Transferee Company;

- Assist in rationalizing the corporate structure and reduction of shareholding tiers;
- Reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company 4 and Transferee Company;
- Result in savings of administration and other costs associated with managing separate entities.

e) **Rationale for re-organization of reserves of the Transferee Company in the manner set out in this Scheme:**

- The Scheme proposes to set off the debit balance of Credit Reserve arising out of effectiveness of the Scheme as on the Appointed Date against the existing credit balance lying under Transferee Company, in order to right-size the balance sheet;
- The proposed reorganization of the reserves is in the interest of the Transferee Company, shareholders, creditors, and all concerned stakeholders. If the Scheme is approved, the books of the Company would present a fair representation of the financial position of the Transferee Company.

Accordingly, the Management of respective companies, have formulated this Scheme to undertake various steps as envisaged under Part C, D, E, F and G of this Scheme pursuant to the provisions of Sections 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).

There is no likelihood that interests of any shareholder(s) or creditor(s) of the respective companies would be prejudiced as a result of the Scheme. The Scheme does not affect the rights of the creditors of the respective companies. There will not be any reduction in amounts payable to the creditors, nor shall there be any change in terms with creditors which is averse to their interests, pursuant to the sanctioning of this Scheme. Without prejudice to the above, the Scheme is an arrangement between the respective Companies and their respective shareholders, as contemplated under Section 230(1)(b) of the Companies Act, 2013 and not a Scheme envisaged under Section 230(1)(a) of the Companies Act, 2013.



In view of the above, the Board of Directors of the respective companies have formulated this Scheme to undertake various steps as envisaged in this Scheme pursuant to the provisions of Sections 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).





## PART B – DEFINITIONS AND SHARE CAPITAL

### 3. DEFINITIONS

In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:

- 3.1 **“Act”** means the Companies Act, 1956 and/or Companies Act, 2013, to the extent its provisions relevant for this Scheme are notified and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force;
- 3.2 **“Applicable Law”** or **“Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority (*defined hereinafter*), statutory authority, court, tribunal having jurisdiction over the parties involved in the Scheme; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the parties involved in the Scheme as may be in force from time to time;
- 3.3 **“Appointed Date 1”** means April 1, 2024 or such other date as may be approved by the Honorable National Company Law Tribunal(s), for the purposes of this Scheme;
- 3.4 **“Appointed Date 2”** means April 1, 2025 or such other date as may be approved by the Honorable National Company Law Tribunal(s), for the purposes of this Scheme;
- 3.5 **“Appointed Dates”** means Appointed Date 1 and Appointed Date 2.
- 3.6 **“Appropriate Authority”** means:

- a. the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission or other authority thereof;

b. any public international organisation or supranational body and its institutions,



departments, agencies and instrumentalities; and

- c. any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing, exporting or other governmental or quasi-governmental authority including (without limitation) SEBI (as defined hereinafter) and the NCLT (as defined hereinafter);

3.7 **"Assets"** means all movable and immovable properties, tangible or intangible, and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, engagements, customer relationships, contracts, arrangements, commercial and business rights, knowledge, knowhow, intellectual properties and rights of any nature wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favor of or enjoyed by the Transferor Company 1, Transferor Company 2, Transferor Company 3 and Transferor Company 4;

3.8 **"Board of Directors" or "Board"** means the Board of Directors of the Transferor Company 1 or Transferor Company 2 or Transferor Company 3 or Demerged Company / Transferor Company 4, Resulting Company or the Transferee Company, as the case may be, and shall include a duly constituted committee(s) thereof;

3.9 **"BSE"** shall mean BSE Limited;

3.10 **"Companies"** means collectively the Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4 / Demerged Company, Resulting Company and Transferee Company;

3.11 **"Demerger"** means the transfer by way of demerger in accordance with the provisions of Section 2(19AA) of the Income Tax Act, 1961 of the Demerged Undertaking hereinafter defined in clause 3.13 below;

3.12 **"Demerged Company"** means **Enviro Tech Ventures Limited**, a company incorporated under the Act on 19<sup>th</sup> December 2007, vide Corporate Identity Number (CIN) U73100GJ2007PLC075963, having its registered office at PO, Central Pulp Mills, Fort Songadh,

District Tapi, Gujarat, India – 394660;



3.13 **"Demerged Undertaking"** means entire business undertaking, on a going concern basis, in relation to the Demerged Company excluding the Residual Business (define *hereinafter*) along with all the related assets, investments, liabilities and obligations, of whatsoever nature and kind, of the Demerged Company belonging to, or forming part of, or relating or appertaining to, or attributable to the Demerged Undertaking of Demerged Company as on the Appointed Date 2, including specifically the following:

- i. all assets of the Demerged Undertaking, but excluding the Residual Business), whether moveable properties, real or personal, corporeal or incorporeal, in possession, or in reversion, present, future, contingent, tangible or intangible;
- ii. all debts, borrowings, obligations and liabilities, including contingent liabilities, whether present or future, whether secured or unsecured, of Demerged Company pertaining to the Demerged Undertaking;
- iii. in cases of general or multi-purpose borrowings, if any, (in the nature of loans as on the date of approval of the Scheme by the Boards of the respective companies) of the demerged company the same shall be attributed in the same proportion in which the value of the assets transferred in the demerger to the total value of the assets of the demerged company immediately before the demerger, as may be decided by the Board;
- iv. all books, records, files, papers, engineering and process information, computer programmes, software licenses (whether proprietary or otherwise), data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to Demerged Undertaking;
- v. all permanent employees employed by Demerged Company pertaining to the Demerged Undertaking, as identified by the Board of Directors of Demerged Company, as on the Effective Date;
- vi. all security deposits, or other entitlements, if any, in connection with or relating to Demerged Company pertaining to the Demerged Undertaking; and



- vii. all legal or other proceedings of whatsoever nature that pertain to the Demerged Undertaking.

Any question that may arise as to whether a specific asset (tangible or intangible) or any liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking or not, shall be decided by a mutual agreement between the Board of Directors of Demerged Company, Resulting Company and Transferee Company;

3.14 **“Effective Date”** means the date on which last of the conditionalities specified in Clause 49 of the Scheme is fulfilled. Any reference in this Scheme to the date **“upon the Scheme becoming effective”** or **“effectiveness of the Scheme”** or **“upon coming into effect of this Scheme”** or **“upon the Scheme coming into effect”** shall mean the Effective Date, as defined in this Clause;

3.15 **“Encumbrance”** means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (ii) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, selling, assigning, pledging, hypothecating, or creating a security interest in, place in trust (voting or otherwise), receipt of income or exercise; or (iii) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term **“Encumber”** shall be construed accordingly;

3.16 **“Governmental Authority”** means any applicable Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction and shall include any other authority which supersedes the existing authority;

3.17 **“Indian Accounting Standards”** means the applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 and shall include any statutory modifications, re-enactments or amendments thereof;



3.18 **"Liabilities"** means all the debts, liabilities, duties and obligations including contingent liabilities of respective Companies i.e. the Transferor Company 1, Transferor Company 2, Transferor Company 3, Demerged Undertaking and Transferor Company 4;

3.19 **"Merger" or "Merger by absorption" or "Amalgamation" or "Amalgamation by Absorption"** means the merger or amalgamation in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961 of the Transferor Companies with and into the Transferee Company;

3.20 **"NSE"** means National Stock Exchange of India Limited;

3.21 **"NCLT"** means Hon'ble National Company Law Tribunal, Gujarat Bench having jurisdiction in relation to the Companies, as constituted and authorized as per the provisions of the Act for approving Scheme of Arrangement of Companies under Sections 230 to 232 read with Section 66 and other applicable provisions of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a Tribunal for the purposes of Sections 230 to 232 read with Section 66 and other applicable provisions of the Act, as may be applicable;

3.22 **"Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company and Resulting Company thereof, in consultation with the Board of Directors of the Transferor Company 4/ Demerged Company for the purpose of determining the members of the Transferor Company 4/ Demerged Company to whom new shares to be allotted pursuant to the Scheme;

3.23 **"Residual Business"** means the business of the Demerged Company related to paper and packaging including the shares held in The Sirpur Paper Mills Limited;

3.24 **"Resulting Company"** means PSV Agro Products Private Limited, a private limited company under the provisions of the Companies Act, 2013 incorporated on 3<sup>rd</sup> November 2017, vide Corporate Identity Number (CIN) U01820DL2017PTC325611, having registered office at Patriot House, 3, Bahadur Shah Zafar Marg, New Delhi, North Delhi, Delhi, India - 110002;

3.25 **"Scheme" or "the Scheme" or "this Scheme" or "Composite Scheme of Arrangement"** means this Composite Scheme of Arrangement, as amended or modified, in its present form submitted to the NCLT for approval, with or without any modifications, as may be approved or imposed or directed by the NCLT or any other appropriate authority;



3.26 "SEBI" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

3.27 "Stock Exchanges" means BSE and NSE;

3.28 "Taxation" or "Tax" or "Taxes" means all forms of taxes and statutory, governmental, state, provincial, local government or municipal impositions, duties, contribution and levies and whether levied by reference to income, profit, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction of tax at source, collection of tax at source, advance tax, minimum alternate tax, self-assessment tax, tax on regular assessment, minimum alternate tax credit or otherwise or attributable directly or primarily to Transferor Company and Transferee Company, as the case may be or any other person and all penalties, charges, costs and interest relating thereto;

3.29 "Tax Laws" means all the applicable laws, acts, rules and regulations dealing with Taxes including but not limited to the any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, Goods and Services Tax Act, 2017, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies of similar nature;

3.30 "Transferor Companies" means collectively the Transferor Company 1, Transferor Company 2 and Transferor Company 3.

3.31 "Transferee Company" means JK Paper Limited, a listed public limited company incorporated under the Act vide Corporate Identity Number (CIN) L21010GJ1960PLC018099 and having registered office at P.O. Central Pulp Mills, Fort Songarh, District Tapi, Gujarat, India - 394660 and having its equity shares listed on BSE and NSE;

3.32 "Transferor Company 1" means JKPL Utility Packaging Solutions Private Limited (Formerly Manipal Utility Packaging Solutions Private Limited), a private limited company incorporated under the Act vide Corporate Identity Number (CIN) U21014KA2008PTC045299 and having registered office at Plot No. 19B Shivalli Industrial Area, Udupi, Karnataka, India - 576104;



3.33 "Transferor Company 2" means Securipax Packaging Private Limited, a private limited company incorporated under the Act vide Corporate Identity Number (CIN) U74999DL1980PTC122583 and having registered office at Gulab Bhawan, 3<sup>rd</sup> Floor (Rear Block), 6A, Bahadur Shah Zafar Marg, New Delhi, India – 110002;

3.34 "Transferor Company 3" means Horizon Packs Private Limited, a private limited company incorporated under the Act vide Corporate Identity Number (CIN) U21014MH2001PTC133116 and having registered office at Ashford Centre, 2<sup>nd</sup> Floor, Shankar Rao Naram Marg, Lower Parel (West), Delisle Road, Mumbai, Maharashtra – 400013;

3.35 "Transferor Company 4" means Enviro Tech Ventures Limited, an unlisted public limited company incorporated under the Act vide Corporate Identity Number (CIN) U73100GJ2007PLC075963 and having registered office at P.O. Central Pulp Mills, Fort Songadh, District Tapi, Gujarat, India – 394660;

3.36 "Transition period" means period starting from the Appointed Dates till the Effective Date.

3.37 In this Scheme, unless the context otherwise requires:

3.37.1 References to clauses, unless otherwise provided, are to the clauses to this Scheme;

3.37.2 Headings, subheadings, titles, subtitles to clauses and sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same;

3.37.3 All references in this Scheme to statutory provisions shall be construed as meaning and including references to:

(a) any statutory modification, consolidation or re-enactment made after the date of approval of this Scheme by the Board and for the time being in force;

(b) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);

(c) all statutory instruments or orders made pursuant to a statutory provision; and

(d) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.

3.37.4 Unless the context otherwise requires:

(a) the singular shall include the plural and vice versa, and references to one gender include all genders;



(b) references to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership or employee representative's body (whether or not having separate legal personality);

(c) reference to days, months and years are to calendar days, calendar months and calendar years, respectively;

(d) in the event there is an ambiguity or conflict relating to the interpretation of any particular matter in this Scheme between a specific clause and a general clause, the interpretation of the specific clause in this Scheme dealing with such matter will take precedence and govern the interpretation and application of such matter;

(e) any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form; the words "include" and "including" are to be construed without limitation; and

(f) where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

3.38 All terms and words not defined in this Scheme shall, unless repugnant 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

#### 4. DATE OF TAKING EFFECT AND OPERATIVE DATE

4.1 The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other appropriate authority and shall become effective from the respective Appointed Dates, as defined under respective part of this Scheme in accordance with Section 232(6) of the Act.

4.2 The merger of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 with and into the Transferee Company as per part C of the Scheme and merger of Transferor Company 4 with and into Transferee Company as per part F of the Scheme shall be in accordance with Section 2(1B) and 47 of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with Section 2(1B) and 47 of the





Income Tax Act, 1961 at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provision of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will, however, not affect other parts of the Scheme.

- 4.3 The demerger of Demerged Undertaking of Demerged Company into the Resulting Company, shall be in accordance with Section 2(19AA) and 47 of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with Section 2(19AA) and 47 of the Income Tax Act, 1961 at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provision of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will, however, not affect other parts of the Scheme.

## 5. SHARE CAPITAL

- 5.1 The share capital structure of Transferor Company 1 as on 30<sup>th</sup> September 2024 is as under:

Particulars	Amount (INR)
<b>Authorised share capital</b>	
4,70,00,000 equity shares of INR 10 each	47,00,00,000
<b>Total</b>	<b>47,00,00,000</b>
<b>Issued, subscribed and, paid-up share capital</b>	
4,07,00,810 equity shares of INR 10 each fully paid up	40,70,08,100
<b>Total</b>	<b>40,70,08,100</b>

As on the date of approval of the Scheme by the Board of Directors of the Transferor Company 1, there is no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company 1.



5.2 The share capital structure of Transferor Company 2 as on 30<sup>th</sup> September 2024 is as under:

Particulars	Amount (INR)
<b>Authorised share capital</b>	
5,50,000 equity shares of INR 100 each	5,50,00,000
<b>Total</b>	<b>5,50,00,000</b>
<b>Issued, subscribed and, paid-up share capital</b>	
5,45,000 equity shares of INR 100 each fully paid up	5,45,00,000
<b>Total</b>	<b>5,45,00,000</b>

As on the date of approval of the Scheme by the Board of Directors of the Transferor Company 2, there is no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company 2.

5.3 The share capital structure of Transferor Company 3 as on 30<sup>th</sup> September 2024 is as under:

Particulars	Amount (INR)
<b>Authorised share capital</b>	
33,89,66,629 equity shares of INR 10 each	3,38,96,66,290
<b>Total</b>	<b>3,38,96,66,290</b>
<b>Issued, subscribed and, paid-up share capital</b>	
31,67,53,999 equity shares of INR 10 each fully paid up	3,16,75,39,990
<b>Total</b>	<b>3,16,75,39,990</b>

As on the date of approval of the Scheme by the Board of Directors of the Transferor Company 3, there is no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company 3.

5.4 The share capital structure of Transferor Company 4 / Demerged Company as on 30<sup>th</sup> September 2024 is as under:

Particulars	Amount (INR)
<b>Authorised share capital</b>	
5,50,00,000 equity shares of INR 10 each	55,00,00,000
2,80,00,000 preference shares of INR 100 each	2,80,00,00,000



<b>Total</b>	<b>3,35,00,00,000</b>
<b>Issued, subscribed and, paid-up share capital</b>	
2,12,65,400 equity shares of INR 10 each fully paid up	21,26,54,000
2,11,00,000 redeemable preference shares of INR 100 each fully paid up	2,11,00,00,000
63,00,000 compulsorily convertible preference shares of INR 100 each fully paid up	63,00,00,000
<b>Total</b>	<b>2,95,26,54,000</b>

As on the date of approval of the Scheme by the Board of Directors of the Transferor Company 4 / Demerged Company, there is no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company 4 / Demerged Company.

Since the Transferor Company 4 has issued 3 series of Compulsory Convertible Preference Shares ("CCPS") to the Promoter Group of JK Paper Limited, the share capital structure of Transferor Company 4 / Demerged Company based on fully diluted basis will be as under:

Particulars	Number of shares	Number of shares (Fully Diluted Basis)
Equity Shares	2,12,65,400	2,12,65,400
CCPS (Series 1)	30,00,000	2,50,00,000
CCPS (Series 2)	10,00,000	83,33,333
CCPS (Series 3)	23,00,000	1,10,57,692
<b>Total</b>	<b>2,75,65,400</b>	<b>6,56,56,425</b>

5.5 The share capital structure of Resulting Company as on 30<sup>th</sup> September 2024 is as under:

Particulars	Amount (INR)
<b>Authorised share capital</b>	
1,00,000 equity shares of INR 10 each	10,00,000
<b>Total</b>	<b>10,00,000</b>
<b>Issued, subscribed and, paid-up share capital</b>	
10,000 equity shares of INR 10 each fully paid up	1,00,000
<b>Total</b>	<b>1,00,000</b>



As on the date of approval of the Scheme by the Board of Directors of the Resulting Company, there is no change in the authorised, issued, subscribed and paid-up share capital of the Resulting Company.

5.6 The share capital structure of Transferee Company as on 30<sup>th</sup> September 2024 is as under:

Particulars	Amount (INR)
<b>Authorised share capital</b>	
30,00,00,000 equity shares of INR 10 each	3,00,00,00,000
2,00,00,00,000 preference shares of INR 100 each	2,00,00,00,000
<b>Total</b>	<b>5,00,00,00,000</b>
<b>Issued, subscribed and, paid-up share capital</b>	
16,94,02,344 equity shares of INR 10 each fully paid up	1,69,40,23,440
<b>Total</b>	<b>1,69,40,23,440</b>

As on the date of approval of the Scheme by the Board of Directors of the Transferee Company, there is no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company.

**PART C – MERGER BY ABSORPTION OF TRANSFEROR COMPANIES WITH AND INTO TRANSFEE COMPANY**

**6. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 AND TRANSFEROR COMPANY 3 WITH AND INTO THE TRANSFEE COMPANY**

6.1. With effect from the Appointed Date 1 and upon the Scheme becoming effective, the Transferor Company 1, Transferor Company 2 and Transferor Company 3 along with all the Assets, Liabilities, contracts, arrangements, employees, permits licences, records, approvals, etc. being integral part of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall, without any further act, instrument or deed, stand amalgamated with and be vested in or be deemed to have been vested in the Transferee Company on a going concern basis so as to become as and from the Appointed Date 1, the Assets, Liabilities, contracts, arrangements,



employees, permits, licences, records, approvals, etc. of the Transferee Company by virtue of, and in the manner provided in this Scheme.

6.2. Without prejudice to the generality of the above clauses and to the extent applicable, unless otherwise stated herein, upon the coming into effect of this Scheme and with effect from the Appointed Date 1:

- a. All the properties and Assets of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, tangible or intangible, balance in bank, cash or investments (including but not limited to investment in subsidiaries, if any) and other Assets of whatsoever nature and tax credits, advance taxes paid, Self-assessment tax, tax on regular assessment, MAT credit including under GST law, quotas, rights, consents, entitlements, licenses, certificates, permits, MIDC and Baddi leases, and private land, tenancy rights, and facilities of every kind and description whatsoever for all intents and purposes, permissions under any Tax Laws, incentives, if any, without any further act or deed so as to become the business, properties and Assets of the Transferee Company.
- b. All the movable Assets of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 or Assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.
- c. All other movable properties of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, including investments if any, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the orders of this Scheme becoming effective and by operation of law become the properties of the Transferee Company and the title thereof together with all rights, interests or obligations therein



shall be deemed to have been mutated and recorded as that of the Transferee company. All investments of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall be recorded in the name of the Transferee Company by operation of law as transmission in favour of the Transferee Company as a successor in interest and any documents of title in the name of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall also be deemed to have been mutated and recorded in the name of the Transferee Company to the same extent and manner as originally held by the the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and enabling the ownership, right, title and interest therein as if the Transferee Company was originally the Transferor Company 1, Transferor Company 2 and Transferor Company 3 respectively. The Transferee Company shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard;

- d. All the consents, permissions, licenses, certificates, insurance covers, clearances, authorities, power of attorneys given by, issued to or executed in favour of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, shall stand vested in or transferred automatically to the Transferee Company without any further act or deed and shall be appropriately mutated by the authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The benefit of all statutory and regulatory permissions including the statutory or other licenses, Tax registrations, permits, permissions or approvals or consents required to carry on the operations of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall automatically and without any other order to this effect, vest into and become available to the Transferee Company pursuant to this Scheme becoming effective in accordance with the terms thereof. Without prejudice to the provisions of the above clauses, in respect of such of the Assets and properties of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, 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 the Transferor Companies and shall upon such transfer become the Assets



and properties of the Transferee Company without requiring any deed or instrument or conveyance for the same.

- e. All debts including term loans, working capital facilities, Liabilities, contingent liabilities, duties, Taxes (including any, TDS deducted or collected on behalf of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, etc.), GST liabilities, and obligations of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, as on the Appointed Date 1, whether provided for or not, in the books of accounts of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, and all other liabilities which may accrue or arise after the Appointed Date 1 but which relates to the Transition Period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by the Transferee Company, so as to become as from the Appointed Date 1 the debts, Liabilities, contingent liabilities, Taxes, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company 1, Transferor Company 2 and Transferor Company 3.
- f. All intangible Assets including various business or commercial rights, identified customer lists, other intangible assets etc. belonging to but not recorded in the books of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall be transferred to and vested with the Transferee Company and shall include customer relationship, goodwill, technical know-how, contracts, deeds, memorandum of understanding, bonds, agreements, track record and all other rights claims, powers in relation to or enjoyed by or granted in favour of the Transferor Company 1, Transferor Company 2 and Transferor Company 3;

g.

In so far as the various incentives including those already applied, granted, availed, utilized for under any government schemes and inclusive of all corresponding documentation such as applications, eligibility letters, sanction letters, indirect tax benefits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 are concerned, the same



shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions on and from the Appointed Date 1.

- h. The Transferee Company, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which the Transferor Company 1, Transferor Company 2 and Transferor Company 3 has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.
- i. In so far as loans and borrowings of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 is concerned, which are to be vested to the Transferee Company shall, without any further act or deed, become loans and borrowings of the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Transferee Company as if it had raised such loans and availed such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Transferee Company. However, without prejudice to such vesting of liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Transferee Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Transferor Company 1, Transferor Company 2 and Transferor Company 3, which in turn shall make payments to the respective creditors.
- j. The vesting of the Assets comprised in the Transferor Company 1, Transferor Company 2 and Transferor Company 3 to the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided:

- (i) The existing securities, mortgages, charges, Encumbrances or liens, if any, created by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 after the Appointed Date 1 and during the Transition Period, in terms of this Scheme, over the Assets comprised in the Transferor Company 1, Transferor Company 2 and Transferor Company 3, or any part thereof, shall be vested in the Transferee Company by virtue of this Scheme, and the same shall, after the Transition Period, continue to relate and attach to such Assets or any part thereof





to which they relate or attached prior to the Transition Period and are vested with the Transferee Company, and such Encumbrances shall not relate or attach to any of the other Assets, of the Transferor Company 1, Transferor Company 2 and Transferor Company 3.

- (ii) In so far as the existing Encumbrances, if any, in respect of the loans, borrowings, debts, Liabilities, is concerned, such encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the Assets comprised in the Transferor Company 1, Transferor Company 2 and Transferor Company 3 which have been encumbered in respect of the transferred Liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the Assets comprised in the Transferor Company 1, Transferor Company 2 and Transferor Company 3 which are being transferred to the Transferee Company pursuant to this Scheme have not been encumbered in respect of the transferred Liabilities, such Assets shall remain unencumbered and the existing encumbrance referred to above shall not be extended to and shall not operate over such Assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- (iii) In so far as the existing security in respect of the loans or borrowings of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and other Liabilities relating to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 are concerned, such security shall, without any further act, instrument or deed be continued with the Transferor Company 1, Transferor Company 2 and Transferor Company 3. The Transferor Company 1, Transferor Company 2, Transferor Company 3 and the Transferee Company shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

- (iv) The foregoing provisions insofar as they relate to the vesting of Liabilities with the Transferee Company shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.



k. With effect from the Appointed Date 1 and during the Transition Period, subject to the other provisions of the Scheme, all approvals, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever, privileges, deeds, bonds, quality certifications and approvals, powers of attorneys, agreements and other instruments of whatsoever nature in relation to the Transferor Company 1, Transferor Company 2 and Transferor Company 3, as the case may be, is a party, or the benefit to which the Transferor Company 1, Transferor Company 2 and Transferor Company 3 may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced fully and effectively as if instead of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 respectively, the Transferee Company had been a party or beneficiary thereto for continuation of operations of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 respectively by the Transferee Company without any hindrance or disruption after the Transition Period. The Transferee Company shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any tripartite agreement, confirmations or novation's to which the Transferor Company 1, Transferor Company 2 and Transferor Company 3 will, if necessary, also be a party, in order to give formal effect to the provisions of this Scheme, if so required or if it becomes necessary. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings, endorsements or confirmations on behalf of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and to implement or carry out all formalities required on the part of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 to give effect to the provisions of this Scheme.

l. With effect from the Appointed Date 1 and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, inclusive of all corresponding documentation such as applications, eligibility letters, sanction letters, if any, in relation to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall stand vested in and/or be deemed to have been vested in the Transferee Company together with all benefits and entitlements of any nature whatsoever. Such entitlements shall include Taxes benefits under the Tax Laws in the nature of exemption, deferment, refunds and incentives in relation to the Transferor Company 1, Transferor



Company 2 and Transferor Company 3 to be claimed by the Transferee Company with effect from the Appointed Date 1 as if the Transferee Company was originally entitled to all such benefits under such scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits and entitlements under such incentive schemes were made available to the Transferor Company 1, Transferor Company 2 and Transferor Company 3. The Transferee Company shall be entitled to such benefits in its name, without any additional Liabilities or expenses whatsoever.

- m. Taxes as per the Tax Laws of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 to the extent not provided for or covered by the Tax provision in the accounts made as on the date immediately preceding the Appointed Date 1 related to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall be vested with the Transferee Company.
- n. All Taxes paid or payable by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 in respect of the operations and/ or the profits of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 before the Appointed Date 1 shall be on account of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and in so far as it relates to the Tax payment whether by way of deduction at source, collection at source, advance tax self-assessment tax, tax on regular assessment or otherwise howsoever, by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 in respect of the profits or activities or operations of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 after the Appointed Date 1, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.
- o. On and from the Appointed Date 1, if any certificate for Tax Deducted at Source, Tax collected at source or any other tax credit certificate on the basis of entries appearing in the Form 26AS if any relating to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 is received in the name of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, it shall be deemed to have been received by the Transferee Company, which alone shall be entitled to claim credit for such tax deducted or paid.



- p. Upon the Scheme becoming effective, the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall have right to revise their respective returns filed under Tax Laws, along with prescribed forms, filings and annexures under the Tax Laws and claim refunds and / or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- q. All intangible assets (including but not limited to goodwill) belonging to but not recorded in the books of account of the Transferor Company 1, Transferor Company 2, and Transferor Company 3 and all intangible assets (including but not limited to goodwill) arising or recorded in the process of the amalgamation in books of account of Transferee Company shall, for all purposes, be regarded as an intangible asset in terms of Explanation 3(b) to Section 32(1) of the IT Act and Transferee Company shall be eligible for depreciation on the same at the prescribed rates.
- r. On and from the Appointed Date 1, the benefit of all balances relating to Taxes under the Tax Laws being balances pertaining to the Transferor Company 1, Transferor Company 2 and Transferor Company 3, if any, shall stand vested in the Transferee Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Transferee Company. The Liabilities of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 as on the Appointed Date 1 shall stand vested in the Transferee Company, save as otherwise in respect of the Liabilities, which were met by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 during the Transition Period, which shall be construed to have been met by the Transferee Company as if the transaction giving rise to the said liability was a transaction carried out by the Transferee Company.
- s. Upon the coming into effect of this Scheme and notwithstanding the other provisions of this Scheme, all contracts, deeds, agreements, licenses, engagements, certificates, permissions, consents, approvals, concessions and incentives, remissions, remedies, subsidies, guarantees, etcetera of whatsoever nature to which the Transferor Company 1, Transferor Company 2 and Transferor Company 3 is a party or to the benefit of which the Transferor Company 1, Transferor Company 2 and Transferor Company 3 or any project owned or promoted by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 may be eligible and which have not lapsed and are vested,



subsisting or having effect on the Effective Date shall be in full force and effect in favour of the Transferee Company, as the case may be, and may be enforced by the Transferee Company as fully and effectually as if, instead of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, the Transferee Company had been a party thereto or beneficiary thereof. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations, or enter into any bipartite or multipartite arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and to implement or carry out all formalities required on the part of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 to give effect to the provisions of this clause. The Transferee Company shall perform the Transferor Company 1's, Transferor Company 2's and Transferor Company 3's obligations under all existing contracts, deeds, agreements, licenses, and other such instruments, as the new obligor replacing the original obligor, i.e., the Transferor Company 1, Transferor Company 2 and Transferor Company 3.

t. On and from the Effective Date, and till such time that the name of the bank accounts of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 in the name of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of Transferee Company, if presented by the Transferee Company.

u. It is hereby clarified that the vesting of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 in the Transferee Company shall be on a going concern basis.



7. STAFF & EMPLOYEES

7.1. The Transferee Company will take over all the staff in the service of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 immediately preceding Effective Date, and that they shall become the staff and employees, of the Transferee Company on the basis that their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer. The terms and conditions of service applicable to such staff or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer.

7.2. The equitable interest in accounts/funds of the employees and staff, if any, whose services are vested with the Transferee Company, relating to superannuation, provident fund and gratuity fund, if any, shall be identified, determined and vested with the respective trusts/funds of the Transferee Company and such employees shall be deemed to have become members of such trusts/funds of Transferee Company. Until such time, the Transferor Company 1, Transferor Company 2 and Transferor Company 3 may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 to the relevant funds of the Transferor Company 1, Transferor Company 2 and Transferor Company 3.

7.3. The Transferee Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 to which any of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 are a party in order to give formal effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Company 1, Transferor Company 2 and Transferor Company 3.



**8. LEGAL PROCEEDINGS**

8.1. If any suit, appeal or proceedings of whatsoever nature (hereinafter referred to as "the said proceedings") by or against the Transferor Company 1, Transferor Company 2 and Transferor Company 3 be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 or by anything in this Scheme, but the said proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued and enforced, as the case may be, by or against the Transferor Company 1, Transferor Company 2 and Transferor Company 3 if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company 1, Transferor Company 2 and Transferor Company 3.

8.2. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company 1, Transferor Company 2 and Transferor Company 3 referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company 1, Transferor Company 2 and Transferor Company 3.

8.3. After the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 on the matters pertaining to the period prior to the Appointed Date 1.

**9. AMALGAMATION NOT TO AFFECT TRANSACTIONS / CONTRACTS OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 AND TRANSFEROR COMPANY 3:**

9.1. The transfer and vesting of the business of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and the continuance of the said proceedings by or against the Transferee Company shall not affect any transaction or proceedings already concluded by or against the Transferor Company 1, Transferor Company 2 and Transferor Company 3 after the Appointed Date 1 to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done or executed by the Transferor Company 1, Transferor



Company 2 and Transferor Company 3 after the Appointed Date 1 as done and executed on its behalf. The said transfer and vesting pursuant to Sections 230 to 232 of the Act, shall take effect from the Appointed Date 1 unless the NCLT otherwise directs.

#### 10. CONSIDERATION / ISSUE OF SHARES

10.1. The Transferor Company 1, Transferor Company 2 and Transferor Company 3 are wholly owned subsidiaries of the Transferee Company and therefore there shall be no issue of shares as consideration for the amalgamation of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 with the Transferee Company.

10.2. Upon the Scheme becoming effective, all equity shares of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 held by the Transferee Company shall stand cancelled without any further application, act or deed.

#### 11. ACCOUNTING TREATMENT

Upon the Scheme being effective and with effect from the Appointed Date 1, the Transferee Company shall account for the amalgamation of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 into and within its books of accounts as per the "Pooling of Interest Method" in compliance with the Appendix C of Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India in the following manner:

11.1. As on the Appointed Date 1, the Transferee Company shall record all the Assets (including intangible assets), Liabilities and reserves (if and to the extent applicable) of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, vested in it pursuant to this Scheme, at the carrying values appearing in the consolidated financial statements of the Transferee Company.

11.2. The identity of the reserves pertaining to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of





said Transferor Companies and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company, as on the Appointed Date 1, at the carrying values appearing in the consolidated financial statements of the Transferee Company.

11.3. Pursuant to the amalgamation of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 with the Transferee Company, inter-company deposits/ loans and advances/ any other balances, if any, between the Transferee Company and the Transferor Companies as appearing in the books of the Transferee Company shall stand cancelled.

11.4. The value of all investments held by the Transferee Company in the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall stand cancelled pursuant to amalgamation and there shall be no further rights or obligations in that behalf.

11.5. The difference between the Assets, Liabilities, and reserves recorded in terms of Clause 11.1 above, and the cancellation of inter-company transactions and investments in Clause 11.2 and Clause 11.3 above shall be recorded as "Capital Reserve", and shall be classified and presented separately from other capital reserves recorded in the books of the Transferee Company.

11.6. In case of any differences in accounting policies between the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies and the difference shall be quantified and adjusted in the Capital Reserve

11.7. Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of amalgamation, as stated above, from the beginning of the comparative period in the financial statements. However, in case where the acquisition of either of the Transferor Company 1, Transferor 2, and Transferor Company 3 has been consummated subsequent to the beginning of the comparative period in the financial statements, as aforementioned, the prior period information shall be restated only from the date of acquisition of the respective companies; and

11.8. Any matter not dealt with herein above shall be dealt with in accordance with the requirements of applicable IND AS



**12. COMBINATION OF AUTHORISED SHARE CAPITAL OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 AND TRANSFEROR COMPANY 3 WITH THE AUTHORISED SHARE CAPITAL OF TRANSFEEE COMPANY**

12.1. Upon the Scheme becoming effective, the authorised share capital of Transferor Company 1, Transferor Company 2 and Transferor Company 3 will get amalgamated with that of Transferee Company without payment of any additional fees and duties as the said fees and duties have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the ROC and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act. Upon the Scheme coming into effect, the office of the Registrar of Companies shall immediately take note of the consolidation of authorised share capital of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and enhance the authorised share capital of the Transferee Company accordingly in its records.

12.2. It is clarified that approval of this Scheme by the members of the Transferee Company under Sections 230 to 232 of the Act shall be deemed to be sufficient for the alternation of the Memorandum and Articles of Association of the Transferee Company under Sections 13, 14, 61 and 64 and other applicable provisions of the Act and any other consents and approvals required in this regard.

**13. CONDUCT OF BUSINESS**

**13.1. Transferor Company 1, Transferor Company 2 and Transferor Company 3 as Trustees**

With effect from the Appointed Date 1 and up to and including Effective Date, the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed on account of and for the benefit of and in trust for, the Transferee Company, as the Transferee Company is taking over the business as a going concern. The Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments



either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the Assets of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if the written consent of the Transferee Company has been obtained.

### 13.2. Profit or Losses up to Effective Date

With effect from the Appointed Date 1 and up to and including the Effective Date, all profits or incomes accruing or arising to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 or all expenditure or losses incurred or arising, as the case may be, by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of the Transferee Company.

### 13.3. Taxes

- a. All taxes paid or payable by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 in respect of the operations and / or profits of the business before the Appointed Date 1 and from the Appointed Date 1 till the Effective Date, shall be on account of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and in so far as it relates to the tax payment by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 in respect of the profits or activities or operation of the business after the Appointed Date 1, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.
- b. Any refund under Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and due to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 consequent to the assessment made on the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date 1 shall also belong to and be received by the Transferee Company.



- c. All tax benefits of any nature, duties, cesses or any other like payments or deductions available to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 under Income Tax, Goods and Services Tax, Service Tax etc. or any Tax Deduction/Collection at Source, Advance Tax, Self-Assessment Tax, Tax on regular assessment, MAT Credit, tax credits, GST input tax credits, benefits of CENVAT credits, benefits of input credits, and in respect of set-off, carry forward of tax losses, and unabsorbed depreciation shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the order on this Scheme by the NCLT upon relevant proof and documents being provided to the said authorities.

13.4. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company 1, Transferor Company 2 and Transferor Company 3.

13.5. Upon the Scheme becoming effective, the main objects as well as relevant incidental objects of the Memorandum of Association of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall form part of Memorandum of Association of Transferee Company.

#### 14. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS:

14.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company 1, Transferor Company 2 and Transferor Company 3 are a party, subsisting or having effect immediately before the amalgamation, shall remain in full force and effect against or, as the case may be, in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, the Transferee Company was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the



provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds, confirmations or other writings or arrangements to which the Transferor Company 1, Transferor Company 2 and Transferor Company 3 are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 to be carried out or performed.

- 14.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall stand transferred to the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf

#### 15. SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company 1, Transferor Company 2 and Transferor Company 3 in respect thereto as if done and executed on its behalf.

#### 16. MATTERS RELATING TO SHARE CERTIFICATES:

The Share Certificates, if any, held by the shareholders of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall automatically stand cancelled without any necessity of them being surrendered to the Transferee Company.



**17. DISSOLUTION OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 AND TRANSFEROR COMPANY 3:**

Upon the Scheme being sanctioned by an Order made by the NCLT under Sections 230 to 232 read with Section 66 of the Act, the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall stand dissolved without being wound up, without any further act, instrument or deed and the respective Boards and any committees thereof of the Transferor Companies shall without any further act, instrument or deed be and stand discharged. Upon Part C of the Scheme becoming effective, the shares of the Transferor Companies shall (whether in electronic form and/or in the physical form) stand cancelled, and the name of the Transferor Companies shall be struck off from the Registrar of Companies' records.

**PART D- REDUCTION OF REDEEMABLE PREFERENCE SHARES OF THE TRANSFEROR COMPANY 4 OR DEMERGED COMPANY**

**18. REDUCTION OF REDEEMABLE PREFERENCE SHARES OF THE TRANSFEROR COMPANY 4 OR DEMERGED COMPANY**

18.1 With effect from the Appointed Date 2 and upon Part C of the Scheme becoming effective, the existing holding of 2,11,00,000 (Two Crore Eleven Lakh) Redeemable Preference Shares ("RPS") which comprises of RPS of 1,00,00,000 having face value of Rs 100 each and RPS of 1,11,00,000 having face value of Rs. 100, held by the Transferee Company in the Transferor Company 4 or Demerged Company, shall stand cancelled extinguished and be recorded as below:

18.1.1 RPS of 1,11,00,000 having face value of Rs. 100 shall be recorded as an outstanding unsecured loan amounting to Rs. 1,11,00,00,000 (One Hundred and Eleven Crore Rupees), thereby cancelling and extinguishing the said RPS through capital reduction. Further, any coupon payable or that would have been payable on the said RPS till Appointed Date 2 by the Transferor Company 4 or the Demerged Company to the Transferee Company shall also be recorded as a liability in the books of the Transferor Company 4 or the Demerged Company; and

18.1.2 RPS of 1,00,00,000 having face value of Rs.100 and any coupon or redemption premium accrued or that would be accrued on the said RPS, based on the terms and conditions



applicable at the time of their issuance, shall be recorded as an outstanding unsecured loan at an equivalent net present value of the redemption amount, thereby cancelling and extinguishing the said RPS through capital reduction.

18.2 The reduction of the RPS of the Transferor Company 4 or Demerged Company as provided above, shall be effected as an integral part of the Scheme on the Effective Date and the order of the NCLT sanctioning the Composite Scheme shall be deemed to be an order under Section 66 of the Companies Act, 2013 and other applicable provisions of Companies Act, 2013, as may be applicable, confirming the reduction in RPS of the Transferor Company 4 or Demerged Company with effect from the Appointed Date 2, and no separate sanction under Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as may be applicable, will be necessary.

18.3 With respect to RPS of the Transferor Company 4 or Demerged Company held by Transferee Company in dematerialized form, if any, as on the Effective Date, necessary corporate action shall be executed with registrar and share transfer agent for effecting the aforesaid reduction of capital. With respect to the RPS of the Transferor Company 4 or Demerged Company held by shareholders in physical form, the share certificates of such RPS of the Transferor Company 4 or Demerged Company shall without any further application, act, instrument or deed, be deemed to have been automatically cancelled pursuant to the Scheme.

18.4 Notwithstanding the reduction of RPS as stipulated hereinabove, the Transferor Company 4 or Demerged Company shall not be required to use the words "AND REDUCED" as part of its corporate name and such use is dispensed with.

18.5 The Transferor Company 4 or Demerged Company submits that the proposed reduction of capital as above is in conformity with and does not violate or circumscribe any provision of the Act.

18.6 All actions taken by Transferor Company 4 or Demerged Company pursuant to and in accordance with this Scheme shall be deemed to have not breached any terms and conditions or any other provisions of the Law.



**19. ACCOUNTING TREATMENT**

**19.1. For Transferor Company 4 or Demerged Company**

Upon the Scheme becoming effective, and with effect from the Appointed Date 2, the following accounting entries shall be passed by Transferor Company 4 or the Demerged Company so as to give effect to Clause 18 above:

With effect from the Appointed Date 2, the cancellation and extinguishment of RPS, as per Clause 18, shall be recorded as unsecured loan at the amount that would have been payable by the Transferor Company 4 or the Demerged Company to the Transferee Company as per clause 18.1.1 and 18.1.2 thereof.

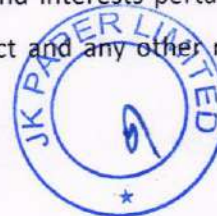
**19.2. For the Transferee Company**

With effect from the Appointed Date 2, the RPS recorded in the books of the Transferee Company shall be recorded as unsecured loan receivable from the Transferor Company 4 or the Demerged Company at the amount that would have been payable by the Transferor Company 4 or the Demerged Company to the Transferee Company as per clause 18.1.1 and 18.1.2 thereof and any matter not dealt with herein above shall be dealt with in accordance with the requirements of applicable IND AS

**PART E – DEMERGER OF THE DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY**

**20. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING**

20.1 With effect from the Appointed Date 2 and upon Part D of this Scheme coming into effect, the Demerged Undertaking (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from Demerged Company and transferred to and vested in or be deemed to be transferred to and vested in Resulting Company as a going concern, so as to vest in Resulting Company, all the rights, titles and interests pertaining to Demerged Undertaking, pursuant to Sections 230 to 232 of the Act and any other relevant





provisions of the Act and the order of the NCLT sanctioning the Scheme, subject however, to subsisting charges, if any.

20.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, and upon Part D of this Scheme coming into effect and with effect from the Appointed Date 2:

- a. All assets of the Demerged Undertaking, but excluding the Residual Business, tangible or intangible, balance in bank, cash or investments and other assets of whatsoever nature and tax credits, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever for all intents and purposes, permissions under income tax and/or any other statutes, incentives of the Demerged Company in relation to Demerged Undertaking, if any, without any further act or deed so as to become the business, properties and assets of the Resulting Company.
- b. All the movable assets pertaining to Demerged Undertaking which are capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Resulting Company to the end and intent that the property therein passes to the Resulting Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Resulting Company accordingly.
- c. All other movable properties pertaining to the Demerged Undertaking, including investments in shares, securities, liquid assets, mutual funds, bonds and other securities sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the order of this Scheme becoming effective and by operation of law become the properties of the Resulting Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Resulting Company. All investments of the Demerged Undertaking shall be recorded in the name of the Resulting Company by operation of law as transmission in favor of the Resulting Company



as a successor in interest and any documents of title in the name of the Demerged Company in relation to Demerged Undertaking shall also be deemed to have been mutated and recorded in the name of the Resulting Company to the same extent and manner as originally held by the Demerged Company in relation to Demerged Undertaking and enabling the ownership, right, title and interest therein as if the Resulting Company was originally the Demerged Company in relation to Demerged Undertaking. The Resulting Company shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard.

d. All the consents, permissions, licenses, certificates, insurance covers, clearances, authorities, power of attorneys given by, issued to or executed in favor of Demerged Undertaking of the Demerged Company, shall stand vested in or transferred automatically to the Resulting Company without any further act or deed and shall be appropriately mutated by the authorities concerned therewith in favor of the Resulting Company as if the same were originally given by, issued to or executed in favor of the Resulting Company and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company. The benefit of all statutory and regulatory permissions including the statutory or other licenses, tax registrations, permits, permissions or approvals or consents required to carry on the operations of Demerged Undertaking of the Demerged Company shall automatically and without any other order to this effect, vest into and become available to the Resulting Company pursuant to this Scheme becoming effective in accordance with the terms thereof.

e. All debts, liabilities, contingent liabilities, duties, Taxes (including any advance taxes paid, self assessment tax, tax on regular assessment, TDS deducted and/or collected on behalf of the Demerged Company in relation to Demerged Undertaking, etc., if any), liabilities and obligations of the Demerged Company, in relation to Demerged Undertaking, as on the Appointed Date 2, whether provided for or not, in the books of accounts of the Demerged Company in relation to Demerged Undertaking, and all other liabilities which may accrue or arise after the Appointed Date 2 but which relates to the Transition period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable



provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by the Resulting Company, so as to become as from the Appointed Date 2 the debts, liabilities, contingent liabilities, taxes, duties and obligations of the Resulting Company on the same terms and conditions as were applicable to the Demerged Undertaking of the Demerged Company and the Resulting Company undertakes to meet, discharge and satisfy to the exclusion of the Demerged Company in relation to Demerged Undertaking and to keep the Demerged Company in relation to Demerged Undertaking indemnified at all times from and against all such debts, liabilities, contingent liabilities, duties, Taxes and obligations of the Demerged Company in relation to Demerged Undertaking from all actions, demands and proceedings in respect thereto.

- f. The Resulting Company, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which the Demerged Company in relation to Demerged Undertaking has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.
- g. In so far as loans and borrowings of the Demerged Company in relation to Demerged Undertaking pertaining to the loans and liabilities, which are to be vested to the Resulting Company shall, without any further act or deed, become loans and borrowings of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Resulting Company as if it had raised such loans and availed such borrowings. Thus, the primary obligation to redeem or repay such loans and borrowings upon the Scheme becoming effective shall be that of the Resulting Company.
- h. The vesting of the assets comprised in the Demerged Company in relation to Demerged Undertaking to the Resulting Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
- i. The securities, mortgages, charges, encumbrances or liens or those, if any, in relation to Demerged Undertaking after the Appointed Date 2 and during the Transition period, if applicable, in terms of this Scheme, over the assets comprised in the Demerged Company in relation to Demerged Undertaking, or any part thereof, shall be vested in the Resulting



Company by virtue of this Scheme, and the same shall, after the Transition period, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Transition period and are vested with the Resulting Company, and such Encumbrances shall not relate or attach to any of the other assets, of the Demerged Company in relation to Demerged Undertaking.

- j. In so far as the existing Encumbrances, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Company in relation to Demerged Undertaking which have been Encumbered in respect of the transferred liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided that if any of the assets comprised in the Demerged Company in relation to Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- k. In so far as the existing securities in respect of the loans or borrowings of the Demerged Company in relation to Demerged Undertaking and other liabilities relating to the Demerged Company in relation to Demerged Undertaking are concerned, such securities shall, without any further act, instrument or deed be continued with the Demerged Company in relation to Demerged Undertaking. The Demerged Company in relation to Demerged Undertaking and the Resulting Company shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

l. The foregoing provisions insofar as they relate to the vesting of liabilities with the Resulting Company shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.



m. With effect from the Appointed Date 2 and during the Transition period, if applicable, subject to the other provisions of the Scheme, all approvals (including but not limited to all the units and factories situated at various states in India, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever, privileges, deeds, bonds, quality certifications and approvals, powers of attorneys, agreements and other instruments of whatsoever nature in relation to the Demerged Company in relation to Demerged Undertaking is a party, or the benefit to which the Demerged Company in relation to Demerged Undertaking may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Resulting Company and may be enforced fully and effectively as if instead of the Demerged Company in relation to Demerged Undertaking, the Resulting Company had been a party or beneficiary thereto so as to continuation of operations of the Demerged Company in relation to Demerged Undertaking by the Resulting Company without any hindrance or disruption after the Transition period. The Resulting Company shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any tripartite agreement, confirmations or novation's to which the Demerged Company in relation to Demerged Undertaking will, if necessary, also be a party, in order to give formal effect to the provisions of this Scheme, if so required or if it becomes necessary. Further, the Resulting Company shall be deemed to be authorized to execute any such deeds, writings, endorsements or confirmations on behalf of the Demerged Company in relation to Demerged Undertaking and to implement or carry out all formalities required on the part of the Demerged Company in relation to Demerged Undertaking to give effect to the provisions of this Scheme. In case a question arises as to whether a specific asset or liability or contracts or employee, pertains or does not pertain to the Demerged Company in relation to Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Company in relation to Demerged Undertaking shall be decided by the Board of the Demerged Company, Resulting Company and Transferee Company in relation to Demerged Undertaking, or any committee constituted thereof. A certificate issued by the Board of Directors or the committee thereof in this respect shall be conclusive evidence of the matter.

n. All Taxes paid or payable by the Demerged Company in relation to Demerged Undertaking in respect of the operations and/ or the profits of the Demerged Company in relation to Demerged Undertaking before the Appointed Date 2 shall be on account of the Demerged



Company in relation to Demerged Undertaking and in so far as it relates to the Tax payment whether by way of deduction at source, advance tax, self-assessment tax, tax on regular assessment or otherwise howsoever, by the Demerged Company in relation to Demerged Undertaking in respect of the profits or activities or operations of the Demerged Company in relation to Demerged Undertaking after the Appointed Date 2, the same shall be deemed to be the corresponding item paid by the Resulting Company and shall in all proceedings be dealt with accordingly.

- o. On and from the Appointed Date 2, if any Certificate for Tax Deducted at Source or any other tax credit certificate on the basis of entries appearing in the Form 26AS if any relating to the Demerged Company in relation to Demerged Undertaking is received in the name of the Demerged Company in relation to Demerged Undertaking, it shall be deemed to have been received by the Resulting Company, which alone shall be entitled to claim credit for such tax deducted or paid.
- p. Upon the Scheme becoming effective, the Resulting Company shall have right to revise their respective returns filed under Tax Laws, along with prescribed forms, filings and annexures under the Tax Laws and claim refunds and / or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- q. On and from the Appointed Date 2, the benefit of all balances relating to Taxes under the Tax Laws pertaining to the Demerged Company in relation to Demerged Undertaking, if any, shall stand vested in the Resulting Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Resulting Company. The liabilities of the Demerged Company in relation to Demerged Undertaking as on the Appointed Date 2 shall stand vested in the Resulting Company, save as otherwise in respect of the liabilities which were met by the Demerged Company in relation to Demerged Undertaking during the Transition period, which shall be construed to have been met by the Resulting Company as if the transaction giving rise to the said liability was a transaction carried out by the Resulting Company.

Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature of the Demerged Company in relation to Demerged Undertaking,



to which the Demerged Company in relation to Demerged Undertaking is a party or to the benefit of which the Demerged Company in relation to Demerged Undertaking may be eligible, and which are subsisting or have effect before the Appointed Date 2 and during the Transition period, if applicable, shall continue in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if instead of the Demerged Company in relation to Demerged Undertaking, the Resulting Company had been a party or beneficiary thereto or thereunder. All liabilities arising from all such contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature of the Demerged Company in relation to Demerged Undertaking, to which the Demerged Company in relation to Demerged Undertaking is a party or to the benefit of which the Demerged Company in relation to Demerged Undertaking may be eligible, and which are subsisting or have effect immediately before the Appointed Date 2, shall be on account of the Demerged Company in relation to Demerged Undertaking and after the Appointed Date 2, the same shall be on account of the Resulting Company and shall, in all proceedings, be dealt with accordingly.

- s. If any assets (including estate, claims, rights, title, interest in or authorities relating to any asset) or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature of the Demerged Company in relation to Demerged Undertaking owns or to which the Demerged Company in relation to Demerged Undertaking is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company in relation to Demerged Undertaking shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is affected.
- t. On and from the Effective Date, and till such time that the name of the bank accounts pertaining to Demerged Undertaking of the Demerged Company has been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate the bank accounts of the Demerged Company pertaining to Demerged Undertaking in the name of the Demerged Company and for such time as may be determined to be necessary by the Resulting Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the



name of the Demerged Company in relation to the Demerged Undertaking after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, is presented by the Resulting Company;

- u. It is hereby clarified that the vesting of Demerged Undertaking of the Demerged Company in the Resulting Company shall be on a going concern basis.

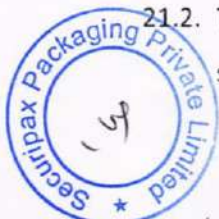
20.3 Upon the Scheme becoming effective, all approvals / consents taken by the Demerged Company from its Board of Directors and shareholders pursuant to any provision of the Act for entering into any agreement, contract, arrangement in relation to its Demerged Undertaking would be deemed approval / consent by the Board of Directors and shareholders of the Resulting Company under the Act and no specific approval under the Act would be required.

20.4 This Part D of the Scheme has been drawn up to comply with the conditions relating to 'demerger' as specified under Section 2(19AA) 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 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however, not affect the other parts of the Scheme.

## 21. STAFF, WORKMEN & EMPLOYEES

21.1. Upon the Scheme coming into effect, all staff, employees and workers pertaining to the Demerged Undertaking in service (including but not limited to permanent, temporary or contractual) immediately preceding the Effective Date shall be deemed to have become staff, employees and workers of the Resulting Company with effect from the Appointed Date 2, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favorable than those applicable to them as a part of the Demerged Undertaking of the Demerged Company immediately preceding the transfer.

21.2. The equitable interest in accounts/funds of the staff, employees and workers, if any, whose services are vested with the Resulting Company, relating to superannuation, provident fund and





gratuity fund and other funds similar in nature, shall be identified, determined and vested with the respective trusts/funds of the Resulting Company and such staff, employees and workers shall be deemed to have become members of such trusts/funds of the Resulting Company. Until such time, the Resulting Company in relation to the Demerged Undertaking may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Demerged Undertaking to the relevant funds of the Demerged Company in relation to the Demerged Undertaking.

21.3. The Resulting Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking in order to give formal effect to the provisions of the Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances, referred to above, in relation to the Demerged Undertaking.

## 22. LEGAL PROCEEDINGS

22.1. Upon the Scheme coming into effect, if any suit, appeal or other legal proceedings of whatsoever nature by or against the Demerged Company in relation to the Demerged Undertaking is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the Demerger and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings shall be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company in relation to the Demerged Undertaking as if this Scheme had not been made. In the event that the legal proceedings referred to herein require the Demerged Company in relation to the Demerged Undertaking and the Resulting Company to be jointly treated as parties thereto, the Resulting Company shall be added as party to such proceedings and shall prosecute and defend such proceedings in co-operation with the Demerged Company in relation to the Demerged Undertaking.



22.2. The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company in relation to the Demerged Undertaking referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company in relation to the Demerged Undertaking.

22.3. After the Effective Date, the Resulting Company shall and may, if required, initiate any legal proceedings in relation to the Demerged Company in relation to the Demerged Undertaking.

**23. THE TRANSFER OF DEMERGED UNDERTAKING NOT TO AFFECT TRANSACTIONS / CONTRACTS OF DEMERGED COMPANY:**

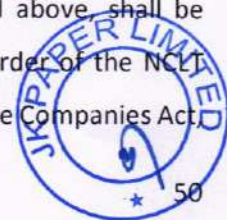
The transfer and vesting of the Demerged Undertaking under Clause 20 thereof and the continuance of the said proceedings by or against the Resulting Company hereof shall not affect any transaction or proceedings already concluded by or against the Demerged Company after the Appointed Date 2 to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done or executed by the Demerged Company after the Appointed Date 2 as done and executed on its behalf. The said transfer and vesting pursuant to Sections 230 to 232 of the Act, shall take effect from the Appointed Date 2 unless the NCLT otherwise directs.

**24. REDUCTION IN THE EXISTING PAID UP SHARE CAPITAL OF RESULTING COMPANY**

24.1 With effect from the Appointed Date 2 and upon Part D of this Scheme coming into effect and with effect from the Record Date immediate prior to issuance of shares to the shareholders of the Demerged Company, the existing share capital of the Resulting Company shall stand cancelled without any further application, act, instrument or deed, as an integral part of this Scheme, for a consideration equal to the net asset value as on the Appointed Date 2 to the existing shareholders subject to availability of cash and bank balance.

24.2 The share certificate(s) in relation to the shares held by the existing shareholders of Resulting Company, shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled.

\* 24.3 The reduction of the equity shares of the Resulting Company as provided above shall be effected as an integral part of the Scheme on the Effective Date and the order of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Companies Act.



2013 and other applicable provisions of Companies Act, 2013, as may be applicable, confirming the reduction in existing share capital of the Resulting Company with effect from the Appointed Date 2, and no separate sanction under Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as may be applicable, will be necessary.

## 25. ACCOUNTING TREATMENT

### 25.1 In the books of the Demerged Company

The Demerged Company shall account for transfer of Demerged Undertaking to the Resulting Company in its books of accounts as per Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") as notified under Section 133 of the Companies Act, 2013 and the clarifications issued by the Institute of Chartered Accountants of India and on the date as determined in accordance with Ind AS, more specifically as under:

- i. All the assets, liabilities, and reserves pertaining to the Demerged Undertaking as on the Appointed Date 2, and recorded in the books of the Demerged Company, shall be reduced at their carrying amounts; and
- ii. Any difference in the carrying amounts of assets, liabilities, and reserves pertaining to the Demerged Undertaking so reduced as mentioned above, shall be recorded as capital reserve in the books of the Demerged Company.

### 25.2 In the books of the Resulting Company

#### **On Account of Reduction of Existing Share Capital:**

With effect from the Appointed Date 2, the Resulting Company shall account for reduction of existing share capital in its books of accounts in accordance with Section 133 of the Act and under any other relevant Indian Accounting Standard prescribed under the Companies (Indian Accounting Standard) Rules, 2015, issued by Ministry of Corporate Affairs as may be amended from time to time and other accounting principles generally accepted in India, in its books of accounts such that:



- i. The aforesaid reduction of equity shares of the Resulting Company shall be effected with effect from Appointed Date 2 by cancelling and extinguishing 10,000 number of equity shares of Rs. 10 each fully paid-up and returning to the shareholder for a consideration equal to the net asset value as on the Appointed Date 2 to the existing shareholders, subject to availability of cash and bank balance.
- ii. With effect from the Appointed Date 2, the difference between the aggregate of carrying amount of equity shares so extinguished, as appearing in the balance sheet of the Resulting Company and cancelled through capital reduction as per Clause 24.1 above, on the one hand, and the amount of consideration payable on such extinguishment and cancellation, shall stand transferred to and be recorded as credit to the Capital Reduction Reserve.
- iii. Upon payment to respective shareholders for cancellation of equity shares i.e. upon issuance of account payee cheque/ issuance of electronic credit instructions to the bank for credit of amount to the respective shareholders, amount paid will be adjusted against the Bank Account at the time of making such payment.
- iv. The Resulting Company will pass appropriate adjustment entries in a prudent and commercially acceptable manner as per the generally accepted accounting principles in India

**On Account of Demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company:**

The Resulting Company shall give effect to accounting treatment in its books of account in accordance with the "Pooling of Interests Method" under Appendix C of Ind-AS 103 (Accounting for Business Combinations) and any other relevant Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013, as under:



- i. All the assets and liabilities of the Demerged Undertaking shall be recorded in the financial statements of the Resulting Company at the carrying value as appearing in the financial statements of Demerged Company (upon Part E of the Scheme becoming effective), as on the Appointed Date 2.



- ii. The identity of the reserves pertaining to the Demerged Undertaking shall be preserved and shall appear in the financial statements of the Resulting Company in the same form



in which they appeared in the financial statements of Demerged Company and it shall be aggregated with the corresponding balance appearing in the financial statements of the Resulting Company, as on the Appointed Date 2.

- iii. The Resulting Company shall credit its share capital account in its books of account with the aggregate face value of the new equity shares issued to the shareholders of Demerged Company pursuant to Clause 26.1 of this Scheme.
- iv. To the extent that there are inter-company loans, deposits, obligations, balances or other outstanding including any interest thereon, as between the Resulting Company and Demerged Undertaking, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Resulting Company for the reduction of such assets or liabilities as the case may be.
- v. The excess / deficit of the value of the assets over the value of liabilities of the Demerged Undertaking, pursuant to demerger of the Demerged Undertaking from Demerged Company into the Resulting Company, and as recorded in the books of account of the Resulting Company shall, after adjusting the amount recorded in clauses 25.2.(i) to 25.2.(iv) above, be recorded as 'Capital Reserve' in the books of the Resulting Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
- vi. Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Resulting Company, in consultation with its statutory auditors to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the applicable Accounting Standards as notified under Section 133 of the Companies Act, 2013 and the clarifications issued by the Institute of Chartered Accountant of India and generally accepted accounting principles.



## 26. CONSIDERATION

26.1 Upon coming into effect of the Scheme, in consideration for the transfer and vesting of the Demerged Undertaking by the Demerged Company into the Resulting Company, the equity



shareholders of the Demerged Company or their respective heirs, executors, administrators or other legal representatives or other successors in title, whose names appear in the Register of Members of the Demerged Company on any date on or after the Appointed Date 2 (i.e., Record Date), as may be mutually decided by the Board of the Demerged Company and the Resulting Company, shall, without any further act, deed or thing be issued and allotted as under:

**To Equity Shareholders:**

*"1 fully paid equity share of Rs. 10 each of Resulting Company, for every 1 equity share of Rs. 10 each held in the Demerged Company"*

**To Compulsorily Convertible Preference Shareholders:**

- *"2,50,00,000 fully paid equity shares of Rs. 10 each of Resulting Company, for every 30,00,000 fully paid Series 1 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company.*
- *83,33,333 fully paid equity shares of Rs. 10 each of Resulting Company, for every 10,00,000 fully paid Series 2 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company.*
- *1,10,57,692 fully paid equity shares of Rs. 10 each of Resulting Company, for every 23,00,000 fully paid Series 3 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company"*

26.2 Equity shares shall be issued by the Resulting Company in dematerialized form to those shareholders of the Demerged Company who hold shares of the Demerged Company in dematerialized form, in to the account in which the Resulting Company shares are held or such other account as is intimated by the shareholders to the Demerged Company and / or its Registrar. All those shareholders who hold shares of the Demerged Company in physical form shall provide the details of their shareholding to the Resulting Company. However, if no such details have been provided to the Resulting Company by the shareholders of the Demerged Company holding shares in physical form on or before the Record Date, then the Resulting Company shall allot the corresponding new equity shares to the demat account of the trust or the trustee of Resulting Company to be settled by the Resulting Company ("Trust") who shall hold these shares in trust for the benefit of such shareholders. The New equity shares held by the Trust shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trust, along with such other documents as may be



required. Any benefit in the form of dividend, bonus shares etc. received by the Trust in respect of these shares shall also be transferred to such shareholder.

26.3 Upon the Scheme becoming effective, the holders of equity shares and CCPS of the Demerged Company shall be deemed to have become the members of the Resulting Company on the Effective Date without any further act, deed or thing.

26.4 The Resulting Company shall take necessary steps to increase or alter or re-classify, (if necessary), its authorized share capital suitably to enable it to issue and allot equity shares required to be issued and allotted by it under this Scheme.

26.5 The equity shares in the Resulting Company to be issued to the shareholders of the Demerged Company pursuant to Clause 26.1 above shall be subject to the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu with the existing equity shares of the Resulting Company, including dividend rights.

26.6 Approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be the due compliance of the provisions of section 62 of the Companies Act, 2013, and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Resulting Company to the shareholders of the Demerged Company, as provided in this Scheme.

26.7 The issue and allotment of equity shares by the Resulting Company to the shareholders of the Demerged Company as provided in Clause 26.1 of this Scheme, shall be deemed, without any further act or deed by the Resulting Company, to be a private placement within the meaning of section 42 of the Act and it shall be deemed that the procedures laid down under the said section of the Act and any other applicable provisions of the Act were duly complied with.

26.8 The approval of this Scheme by the equity shareholders of the Demerged Company and the Resulting Company under Sections 230 to 232 of the Act shall be deemed to have the approval under sections 13 and 14 of the Act and other applicable provisions of the Act and any other consents and approvals required in this regard.

26.9 Equity shares to be issued by the Resulting Company pursuant to this Scheme in respect of any equity shares of the Demerged Company and which are held in abeyance, if any under the



provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be held in abeyance by the Resulting Company.

26.10 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, shall be empowered prior to or even subsequent to the Appointed Date 2, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the date of issuance of shares by the Resulting Company to the shareholders of the Demerged Company, in order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by the Resulting Company. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in the Resulting Company on account of difficulties faced in the transition period.

## 27. CONDUCT OF BUSINESS

### 27.1 The Demerged Company in relation to the Demerged Undertaking as Trustee

With effect from the Appointed Date 2 and up to and including Effective Date, if the Appointed Date 2 is prior to the Effective Date, the Demerged Company in relation to the Demerged Undertaking shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Demerged Company in relation to the Demerged Undertaking on account of and for the benefit of and in trust for, the Resulting Company, as the Resulting Company is taking over the business as going concern. The Demerged Company in relation to the Demerged Undertaking shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of the Demerged Company in relation to the Demerged Undertaking or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if written consent of the

Resulting Company has been obtained





## 27.2 Profit or Losses up to Effective Date

With effect from the Appointed Date 2 and up to and including the Effective Date, if the Appointed Date 2 is prior to the Effective Date, all profits or incomes accruing or arising to the Demerged Company in relation to the Demerged Undertaking or all expenditure or losses incurred or arising, as the case may be, by the Demerged Company in relation to the Demerged Undertaking shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of the Resulting Company.

## 27.3 Taxes

All taxes paid or payable by the Demerged Company in relation to the Demerged Undertaking in respect of the operations and / or profits of the business before the Appointed Date 2 and from the Appointed Date 2 till the Effective Date, if the Appointed Date 2 is prior to the Effective Date, shall be on account of the Demerged Company in relation to the Demerged Undertaking and in so far as it relates to the tax payment by the Demerged Company in relation to the Demerged Undertaking in respect of the profits or activities or operation of the business after the Appointed Date 2, the same shall be deemed to be the corresponding item paid by the Resulting Company and shall in all proceedings be dealt with accordingly.

Any refund under Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Demerged Company in relation to the Demerged Undertaking and due to the Demerged Company in relation to the Demerged Undertaking consequent to the assessment made on the Demerged Company in relation to the Demerged Undertaking shall also belong to and be received by the Resulting Company.

All taxes benefits of any nature, duties, cesses or any other like payments or deductions available to the Demerged Company in relation to the Demerged Undertaking under any Tax Law up to the Effective Date, if the Appointed Date 2 is prior to the Effective Date, shall be deemed to have been on account of or paid by the Resulting Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Resulting Company upon the passing of the order by the NCLT.



## 28. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS

28.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature pertaining to the Demerged Undertaking to which the Demerged Company is a party, subsisting or having effect immediately before the Demerger, shall remain in full force and effect against or, as the case may be, in favour of the Resulting Company and may be enforced as fully and effectively as if instead of the Demerged Company, the Resulting Company was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds, confirmations or other writings or arrangements to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

28.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company pertaining to the Demerged Undertaking shall stand transferred to the Resulting Company and the Resulting Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Resulting Company. The Resulting Company shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.

## 29. DIVIDEND, BONUS /RIGHT SHARES

29.1 The Demerged Company shall be permitted to declare and pay dividends to its shareholders in respect of the accounting period prior to the Appointed Date 2.

29.2 Till such time as the Scheme becomes effective, the Demerged Company shall not, except with the consent of the Board of Directors of the Resulting Company, issue or allot any right shares or bonus shares



**30. RESIDUAL BUSINESS**

30.1. The Residual Business, including all the assets, liabilities and obligations pertaining thereto, shall continue to belong to and be vested in and be managed by the Demerged Company.

30.2. Any legal or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date 2 or which may be instituted in future and relating to the Residual Business shall be continued and enforced by or against the Demerged Company and the Resulting Company shall in no event be responsible or liable in relation to any such legal or other proceeding against the Demerged Company. In the event any such proceeding, or claim is initiated or brought against the Resulting Company, the Demerged Company shall reimburse and indemnify the Resulting Company against all such claims/ liabilities in respect thereof.

**PART F – AMALGAMATION OF THE TRANSFEROR COMPANY 4 WITH AND INTO THE TRANSFEREE COMPANY**

**31. TRANSFER AND VESTING OF ALL THE ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANY 4 WITH THE TRANSFEREE COMPANY**

31.1 With effect from the Appointed Date 2 and upon Part E of the Scheme becoming effective, the Transferor Company 4, along with all the assets, liabilities, contracts, concession agreements (to the extent applicable), employees, licenses, records, approvals, etc. being integral parts of the Transferor Company 4 shall, without any further act, instrument or deed, stand amalgamated with and be vested in or be deemed to have been vested in the Transferee Company on a going concern basis so as to become as and from the Appointed Date 2, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

31.2 Without prejudice to the generality of the above clauses and to the extent applicable, unless otherwise stated herein, upon Part E of the Scheme becoming effective, and with effect from the Appointed Date 2:

- a. All the properties and assets of the Transferor Company 4, tangible or intangible, movable or immovable, balance in bank, cash or investments (including but not limited to investment in subsidiaries, if any) and other assets of whatsoever nature and tax credits



including under GST law, quotas, rights, consents, entitlements, licenses, certificates, permits, tenancy rights, and facilities of every kind and description whatsoever for all intents and purposes, permissions under any Tax Laws, incentives, if any, without any further act or deed so as to become the business, properties and assets of the Transferee Company.

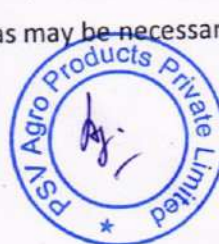
- b. All the movable assets of the Transferor Company 4 or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.
- c. All other movable properties of the Transferor Company 4, including investments in shares held by the Transferor Company 4, whether in India or outside India, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the order of this Scheme becoming effective and by operation of law become the properties of the Transferee Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Transferee Company. All investments of the Transferor Company 4 shall be recorded in the name of the Transferee Company by operation of law as transmission in favour of the Transferee Company as a successor in interest and any documents of title in the name of the Transferor Company 4 shall also be deemed to have been mutated and recorded in the name of the Transferee Company to the same extent and manner as originally held by the Transferor Company 4 and enabling the ownership, right, title and interest therein as if the Transferee Company was originally the Transferor Company 4. The Transferee Company shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard.



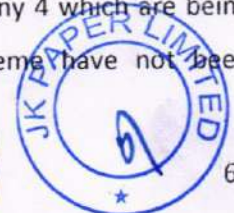
d. All the consents, including any rights under any concession agreement, permissions, licenses, approvals, certificates, insurance covers, clearances, authorities, power of attorneys given by, issued to or executed in favour of the Transferor Company 4, shall stand vested in or transferred automatically to the Transferee Company without any further act or deed and shall be appropriately mutated by the authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The benefit of all statutory and regulatory permissions including the statutory or other licenses, Tax registrations, permits, permissions or approvals or consents required to carry on the operations of the Transferor Company 4 shall automatically and without any other order to this effect, vest into and become available to the Transferee Company pursuant to this Scheme becoming effective in accordance with the terms thereof.

e. All debts, liabilities, contingent liabilities, duties, Taxes (including any advance taxes paid, self-assessment tax, tax on regular assessment, MAT credit, TDS deducted and/or collected on behalf of the Transferor Company 4, etc.), GST liabilities, and obligations of the Transferor Company 4, as on the Appointed Date 2, whether provided for or not, in the books of accounts of the Transferor Company 4, and all other liabilities which may accrue or arise after the Appointed Date 2 but which relates to the Transition Period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by the Transferee Company, so as to become as from the Appointed Date 2 the debts, liabilities, contingent liabilities, Taxes, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company 4.

f. The Transferee Company, may, at any time after this Scheme coming into effect, if required under the applicable laws or otherwise, execute deeds of confirmation in favour of any other party with which the Transferor Company 4 has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.



- g. In so far as loans and borrowings of the Transferor Company 4 pertaining to the loans and liabilities, which are to be vested to the Transferee Company shall, without any further act or deed, become loans and borrowings of the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Transferee Company as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Transferee Company. However, without prejudice to such vesting of liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Transferee Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Transferor Company 4, which in turn shall make payments to the respective creditors.
- h. The vesting of the assets comprised in Transferor Company 4 to the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
- i. The existing securities, mortgages, charges, encumbrances or liens or those, if any, created by the Transferor Company 4 after the Appointed Date 2 and during the Transition Period, in terms of this Scheme, over the assets comprised in the Transferor Company 4, or any part thereof, shall be vested in the Transferee Company by virtue of this Scheme, and the same shall, after the Transition Period, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Transition Period and are vested with the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets, of the Transferee Company.
- j. In so far as the existing Encumbrances, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Transferor Company 4 which have been Encumbered in respect of the transferred liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the assets comprised in Transferor Company 4 which are being transferred to the Transferee Company pursuant to this Scheme have not been



Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such unencumbered assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

- k. In so far as the existing security in respect of the loans or borrowings of the Transferor Company 4 and other liabilities relating to the Transferor Company 4 is concerned, such security shall, without any further act, instrument or deed be continued with the Transferee Company. The Transferor Company 4 and the Transferee Company shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

The foregoing provisions insofar as they relate to the vesting of liabilities with the Transferee Company shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.

- l. Taxes as per the Tax Laws of the Transferor Company 4 to the extent not provided for or covered by the Tax provision in the accounts made as on the date immediately preceding the Appointed Date 2 related to the Transferor Company 4 shall be vested with the Transferee Company.
- m. All Taxes paid or payable by the Transferor Company 4 in respect of the operations and/or the profits of the Transferor Company 4 before the Appointed Date 2 shall be on account of Transferor Company 4 and in so far as it relates to the Tax payment whether by way of deduction at source, collection of tax at source, advance tax, self-assessment tax or tax on regular assessment or otherwise howsoever, by the Transferor Company 4 in respect of the profits or activities or operations of the Transferor Company 4 after the Appointed Date 2, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

- n. On and from the Appointed Date 2, if any Certificate for Tax Deducted at Source or any other tax credit certificate on the basis of entries appearing in the Form 26AS if any



relating to the Transferor Company 4 is received in the name of the Transferor Company 4, it shall be deemed to have been received by the Transferee Company, which alone shall be entitled to claim credit for such tax deducted or paid.

- o. Upon the Scheme becoming effective, the Transferor Company 4 and / or Transferee Company shall have right to revise their respective returns filed under Tax Laws along with prescribed forms, filings and annexures under the Tax Laws and claim refunds and / or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- p. On and from the Appointed Date 2, the benefit of all balances relating to Taxes under the Tax Laws being balances pertaining to the Transferor Company 4, if any, shall stand vested in the Transferee Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Transferee Company. The liabilities of the Transferor Company 4 as on the Appointed Date 2 shall stand vested in the Transferee Company, save as otherwise in respect of the liabilities which were met by the Transferor Company 4 during the Transition Period, which shall be construed to have been met by the Transferee Company as if the transaction giving rise to the said liability was a transaction carried out by the Transferee Company.
- q. Upon coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Company 4, to which the Transferor Company 4 is a party or to the benefit of which the Transferor Company 4 may be eligible, and which are subsisting or have effect before the Appointed Date 2 and during the Transition Period, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Company 4, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder. All liabilities arising from all such contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Company 4, to which the Transferor Company 4 is a party or to the benefit of which the Transferor Company 4 may be eligible, and which are subsisting or have effect immediately before the Appointed Date 2, shall be on account of the Transferor Company 4 and after the Appointed Date 2, the same shall be on





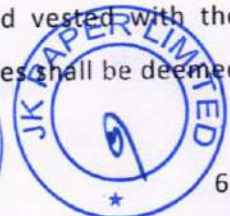
account of the Transferee Company and shall, in all proceedings, be dealt with accordingly. It is hereby clarified that any of the benefits accruing to the Transferor Company 4 on account of any contracts or other agreements entered into by the Transferor Company 4 during the Transition period shall ensure to the Transferee Company upon the Scheme becoming effective.

- r. On and from the Effective Date, and till such time that the name of the bank accounts of the Transferor Company 4 has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company 4 in the name of the Transferor Company 4 and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Transferor Company 4 after the Effective Date shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company, if presented by the Transferee Company.
- s. It is hereby clarified that the vesting of the Transferor Company 4 in the Transferee Company shall be on a going concern basis.

## 32. STAFF & EMPLOYEES

32.1 Upon the Scheme coming into effect, all staff and employees of the Transferor Company 4 in service (including but not limited to permanent, temporary or contractual, if any) immediately preceding the Effective Date shall be deemed to have become staff and employees of the Transferee Company with effect from the Appointed Date 2, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them in the Transferor Company 4 immediately preceding the transfer

32.2 The equitable interest in accounts/funds of the employees and staff, if any, whose services are vested with the Transferee Company, relating to superannuation, provident fund and gratuity fund, if any, shall be identified, determined and vested with the respective trusts/funds of the Transferee Company and such employees shall be deemed



to have become members of such trusts/funds of Transferee Company. Until such time, the Transferor Company 4 may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Transferor Company 4 to the relevant funds of the Transferor Company 4.

32.3 The Transferee Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferor Company 4 to which the Transferor Company 4 is a party in order to give formal effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 4 and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Company 4.

### 33. LEGAL PROCEEDINGS

33.1 If any suit, appeal or other legal proceedings of whatsoever nature by or against the Transferor Company 4 is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company 4 as if this Scheme had not been made. In the event that the legal proceedings referred to herein require the Transferor Company 4 and the Transferee Company to be jointly treated as parties thereto, the Transferee Company shall be added as party to such proceedings and shall prosecute and defend such proceedings in co-operation with the Transferor Company 4.

33.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company 4 referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company 4.



33.3 After the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Company 4.

**34. AMALGAMATION NOT TO AFFECT TRANSACTIONS / CONTRACTS OF THE TRANSFEROR COMPANY 4**

The transfer and vesting of the business of the Transferor Company 4 and the continuance of the said proceedings by or against the Transferee Company shall not affect any transaction or proceedings already concluded by or against the Transferor Company 4 after the Appointed Date 2 to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done or executed by the Transferor Company 4 after the Appointed Date 2 as done and executed on its behalf. The said transfer and vesting pursuant to Sections 230 to 232 of the Act, shall take effect from the Appointed Date 2 unless the NCLT or other appropriate authorities otherwise directs.

**35. CONSIDERATION**

35.1 Upon the Scheme taking effect and as consideration for the amalgamation of Transferor Company 4 with the Transferee Company, the Transferee Company shall, without any further application, deed, or payment, issue and allot shares of the Transferee Company to all equity shareholders of Transferor Company 4 (except to Transferee Company itself) whose names appear in the register of members on the Record Date, in the following manner:

***"2,635 fully paid equity share of Rs. 10 each of Transferee Company, for every 10,000 equity share of Rs. 10 each held in the Transferor Company 4"***

35.2 Upon the Scheme taking effect and as consideration for the amalgamation of Transferor Company 4 with the Transferee Company, the Transferee Company shall, without any further application, deed, or payment, issue and allot equity shares of the Transferee Company to all holders of Compulsorily Convertible Preference Shares (CCPS) of Transferor Company 4 whose names appear in the register of members on the Record Date, in the following manner:



• **"To Compulsorily Convertible Preference Shareholders:**

- i. 21,958 fully paid equity share of Rs. 10 each of Transferee Company, for every 10,000 Series 1 Compulsorily Convertible Preference Share of Rs. 100 each held in the Transferor Company 4.
- ii. 21,958 fully paid equity share of Rs. 10 each of Transferee Company, for every 10,000 Series 2 Compulsorily Convertible Preference Share of Rs. 100 each held in the Transferor Company 4.
- iii. 12,668 fully paid equity share of Rs. 10 each of Transferee Company, for every 10,000 Series 3 Compulsorily Convertible Preference Share of Rs. 100 each held in the Transferor Company 4".

35.3 Equity shares as aforesaid, shall be issued by the Transferee Company in dematerialized form to those shareholders of the Transferor Company 4, who hold shares of the Transferor Company 4 in dematerialized form, in to the account in which the Transferor Company 4 shares are held or such other account as is intimated by the shareholders to the Transferee Company and / or its Registrar. All those shareholders who hold shares of the Transferor Company 4 in physical form shall provide the details of their shareholding to the Transferee Company. However, if no such details have been provided to the Transferee Company by the shareholders of the Transferor Company 4 holding shares in physical form on or before the Record Date, then the Transferee Company shall allot the corresponding new equity shares to the demat account of the trust or the trustee of Transferee Company to be settled by the Transferee Company ("Trust") who shall hold these shares in trust for the benefit of such shareholders. The new equity shares held by the Trust shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trust, along with such other documents as may be required. Any benefit in the form of dividend, bonus shares etc. received by the Trust in respect of these shares shall also be transferred to such shareholder.

35.4 The Transferee Company shall take necessary steps to increase or alter or re-classify, (if necessary), its authorized share capital suitably to enable it to issue and allot equity shares required to be issued and allotted by it under this Scheme.



35.5 Approval of this Scheme by the equity shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of section 62 of the Act and Rules framed thereunder, and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the shareholders of the Transferor Company 4, as provided in this Scheme.

35.6 If any shareholder becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the equity shares by the Transferee Company in accordance with Clause 35.1 and Clause 35.2 above, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next whole number and issue consolidated equity shares, as the case may be, to a trustee nominated by the Board of the Transferee Company (the "Trustee"), who shall hold such equity shares, as the case may be, with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times within ninety (90) days from the date of allotment. It is further clarified that the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Trustee shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company 4 in proportion to their respective fractional entitlements.

35.7 Pursuant to the issuance of equity shares in the Transferee Company as mentioned above under Clause 35.1 and Clause 35.2, the shareholders of the Transferor Company 4 shall become the shareholders of the Transferee Company.

35.8 The equity shares of the Transferee Company to be issued in terms of this Scheme will be listed and/ or admitted to trading on the Stock Exchanges where the shares of the Transferee Company are already listed and/ or admitted to trading, subject to necessary approvals under the regulations issued by the SEBI and from the Stock Exchanges and all necessary applications and compliances being made in this respect by the Transferee Company.

35.9 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 4, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to



effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties after the effectiveness of the Scheme.

35.10 The equity shares to be issued to the shareholders of the Transferor Company 4 as above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing equity shares of the Transferee Company in all respects including with respect to dividends, voting rights and other corporate benefits attached to the equity shares of the Transferee Company.

35.11 In the event that the Transferee Company restructures its equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of this Scheme, the Share Exchange Ratio for the equity shares to be issued in the Transferee Company to the shareholders of the Transferor Company 4 shall be adjusted accordingly to take into account the effect of any such corporate actions.

35.12 The approval of this Scheme by the equity shareholders of both the Transferor Company 4 and Transferee Company under Sections 230 to 232 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 consents and approvals required in this regard.

35.13 The shares of Transferee Company allotted pursuant to the scheme shall remain frozen in the depositories system until listing / trading permission has been provided by the Stock Exchanges, as the case may be.

### 36. ACCOUNTING TREATMENT

Upon the Scheme being effective and with effect from the Appointed Date 2, the Transferee Company shall account for the amalgamation of the Transferor Company 4 into and within its books of accounts as per the "Pooling of Interest Method" in compliance with the Appendix C of Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India in the following manner:



- 36.1. As on the Appointed Date 2, the Transferee Company shall record all the Assets and Liabilities of the Transferor Company 4 at the carrying values appearing in the financial statements of the Transferor Company 4;
- 36.2. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of Transferor Company 4 and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company, as on the Appointed Date 2.
- 36.3. The Transferee Company shall credit its share capital account in its books of account with the aggregate face value of the new equity shares issued to the shareholders of the Transferor Company 4;
- 36.4. Pursuant to the amalgamation of the Transferor Company 4 with the Transferee Company, inter-company deposits/ loans and advances/ any other balances between the Transferee Company and the Transferor Company 4, if any, appearing in the books of the Transferee Company shall stand cancelled;
- 36.5. The value of all investments held by the Transferee Company in the Transferor Company 4 shall stand cancelled pursuant to amalgamation and there shall be no further rights or obligations in that behalf;
- 36.6. The difference between the assets, liabilities, and reserves recorded in terms of Clause 36.1 and Clause 36.2 above, and the issuance of new equity shares in terms of Clause 36.3 above and cancellation of inter-company transactions and investments in Clause 36.4 and Clause 36.5 above shall be recorded as "Capital Reserve", and shall be classified and presented separately from other capital reserves recorded in the books of the Transferee Company;

36.7. In case of any differences in accounting policies between the Transferor Company 4 and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies;



36.8. Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of amalgamation, as stated above, from the beginning of the comparative period in the financial statements; and

36.9. Any matter not dealt with herein above shall be dealt with in accordance with the requirements of applicable IND AS.

**37. COMBINATION AND INCREASE IN AUTHORISED SHARE CAPITAL OF THE TRANSFEEE COMPANY PURSUANT TO THE MERGER**

37.1 Upon the Scheme becoming effective, the authorised share capital of Transferor Company 4 will get amalgamated with that of Transferee Company without payment of any additional fees and duties as the said fees and duties have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the ROC and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act. Upon the Scheme coming into effect, the office of the Registrar of Companies shall immediately take note of the consolidation of authorised share capital of the Transferor Company 4 and enhance the authorised share capital of the Transferee Company accordingly in its records.

37.2 It is clarified that approval of this Scheme by the members of the Transferee Company under Sections 230 to 232 of the Act shall be deemed be sufficient for the alternation of the Memorandum and Articles of Association of the Transferee Company under Sections 13, 14, 61 and 64 of the Act and other applicable provisions of the Act and any other consents and approvals required in this regard.

**38. CONDUCT OF BUSINESS**

**38.1 The Transferor Company 4 as Trustees**

With effect from the Appointed Date 2 and up to and including Effective Date, the Transferor Company 4 shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed on account of and for the benefit of and in trust for the Transferee Company, as the





Transferee Company is taking over the business as a going concern. The Transferor Company 4 shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of the Transferor Company 4 or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if the written consent of the Transferee Company has been obtained.

### 38.2 Profits or Losses up to Effective Date

With effect from the Appointed Date 2 and up to and including the Effective Date, all profits or incomes accruing or arising to the Transferor Company 4 or all expenditure or losses incurred or arising, as the case may be, by the Transferor Company 4 shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of the Transferee Company.

### 38.3 Taxes

- a. All taxes paid or payable by the Transferor Company 4 in respect of the operations and / or profits of the business before the Appointed Date 2, shall be on account of the Transferor Company 4 and in so far as it relates to the tax payment by the Transferor Company 4 in respect of the profits or activities or operation of the business after the Appointed Date 2 till the effective date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.
- b. Any refund under Income-tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company 4 and due to the Transferor Company 4 consequent to the assessment made on the Transferor Company 4 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date 2 shall also belong to and be received by the Transferee Company.



- c. All tax benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company 4 under Income Tax, Goods and Services Tax, Service Tax etc. or any Tax Deduction/Collection at Source, advance tax, self-assessment tax, tax on regular assessment, MAT Credit, tax credits, GST input tax credits, benefits of CENVAT credits, benefits of input credits, and in respect of set-off, carry forward of tax losses, and unabsorbed depreciation shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon passing of the order on this Scheme by the NCLT or other appropriate authorities upon relevant proof and documents being provided to the said authorities.
- d. All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company 4, pending or arising as at the Appointed Date 2, shall be continued and/or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company 4. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company 4 with the Transferee Company or anything contained in this Scheme.
- e. All expenses incurred by the Transferor Company 4 and the Transferee Company in relation to the amalgamation of the Transferor Company 4 with the Transferee Company in accordance with this Scheme, including Stamp Duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income-tax Act, 1961 over a period of five (5) years beginning with the financial year in which the scheme becomes effective.

38.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company 4.



38.5 Upon the Scheme becoming effective, the Main Objects as well as relevant incidental objects of the Memorandum of Association of the Transferor Company 4 shall form part of the Memorandum of Association of the Transferee Company, to the extent required.

**39. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS:**

39.1 Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company 4 is a party, subsisting or having effect immediately before the amalgamation, shall remain in full force and effect against or, as the case may be, in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company 4, the Transferee Company was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds, confirmations or other writings or arrangements to which the Transferor Company 4 is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 4 and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company 4 to be carried out or performed.

38.1 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company 4 shall stand transferred to the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.



**40. MATTERS RELATING TO SHARE CERTIFICATES:**

The share certificates (if any) held by the shareholders of the Transferor Company 4 shall automatically stand cancelled without any necessity of them being surrendered to the Transferee Company.

**41. RESOLUTIONS**

The resolutions, if any, of the Transferor Company 4, which are valid and subsisting as on the Effective Date, shall be continued to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date 2.

**42. DISSOLUTION OF THE TRANSFEROR COMPANY 4:**

Upon the Scheme being sanctioned by an order made by the NCLT under Sections 230 to 232 of the Act, the Transferor Company 4 shall stand dissolved without being winding up on the Effective Date and without requiring any further act, instrument or deed from the Transferor Company 4 and / or the Transferee Company.

**PART G –REORGANISATION OF RESERVES OF THE TRANSFERRE COMPANY**

**43. SEQUENCING OF EVENTS**

Upon coming into effect of the Scheme and with effect from the Appointed Date 1 for Part C and Appointed Date 2 for Part D, Part E, Part F and Part G of the Scheme, and subject to the provisions of the Scheme, the following shall be deemed to have occurred, only in the sequence and in the order mentioned hereunder:

43.1 filing of certified copies of the order(s) of the NCLT with the Registrar of Companies by each of the Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4/Demerged Company, Resulting Company and the Transferee Company, pursuant to which, the Composite Scheme of Arrangement shall become effective;



- 43.2. amalgamation of Transferor Company 1, Transferor Company 2, Transferor Company 3 with and into Transferee Company in accordance with Part C of the Scheme;
- 43.3. transfer of the respective authorized share capital of the Transferor Company 1, Transferor Company 2, Transferor Company 3 to the Transferee Company and consequential increase in the authorized share capital of the Transferee Company in accordance with Part C of the Scheme;
- 43.4. dissolution of the respective Transferor Company 1, Transferor Company 2, Transferor Company 3 without being wound up, in accordance with Part C of the Scheme;
- 43.5. reduction and conversion of Redeemable Preference Shares of Transferor Company 4/Demerged Company into unsecured loan in accordance with Part D of the Scheme;
- 43.6. demerger of Demerged Undertaking of Demerged Company into Resulting Company in accordance with Part E of the Scheme;
- 43.7. issue and allotment of equity shares of the Resulting Company to the shareholders of the Demerged Company as of the Record Date in accordance with Part E of this Scheme;
- 43.8. amalgamation of Transferor Company 4 with and into Transferee Company in accordance with Part F of the Scheme;
- 43.9. dissolution of the Transferor Company 4 without being wound up, in accordance with Part F of the Scheme;
- 43.10. transfer of the authorized share capital of the Transferor Company 4 to the Transferee Company and consequential increase in the authorized share capital of the Transferee Company in accordance with Part F of the Scheme;

- 43.11. issue and allotment of equity shares of the Transferee Company to the shareholders of the Transferor Company 4 as of the Record Date in accordance with Part F of this Scheme; and



43.12. reorganization of reserves of the Transferee Company created post effectiveness of Part C, Part D, Part E and Part F, in accordance with Part G of the Scheme;

#### 44. CAPITAL REORGANIZATION OF TRANSFEREE COMPANY

44.1 With effective from Appointed Date 2 and upon Part F of the Scheme becoming effective, any capital reserve recorded by the Transferee Company pursuant to this Scheme as of the Appointed Date 1 and Appointed Date 2 shall be adjusted in the following sequence: first, against the existing credit balance (if any) of Capital Reserve; any remaining surplus shall then be adjusted against the Capital Redemption Reserve; any further surplus shall be adjusted against Debenture Redemption Reserve; any further surplus shall be adjusted against any reserve other than the Free Reserve; any further surplus shall be adjusted against Securities Premium Account and any balance left thereafter shall finally be adjusted against the Free Reserves of the Transferee Company as of the Appointed Date 2.

44.2 The reorganization of reserves of the Transferee Company, as stated in Clause 44.1 above shall be affected as an integral part of this scheme itself, and the order of the NCLT sanctioning the Scheme shall confirm the reduction of capital and reorganization of reserves of the Transferee Company

44.3 Pursuant to the Scheme in Part G, there shall be no outflow of/payout of funds from the Transferee Company and hence, the interest of the shareholder /creditors is not adversely affected. For the removal of doubts, it is expressly recorded and clarified that the Scheme shall not in any manner involve the distribution of capital reserves or revenue reserves and the same shall be accounted for in accordance with the Indian Accounting Standards prescribed of Section 133 of the Act.

44.4 The reduction of capital and reorganization of reserves of the Transferee Company would not involve either a diminution of liability in respect of the unpaid share capital or payment of the paid-up share capital.

44.5 The utilization of the Capital Reserve, Capital Redemption Reserves, Debenture Redemption Reserves, and Securities Premium as aforesaid shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning the scheme shall be deemed to be an order



under section 66 and other applicable provisions of the Act, and no separate sanction under section 66 and other applicable provisions of the Act will be necessary.

#### PART H - GENERAL TERMS AND CONDITIONS

#### 45. CHANGE OF NAME OF THE RESULTING COMPANY

45.1. Upon this scheme becoming effective, without any further act, instrument or deed, the name of the Resulting Company shall be changed to "**Enviro Tech Ventures Limited**". Further, the name "**PSV Agro Products Private Limited**" wherever occurs in the memorandum of association and articles of association of the Resulting Company shall be substituted by such name.

45.2. The approval and consent of this Scheme by the shareholders of the Resulting Company shall be deemed to be the approval of shareholders by way of special resolution under section 13 of the Companies Act, 2013 for change of name of the Resulting Company as contemplated herein and shall be deemed to be sufficient for the purpose of effecting the amendments in the Memorandum of Association and Articles of Association of the Resulting Company in relation to the change of name of the Resulting Company in accordance with provisions of the Companies Act, 2013. The sanction of this scheme by the NCLT shall be deemed and no further resolution(s) would be required to be separately passed to be complying with the provisions of the Companies Act, 2013, for the purpose of effecting the change in name of the Resulting Company.

45.3. The Board of Directors and the shareholders of the Transferor Company 4 and the Resulting Company shall not have any objection to the adoption and use of the name "**Enviro Tech Ventures Limited**" by the Resulting Company pursuant to the scheme.

#### 46. APPLICATION TO NCLT

46.1. Necessary joint applications and joint petitions by the Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4 / Demerged Company, Resulting Company and Transferee Company shall be made for the sanction of this Scheme to the NCLT, under the provisions of law and obtain all approvals as may be required under the Applicable Law.



46.2. It is prayed to the NCLT to sanction this Scheme, with or without modification.

#### 47. MODIFICATION OR AMENDMENTS TO THE SCHEME

47.1. Subject to approval of NCLT, the respective Board or the respective authorized representative appointed by the respective Board of the Companies, may assent to any modifications, alterations or amendments of this Scheme or any conditions which the NCLT and / or any other competent authority may deem fit to direct or impose, and the said respective Board and after dissolution of the Transferor Company 1, Transferor Company 2, Transferor Company 3 and Transferor Company 4 (without winding up), the Board of the Transferee Company may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.

47.2. In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Companies may find unacceptable for any reason, in whole or in part, then the Companies are at liberty to withdraw the Scheme. In such a case, Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, the Resulting Company and/or the Transferee Company, shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, the Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, the Resulting Company and/or the Transferee Company shall not be entitled to withdraw the Scheme unilaterally without the prior written consent of the other.

#### 48. DECLARATION OF DIVIDEND, BONUS ETC.

48.1. The Companies involved in this Scheme shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date but only in the ordinary course of business. Any declaration or payment of dividend otherwise than as aforesaid, by the Companies involved in this Scheme shall be subject to the prior approval of the Board of Directors of respective Companies involved in this Scheme and in accordance with applicable laws. It is clarified that prior approval of any of the Board of





the Directors shall not be required for payment of any dividend already announced or declared but yet to be paid, by either of the Companies involved in this Scheme to their respective shareholders.

- 48.2. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Companies involved in this Scheme to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies involved in this Scheme and subject, wherever necessary, to the approval of the respective shareholders of the Companies involved in this Scheme.

#### 49. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

Unless otherwise decided (or waived) by the relevant parties, the Scheme is conditional upon and subject to the following conditions precedent:

- 49.1. Receipt of approval of the Scheme by the Stock Exchange and SEBI, pursuant to the Listing Regulations and circulars issued by SEBI, wherever applicable;
- 49.2. Approval by the requisite majority of shareholders and/or creditors, if required, of the Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, Resulting Company and the Transferee Company, as directed by the NCLT under the Act;
- 49.3. Approval by the public shareholders of the Transferee Company through e-voting in terms of SEBI Master circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023, and the Scheme shall be acted upon only if vote cast by the public shareholders of the Transferee Company in favour of the proposal are more than the number of votes cast by the public shareholders of the Transferee Company against it.

- 49.4. The requisite sanction or approval of the NCLT in terms of Sections 230 to 232 read with Section 66 and such other relevant provisions of the Act;

- 49.5. Certified/ authenticated copies of the orders of the NCLT, sanctioning the Scheme, being filed with the Registrar of Companies.



**50. OPERATIVE DATE OF THE SCHEME**

The Scheme, set out herein in its present form or with any modifications approved or imposed or directed by the NCLT shall be effective from the Appointed Date 1 and Appointed Date 2 as applicable to the respective parts of the Scheme but shall be operative from the Effective Date.

**51. BINDING EFFECT**

Upon the Scheme becoming effective, the same shall be binding on the Companies involved in the Scheme and all concerned parties without any further act, deed, matter or thing.

**52. EFFECT OF NON-RECEIPT OF APPROVALS**

52.1. In the event any of the said approvals or sanctions referred to in Clause 49 above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or Committee empowered thereof of the Companies involved in the Scheme shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

52.2. Further, in case of non-receipt of approvals to the Scheme, no rights and liabilities whatsoever shall accrue or to be incurred inter-se by the Companies involved in the Scheme or their respective shareholders or creditors or employees or any other person.

**53. GIVING EFFECT TO THE SCHEME**

For the purpose of giving effect to the Scheme, the Board of Directors of the Companies or any Committee thereof, is authorized to give such directions as may be necessary or desirable and to settle as they may deem fit, any question, doubt or difficulty that may arise in connection with or in the working of the Scheme and to do all such acts, deeds and things necessary for carrying into effect the Scheme.



**54. EFFECT OF SCHEME NOT GOING THROUGH**

In the event of this Scheme failing to take finally effect for whatsoever reasons, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter se between the parties or their respective Shareholders or Creditors or employees or any other person.

**55. COSTS**

All costs, charges, taxes including duties, levies, stamp duty, transfer premium for leasehold lands, and all other expenses, if any (save as expressly otherwise agreed) in relation to the Scheme shall be borne by the Transferee Company.

