

**SCHEME OF ARRANGEMENT**

**BETWEEN**

**DHAMPUR SUGAR MILLS LIMITED**

**AND**

**DHAMPUR BIO ORGANICS LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)**

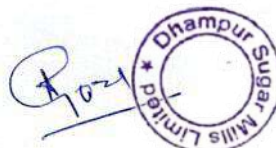
**A. PREAMBLE**

This scheme of arrangement ("**Scheme**", as more particularly defined hereinafter) is presented under Sections 230-232 and other applicable provisions of the Companies Act, 2013 and provides *inter alia* for demerger of the Demerged Undertaking (*as defined below*) of Dhampur Sugar Mills Limited and transfer of the same to Dhampur Bio Organics Limited ("**Demerger**") and matters consequential or connected therewith pursuant to the provisions of the Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions thereof read with Section 2(19AA) of the IT Act (*as defined below*), and the SEBI Circular (*as defined below*).

**B. DESCRIPTION OF THE DEMERGED COMPANY AND THE RESULTING COMPANY**

DHAMPUR SUGAR MILLS LIMITED is a public company, limited by shares, incorporated under the provisions of the Companies Act, 1913 under Corporate Identity No. L15249UP1933PLC000511 and having its registered office at Dhampur, district Bijnor, Uttar Pradesh- 246761 ("**Demerged Company**"). At present, the Demerged Company has five manufacturing units situated at: (i) Dhampur, district Bijnor, (ii) Mansurpur, district Muzaffarnagar, (iii) Rajpura, district Sambhal, (iv) Asmoli, district Sambhal and (v) Meerganj, district Bareilly, all in the State of Uttar Pradesh, having manufacturing facilities of sugar, power, industrial alcohol, ethanol, chemicals and potable alcohol with different capacities. The equity shares of the Demerged Company are listed on BSE Limited and the National Stock Exchange of India Limited.

DHAMPUR BIO ORGANICS LIMITED is a public company, limited by shares, incorporated under the provisions of the Companies Act, 2013 under Corporate Identity No. U15100UP2020PLC136939 having its registered office at Sugar Mill Compound, Village Asmoli, District Sambhal, Moradabad - 244304, Uttar Pradesh ("**Resulting Company**"). At present, all the shares of the Resulting Company are held by the Demerged Company and its nominees, such that the Resulting Company is a wholly owned subsidiary of the Demerged Company. The objects of the Resulting Company are similar to those of the Demerged Company, i.e. to carry out the dealing in and manufacturing of sugar, power and industrial alcohol, ethanol, chemicals and potable alcohol.





### C. CIRCUMSTANCES FOR DEMERGER

The Demerged Company was established in the year 1933 with a single sugar manufacturing unit at Dhampur, Uttar Pradesh, having a capacity of 300 tonnes of cane crushing per day (TCD). Over the years, the Demerged Company has grown manifold under the aegis of Goel families (being the promoters / promoter group of the Demerged Company), supported by other stakeholders, by exponentially expanding its core business of sugar manufacturing as well as commencing various allied businesses.

Over the years the Demerged Company expanded its business by setting up necessary facilities for using by-products of sugar for co-generation of power; it also started supply of power to the state grid. The Demerged Company has also made commercial use of the other by-product, molasses, to manufacture industrial alcohol, ethanol, chemicals and potable alcohol, . Once again capitalizing on favourable regulatory developments allowing mix of ethanol in petrol, the Demerged Company set up manufacturing facilities of ethanol having capacities of 400 kilo litres per day in its integrated sugar complexes at Dhampur and Asmoli.

The Demerged Company has now evolved from one sugar factory to five independent integrated sugar complexes having aggregate capacity of 45,500 tonnes cane crushing per day alongwith power co-generation, industrial alcohol, ethanol, chemicals and potable alcohol . Recognizing changing trends in consumer behavior, the Demerged Company has also introduced branded sugar under the brand name 'Dhampure'. The growth outlook for both, sugar (branded and unbranded), and ethanol as products is promising.

The journey thus far has been under the stewardship of the promoter-manager families presently represented by Mr. Gaurav Goel and Mr. Gautam Goel, jointly who are both Managing Directors.

It is now proposed, by way of the Demerger, to segregate the management and ownership of the different integrated manufacturing facilities/units of the Demerged Company for cane crushing, co-generation of power and industrial alcohol, ethanol, chemicals and potable alcohol between the Demerged Company and Resulting Company without splitting any of such standalone manufacturing units. This will enable creation of two separate platforms for maximum exploitation of each of the above business opportunities through each of the Companies (*as defined below*), including in particular by streamlining management and administration and enabling the pursuit of diverse and independent strategic aspirations, in a manner that unlocks and maximises value for all shareholders and drives future strategic growth under the overall Dhampur legacy.

### D. RATIONALE

- (i) The proposed Demerger will create opportunities for pursuing independent growth and expansion strategies in the segregated businesses and effectively unlock value of each of the manufacturing units. The Demerger also represents an opportunity for the public shareholders to exploit the individual potential of both Companies.
- (ii) The segregation will allow each of the Companies to create a strong and distinctive platform with more focused management teams, which will enable greater flexibility to





pursue long-term objectives and independent business strategies. The structure will streamline management and provide diversity in decisions regarding the use of respective cash flows for dividends, in capital expenditure or other reinvestment in their respective business, and in being able to explore varied investment opportunities and attract various investors and strategic partners.

- (iii) The business units of the Demerged Company are independent, self-sufficient in raw material, and standalone integrated, and would continue to function with efficiency, efficacy and synergies after the Demerger, and transition will be largely seamless.
- (iv) The Demerger at this juncture will also create a framework for succession planning including long term leadership of each Company with a view to ensure that the management and ownership model of the Demerged Company is not hindered by fragmentation of ownership and dispersed leadership over time as the promoter-manager families move closer to a generational shift, which may be detrimental to the Demerged Company, business and stakeholders. Instead, following the Demerger, the management of each Company and ownership of the promoter-managers in each Company will remain consolidated within a family group and will be lean and agile. This will also ensure long term stability including through continued maintenance of goodwill and harmony and allow for succession planning in an orderly and strategic manner without any business disruption.
- (v) The shareholding of public shareholders following the Demerger will remain the same in both Companies and shareholder value, across Companies, will be preserved and remain unchanged.

#### E. OPERATION OF THE SCHEME

- (I) The Demerged Undertaking of the Demerged Company is proposed to be demerged and transferred to the Resulting Company for achieving the above mentioned objectives, pursuant to Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions thereof read with Section 2(19AA) of the IT Act (*as defined below*), and the SEBI Circular (*as defined below*).
- (II) The Resulting Company shall issue and allot equity shares to all the shareholders of the Demerged Company in proportion to their shareholding in the Demerged Company, as consideration for the transfer of the Demerged Undertaking (*as defined below*). The Demerger of the Demerged Undertaking in accordance with this Scheme shall take effect from the Appointed Date and shall be in accordance with Section 2(19AA) of the IT Act, such that:
  - (a) All the properties of the Demerged Undertaking as on the Appointed Date shall be transferred to and become the properties of the Resulting Company by virtue of this Scheme;
  - (b) All the liabilities relating to the Demerged Undertaking, as on the Appointed Date shall become the liabilities of the Resulting Company by virtue of this Scheme;





- (c) The properties and the liabilities relating to the Demerged Undertaking shall be transferred to the Resulting Company at the value appearing in the books of accounts of the Demerged Company immediately before this Demerger;
- (d) The Resulting Company shall issue, in consideration of this Demerger, its equity shares to all the shareholders of the Demerged Company as on the Record Date on a proportionate basis, in accordance with this Scheme;
- (e) All the shareholders of the Demerged Company as on the Record Date shall become the shareholders of the Resulting Company by virtue of this Demerger;
- (f) The transfer of the Demerged Undertaking shall be on a going concern basis; and
- (g) The Demerger is in accordance with the conditions, if any, notified under sub-section (5) of section 72A of the IT Act, by the Central Government in this behalf.

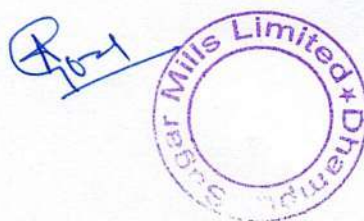
If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(19AA) of the IT Act, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(19AA) of the IT Act shall prevail and the Scheme shall be modified, in accordance with Clause 30, to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modifications shall however not affect the other parts of the Scheme.

- (III) Immediately following the issue and allotment of the New Equity Shares (*as defined below*) by the Resulting Company to the equity shareholders of the Demerged Company, the existing shareholding of the Demerged Company and its nominees in the Resulting Company will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the Resulting Company.
- (IV) Following the completion of the issuance and allotment of shares of the Resulting Company to all the shareholders of the Demerged Company as above, GV Promoter Group (*as defined below*) shall subsequently transfer the equity shares held by them in the Resulting Company to GT Promoter Group and GT Promoter Group (*as defined below*) shall transfer the equity shares held by them in the Demerged Company to GV Promoter Group, in accordance with this Scheme.

#### F. GENERAL

This Scheme is divided into the following parts:

- (a) Part I of the Scheme deals with definitions and interpretation, and sets out the share capital of the Demerged Company and the Resulting Company;
- (b) Part II of the Scheme deals with the Demerger of the Demerged Undertaking from the Demerged Company as a going concern and transfer to and vesting into the Resulting Company; and
- (c) Part III of the Scheme deals with the transfer by GV Promoter Group of the equity shares held by them in the Resulting Company to GT Promoter Group and, the transfer by GT Promoter Group of the equity shares held by them in the Demerged Company to GV Promoter Group, and matters consequential thereto; and
- (d) Part IV of the Scheme deals with the general terms and conditions applicable to the Scheme.





## PART I

### (DEFINITIONS, INTERPRETATION & SHARE CAPITAL)

#### 1. DEFINITIONS AND INTERPRETATION

1.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

**"Accounting Standards"** means the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, as per Section 133 of the Companies Act, 2013 issued by the Ministry of Corporate Affairs and the other generally accepted accounting principles in India.

**"Act" or "the Act"** means the Companies Act, 2013 (to the extent notified and including any statutory modifications or re-enactment(s) thereof) and rules and regulations made thereunder.

**"Applicable Law"** means any applicable statute, notification, by laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force.

**"Appointed Date"** means opening business hours of April 1, 2021 or such other date as the NCLT may direct/allow.

**"Appropriate Authority"** means any applicable central, state or local government legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, or any court, arbitrator, alternative dispute resolution body or tribunal, or entitled to exercise, any administrative, executive, judicial, legislative functions of the government, in each case with applicable jurisdiction, including but not limited to SEBI, Stock Exchanges, the Competition Commission of India, regional director, Ministry of Corporate Affairs, Registrar of Companies and NCLT.

**"Board"** in relation to the Demerged Company and the Resulting Company, as the case may be, means the board or directors of such company and shall include a committee of directors or any person authorized by the Board or such committee of directors duly constituted and authorised for the purposes of matters pertaining to the arrangement as contemplated under this Scheme and/or any other matter relating thereto.

**"BSE"** means the BSE Limited.

**"Companies"** means the Demerged Company and the Resulting Company collectively and each referred to as **"Company"** individually.





**“Demerged Company”** means Dhampur Sugar Mills Limited, a public company, limited by shares incorporated under the provisions of the Companies Act, 1913 under Corporate Identity No. L15249UP1933PLC000511 and having its registered office at Dhampur, district Bijnor – 246761, Uttar Pradesh and having PAN AABCT2827N.

**“Demerged Undertaking”** means all the business, undertakings, properties, activities, operations, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Demerged Company, in relation to and pertaining to the Demerged Units on a going concern basis, together with all assets and liabilities pertaining to the Demerged Units and shall include (without limitation):

- (a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications, digital properties and related data, related investments, plant and machinery, equipment, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks, investments including shareholding in DIPL, escrow accounts, claims tax credits, input credits, pro rata minimum alternate tax credits, tax refunds and claims of any kind, allotments, approvals, consents, letters or intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold, brands, goodwill, other intangibles, industrial and other licenses, approvals, permits, authorizations, Intellectual Property, assignments and grants in respect thereof, import and export quotas and other quota rights, right to use and avail of telephones, facsimile, email, internet and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds and benefits (including all work in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, privileges and approvals of whatsoever nature and where so ever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to the Demerged Units as stated above as on the Appointed Date, including those listed in **Schedule I**;
- (b) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/or security deposits, payment against warrants, if any, or other entitlements of the Demerged Company pertaining to the Demerged Units as on the Appointed Date;
- (c) all employees of the Demerged Company engaged in or in relation to the Demerged Units, along with all benefits under employment including gratuity, superannuation, pension benefits and the provident fund or other compensation or benefits of such employees;
- (d) all the Transferred Liabilities (*as defined below*);
- (e) all books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs and softwares along with their licenses and registrations, drawings, manuals, 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 the Demerged Units as stated above of the Demerged Company;

- (f) all legal proceedings (past, present or future) of whatsoever nature by or against the Demerged Company relating to the Demerged Undertaking;
- (g) any assets, liabilities, agreements, undertakings, activities, operations or properties that are determined by the Boards of the Companies relating to or forming part of the Demerged Units or which are necessary for conduct of, or the activities or operations of, the Demerged Units.

**"Demerged Units"** means the following sugar, industrial alcohol, ethanol, chemicals and potable alcohol and power manufacturing units of the Demerged Company, each of which is referred to as a going concern:

- (i) Asmoli unit situated at Asmoli, district Sambhal (Uttar Pradesh), including the sugar manufacturing plant having capacity of 9,000 tonnes crushing per day of sugarcane, 1,50,000 litres of distillery/chemicals per day including ethanol etc. and 43.5 megawatts co-generation of power;
- (ii) Mansurpur unit situated at Mansurpur, district Muzaffarnagar (Uttar Pradesh), including the sugar manufacturing plant having capacity of 8,000 tonnes crushing per day of sugarcane and 33 megawatts co-generation of power; and
- (iii) Meerganj unit situated at Meerganj, district Bareilly (Uttar Pradesh) including the sugar manufacturing plant having capacity of 5,000 tonnes crushing per day of sugarcane and 19 megawatts co-generation of power.

**"DIPL"** means Dhampur International Pte. Ltd., a company incorporated under the laws of Singapore and having its registered office at 30 Kallang Place, #05-03/04 Singapore - (339159).

**"Effective Date"** means the date or the last date of the dates on which all the conditions and matters referred to in Clause 31 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. References in this Scheme to the "date of coming into effect of this Scheme" or "upon the Scheme becoming effective" or "effectiveness of the scheme" shall mean the effective date.

**"Encumbrance"** or to **"Encumber"** (including with correlative meaning, the term **"Encumbered"**) means without limitation any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law.

**"GV Promoter Group"** means Mr. Ashok Kumar Goel, Mrs. Vinita Goel, Mr. Gaurav Goel, Ms. Ishira Goel, Goel Investments Limited, Saraswati Properties Limited and Ujjwal Rural Services Limited.





**"GT Promoter Group"** means Mr. Vijay Kumar Goel, Mrs. Deepa Goel, Mr. Gautam Goel Mrs. Bindu Vashist Goel, Shudh Edible Products Private Limited and Sonitron Limited.

**"Intellectual Property"** means patents, utility models, rights in inventions, supplementary protection certificates, rights in information (including know-how, confidential information and trade secrets) and the right to use, and protect the confidentiality of, confidential information, trade marks, service marks, rights in logos, trade and business names, rights in each of get-up and trade dress and all associated goodwill, rights to sue for passing off and/or for unfair competition and domain names, copyright, moral rights and related rights, rights in computer software, database rights, rights in designs, and semiconductor topography rights, any other intellectual property rights, all rights or forms of protection.

**"IT Act"** means the Income-tax Act, 1961 as may be amended or supplemented from time to time (and any successor provisions or law), including any statutory modifications or reenactments thereof together with all applicable by-laws, rules, regulations, orders, ordinances, directions including circulars and notifications and similar legal enactments, in each case issued under the Income-tax Act, 1961.

**"Liability(ies)"** means liabilities of every kind, nature and description whether deriving from contract or under Applicable Law or otherwise, including contingent liabilities, whether past, present or future, including, but not limited to, dues, debts, loans, secured loans, unsecured loans, borrowings, statutory liabilities, contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of any nature, along with any Encumbrance thereon.

**"NCLT"** means National Company Law Tribunal at Allahabad having jurisdiction in relation to the Demerged Company and Resulting Company and / or the National Company Law Appellate Tribunal as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230-232 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 230-232 of the Act as may be applicable.

**"NSE"** means the National Stock Exchange of India Limited.

**"Promoter Groups"** means the GV Promoter Group and GT Promoter Group collectively.

**"Record Date"** shall be the date to be fixed by the Board of the Demerged Company in consultation with the Resulting Company, for the purpose of determining the equity shareholders of the Demerged Company for issue of New Equity Shares (*as defined in Clause 12 below*), pursuant to this Scheme.

**"Registrar of Companies"** means the Registrar of Companies at Kanpur, Uttar Pradesh.

**"Remaining Undertaking"** means all the undertakings, businesses, activities, properties, operations, investments, intellectual property rights and liabilities of the Demerged Company other than those comprised in the Demerged Undertaking and including, for the avoidance of doubt, the Demerged Company's undertakings, investments, businesses, activities and operations relating to: (i) Dhampur district Bijnor, (ii) Rajpura district Sambhal.





**"Resulting Company"** means Dhampur Bio Organics Limited a public company, limited by shares, incorporated under the provisions of the Act, under Corporate Identity No. U15100UP2020PLC136939 and having its registered office at Sugar Mill Compound, Village Asmoli, District Sambhal, Moradabad - 244304 in the State of Uttar Pradesh and having PAN AAKCR5540B.

**"Sanction Order"** means the order of the NCLT sanctioning this Scheme.

**"Scheme"** or **"the Scheme"** or **"this Scheme"** means this scheme of arrangement in its present form submitted to the NCLT or any other Appropriate Authority in the relevant jurisdiction with any modification(s) thereof made under this Scheme or as directed by the NCLT or any other Appropriate Authority and accepted by the Companies.

**"SEBI"** means the Securities and Exchange Board of India.

**"SEBI Circular"** shall mean the circular issued by the SEBI, being Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended by Circular Nos. CFD/DIL3/CIR/2018/2 dated January 3 2018 and SEBI/HO/CFD/DIL1/P/CIR/2020/215 dated November 3, 2020, as consolidated in SEBI/HO/CFD/DIL1/P/CIR/ 2020/249 dated December 22, 2020 and any amendments thereof.

**"SEBI LODR Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

**"Stock Exchanges"** means NSE and BSE, as may be applicable.

**"Takeover Regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

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, the Securities Contracts (Regulation) Act, 1956, the IT Act, the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modifications or re-enactment thereof from time to time.

1.2 In this Scheme, unless the context otherwise requires:

- 1.2.1 words denoting singular shall include plural and vice versa;
- 1.2.2 headings and bold type face are only for convenience and shall be ignored for the purposes of interpretation;
- 1.2.3 references to the word "include" or "including" shall be construed without limitation;
- 1.2.4 a reference to an article, clause, section, paragraph, schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- 1.2.5 The schedule forms an integral part of this Scheme and shall have the same force and effect as if expressly set out in the body of this Scheme and any reference to this Scheme shall include the schedule;





- 1.2.6 references to dates and times shall be construed to be references to Indian dates and times;
- 1.2.7 reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- 1.2.8 reference to any law or legislation or regulation shall include amendment(s), circular(s), notification(s), clarification(s) or supplement(s) to, or replacement or amendment of that law or legislation or regulation;
- 1.2.9 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and
- 1.2.10 references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, limited liability partnership, works council or employee representatives' body (whether or not having separate legal personality).

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE:

The Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

## 3. SHARE CAPITAL

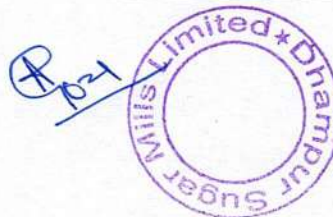
3.1 The Share capital of the Demerged Company as on Appointed Date is as under:

Authorised Share Capital	Amount (Rs.)
11,38,26,000 Equity Shares of Rs. 10 each	113,82,60,000
69,17,400 Preference Shares of Rs. 100 each	69,17,40,000
<b>TOTAL</b>	<b>183,00,00,000</b>
<b>Issued &amp; Subscribed</b>	
6,67,13,086 Equity Shares of Rs. 10 each	66,71,30,860
<b>Paid Up</b>	
6,63,87,590 Equity Shares of Rs. 10 Each fully paid up	66,38,75,900
3,25,496 Forfeited Shares (to the extent paid up )	6,52,480
<b>Paid Up Capital</b>	<b>66,45,28,380</b>

The equity shares of the Demerged Company are listed on the Stock Exchanges.

3.2 The share capital of the Resulting Company as on Appointed Date is as under:

Authorised Share Capital	Amount (Rs.)
1,00,000 Equity Shares of Rs. 10 Each	10,00,000
<b>Paid Up Capital</b>	
10,000 Equity Shares of Rs. 10 Each	1,00,000





The equity shares of the Resulting Company are presently not listed on any stock exchange. An application shall be made with the Stock Exchanges post the effectiveness of the Scheme, for listing of the shares of the Resulting Company as mentioned in this Scheme.

## **PART II**

### **(TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING FROM THE DEMERGED COMPANY TO THE RESULTING COMPANY)**

#### **4. TRANSFER AND VESTING OF DEMERGED UNDERTAKING**

Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Undertaking shall, in accordance with Section 2(19AA) of the IT Act and pursuant to Sections 230 to 232 and other applicable provisions of the Act, and pursuant to the Sanction Order, without any further act, instrument or deed, be demerged from the Demerged Company and stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company as a going concern in the manner set out below.

#### **5. TRANSFER OF ASSETS**

- 5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, and subject to the provisions of this Scheme in relation to the mode of transfer and vesting of the Demerged Undertaking and the applicable provisions of the Act, the Demerged Undertaking (including accretions and appurtenances) shall, without any further act, instrument or deed, be demerged from the Demerged Company and shall stand transferred to and vested in, and/or be deemed to have been demerged and stand transferred to and vested in the Resulting Company on a going concern basis, so as to become on and from the Appointed Date, the estate, assets, rights, claims, investments, title, interest and authorities of the Resulting Company, subject to the provisions of this Scheme in relation to encumbrances in favour of banks and/or financial institutions, pursuant to Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act and in accordance with the provisions of Section 2(19AA) of the IT Act.
- 5.2 Without prejudice to the generality of Clause 4 and 5.1 above, upon coming into effect of this Scheme and on and from the Appointed Date:
- 5.2.1 the Demerged Undertaking including all its assets, properties, investments, shareholding interests in other companies, claims, title, interest, assets of whatsoever nature such as licenses and all other rights, title, interest, contracts or powers of every kind nature and description of what so ever nature and where so ever situated shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the Sanction Order and without further act or deed or instrument, but subject to the charges affecting the same as on the Appointed Date, be and stand transferred to and vested in the Resulting Company as a going concern.
- 5.2.2 With respect to the assets forming part of the Demerged Undertaking that are movable in nature or are otherwise capable of being transferred by manual delivery or by paying over or endorsement and/or delivery, including but not limited to shares, marketable instruments and other securities, cash and cash balances, units of mutual funds, the same may be so transferred pursuant to the provisions of Sections 230-232 of the Act or be deemed to be





transferred by delivery or possession or by endorsement and delivery by the Demerged Company without any further act or execution of an instrument with the intent of vesting such assets with the Resulting Company and shall become the property and assets of the Resulting Company as an integral part of the Demerged Undertaking subject to the provisions of this Scheme in relation to encumbrances in favour of banks and / or financial institutions.

- 5.2.3 Without prejudice to the generality of the aforesaid, the Demerged Undertaking, including all immovable property, whether or not included in the books of the Demerged Company, whether freehold or leasehold or licensed properties (including but not limited to land, buildings, sites and immovable properties and any other document of title, rights, interest, right of way and easements in relation thereto) of the Demerged Undertaking shall stand transferred to and be vested in the Resulting Company or be deemed to be transferred to and be vested in the Resulting Company automatically without any act or deed to be done or executed by the Demerged Company and/or the Resulting Company. All lease or license or rent agreements pertaining to the Demerged Undertaking, entered into by the Demerged Company with various landlords, owners and lessors in connection with the use of the assets of the Demerged Company, together with security deposits, shall stand automatically transferred in favour of the Resulting Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed. The Resulting Company shall continue to pay rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by the Demerged Company. For the purpose of giving effect to the vesting order passed under Sections 230 to 232 of the Act in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfill all its obligations in relation to or applicable to all such immovable properties, including mutation and/or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company pursuant to the Sanction Order and upon the effectiveness of this Scheme in accordance with the terms hereof without any further act or deed to be done or executed by the Demerged Company and / or the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution.
- 5.2.4 Notwithstanding any provision to the contrary, from the Effective Date and until the owned property, leasehold property and related rights thereto, license/right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded effected and / or perfected, in the records of the Appropriate Authority, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to carry on business in the name and style of the Demerged Company under the relevant agreement, deed, lease and/or license, as the case may be, and the Resulting Company shall keep a record and/or account of such transactions.
- 5.2.5 With respect to the movable assets of the Demerged Undertaking other than those referred to in Clause 5.2.2 above, whether or not the same is held in the name of the Demerged Company, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Appropriate Authorities or





any other bodies and / or customers or any other person, if any, forming part of the Demerged Undertaking, whether recoverable in cash or in kind or for value to be received, bank balances, etc., the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company on the Appointed date pursuant to the provisions of Sections 230 to 232 of the Act to the end and intent that the right of the Demerged Company to recover or realize the same stands transferred to the Resulting Company, and that appropriate entries shall be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors, depositors or persons as the case may be. The Resulting Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and be paid or made good or held on account of the Resulting Company as the person entitled thereto.

- 5.2.6 All Intellectual Property and rights thereto of the Demerged Company, whether registered or unregistered, along with all rights of commercial nature including attached goodwill, title, interest, and all other interests relating to the goods or services being dealt with by the Demerged Company in relation to the Demerged Undertaking, and as identified in more specific detail in Schedule I, shall be transferred to, and vest in, the Resulting Company. It is clarified that notwithstanding the transfer of the Intellectual Property as contemplated under this Clause 5.2.6, both the Demerged Company and the Resulting Company shall be entitled to continue to use the word 'Dhampur' whether as part of the corporate names (including in respect of any subsidiaries, associate companies, joint ventures, etc.), logos, brand names, trademarks, products, programmes or services, present or future. The Companies may also enter into appropriate arrangements in respect of the use or license, for no charge, by the Demerged Company of the Intellectual Property which is transferred to the Resulting Company under this Scheme or *vice versa* for such transition period or on a long term basis as the Boards may deem fit.
- 5.2.7 All assets, estate, rights, title, interest and authorities acquired by the Demerged Company on or after the Appointed Date and prior to the Effective Date forming part of the Demerged Undertaking shall also stand transferred to and vested or be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of this Scheme without any further act, instrument or deed.
- 5.3 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, in order to ensure the smooth transition and sales of products and inventory of the Demerged Company manufactured and / or branded and/ or labelled and / or packed in the name of the Demerged Company prior to the Effective Date insofar as they relate to the Demerged Undertaking, the Resulting Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Demerged Company at manufacturing locations or warehouses or elsewhere, without making any modifications whatsoever to such products and / or their branding, packing or labelling. All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Resulting Company after the Effective Date.





- 5.4 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, the Resulting Company may, at any time on or after the Effective Date, in accordance with the provisions hereof if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement 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 to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.
- 5.5 Upon the Effective Date and with effect from the Appointed Date, in relation to assets, if any, which require separate documents for vesting in the Resulting Company, or which the Demerged Company and/or the Resulting Company and or the Resulting Company otherwise desire to be vested separately, the Demerged Company and the Resulting Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 5.6 In so far as the various incentives, tax exemption and benefits, tax credits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority, or availed of by the Demerged Company, in relation to or in connection with the Demerged Undertaking as on the Appointed Date are concerned, including income tax deductions recognitions and exemptions, the same shall, without any further act or deed, vest with and be available to the Resulting Company on the same terms and conditions on and from the Appointed Date.
- 5.7 As per the provisions of Section 72A(4) and other applicable provisions of the IT Act, all accumulated tax losses and unabsorbed depreciation of the Demerged Company, with effect from the Appointed Date, shall be:
- (a) where such loss or unabsorbed depreciation is directly relatable to the Demerged Undertaking transferred to the Resulting Company, be allowed to be carried forward and set off in the hands of the Resulting Company; and
  - (b) where such loss or unabsorbed depreciation is not directly relatable to the Demerged Undertaking transferred to the Resulting Company or to the Remaining Undertaking, be apportioned between the Demerged Company and the Resulting Company in the same proportion in which the assets of the undertakings have been retained by the Demerged Company and transferred to the Resulting Company, and be allowed to be carried forward and set off in the hands of the Demerged Company or the Resulting Company accordingly, as the case may be.
- 5.8 With respect to the investments made by the Demerged Company in shares, stocks, bonds, warrants, units of mutual funds or any other securities, shareholding interests in other companies, whether quoted or unquoted, by whatever name called, forming part of the Demerged Undertaking, the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.





- 5.9 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies etc., in relation to or in connection with the Demerged Undertaking, the Demerged Company shall if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the Sanction Order under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Resulting Company, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realize the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 5.10 Any claims due to the Demerged Company from its customers or otherwise and which have not been received by the Demerged Company as on the date immediately preceding the Appointed Date as the case may be, in relation to or in connection with the Demerged Undertaking, shall also belong to and be received by the Resulting Company.
- 5.11 On and from the Effective Date and thereafter, the Resulting Company shall be entitled to operate all bank accounts of the Demerged Company, which are being operated exclusively in relation to or in connection with the Demerged Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Demerged Undertaking in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions.
- 5.12 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, in the name of the Demerged Company in so far as may be necessary. All cheques and other negotiable instruments, electronic fund transfers (such as NEFT, RTGS, etc.) and payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Appointed Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. The Resulting Company shall be allowed to maintain bank accounts in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company, in relation to or in connection with the Demerged Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company shall be instituted, or as the case may be, continued by or against the Resulting Company after the Effective Date.





## 6. TRANSFER OF LIABILITIES AND ENCUMBRANCES

- 6.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all the Transferred Liabilities (*as defined below*) as on the Appointed Date shall, without any further act or deed be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and shall thereupon become on and from the Appointed Date (or in case of any Transferred Liability incurred on a date on or after the Appointed Date, with effect from such date), the liabilities of the Resulting Company, along with any charge, encumbrance, lien, security, relating thereto, on the same terms and conditions as were applicable to the Demerged Company and the Resulting Company shall meet, discharge and satisfy the same to the exclusion of the Demerged Company such that the Demerged Company shall in no event be responsible or liable in relation to any such Transferred Liabilities.
- 6.2 Where any of the Transferred Liabilities have been partially or fully discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company, and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking which forms a part of the Demerged Company after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company, and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company. It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause 6.
- 6.3 The term "Transferred Liabilities" shall mean:
- (a) The Liabilities which relate to or arise out of the activities or operations of the Demerged Undertaking;
  - (b) The specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking;
  - (c) In cases other than those referred to in Clauses 6.3(a) or 6.3(b) above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to this Scheme bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.
- 6.4 Upon the coming into effect of this Scheme and with effect from the Appointed Date, save as agreed in writing between the Demerged Company and the Resulting Company: (i) the Demerged Company alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Undertaking, and the Resulting Company shall not have any obligations in respect of the debts, liabilities, duties and obligations of the Remaining Undertaking; and (ii) the Resulting Company alone shall be liable to perform all obligations in respect of Transferred Liabilities, which have been transferred to





it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such Transferred Liabilities.

- 6.5 The interests of all the unsecured creditors of the Demerged Company in connection with the Demerged Undertaking and of the Resulting Company remain unaffected by this Scheme as the assets of the Resulting Company upon the effectiveness of the Scheme will be more than the Transferred Liabilities and as such sufficient to discharge such Transferred Liabilities.
- 6.6 The vesting of the Demerged Undertaking as aforesaid, shall be subject to the existing Encumbrances, if any, subsisting in relation to any Liabilities of the Demerged Undertaking, provided however, any reference in any security documents or arrangements to which the Demerged Company is a party, wherein the assets of the Demerged Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the assets pertaining to the Demerged Undertaking as are vested in the Resulting Company as per this Scheme, to the end and intent that any such Encumbrance shall not extend or be deemed to extend to any of the other assets of the Demerged Company or any of the other assets of the Resulting Company. Provided further, that the Encumbrances (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such Encumbrances. If any of the assets comprised in the Demerged Undertaking which are 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 Encumbrances referred to above shall not be extended to and shall not operate over such assets. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Undertaking are concerned, the Encumbrance, if any, over such assets relating to the Transferred Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company, pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 6.7 If any Encumbrance of the Demerged Company for the operations of the Demerged Undertaking exists as on the Appointed Date, but has been partially or fully released thereafter by the Demerged Company on or after the Appointed Date but prior to the Effective Date, such release shall be deemed to be for and on account of the Resulting Company upon the coming into effect of the Scheme and all Encumbrances incurred by the Demerged Company for the operations of the Demerged Undertaking on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company, and such Encumbrances shall not attach to any property of the Demerged Company.
- 6.8 Subject to the other provisions of this Scheme, in so far as the assets forming part of the Demerged Undertaking are concerned, the Encumbrances over such assets, to the extent they relate to any loans or borrowings or debentures or other debt or debt securities of the Demerged Company pertaining to the Remaining Undertaking shall, as and from the Effective Date, without any further act, instrument or deed be released and discharged from the same





and shall no longer be available as Encumbrances in relation to liabilities of the Demerged Company pertaining to the Remaining Undertaking which are not transferred to the Resulting Company pursuant to the Scheme (and which shall continue with the Demerged Company).

- 6.9 In so far as the existing Encumbrances in respect of the loans and other liabilities relating to the Remaining Undertaking are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with the Demerged Company only on the assets relating to the Remaining Undertaking and the assets forming part of the Demerged Undertaking shall stand released therefrom.
- 6.10 Without any prejudice to the provisions of the foregoing Clauses, the Demerged Company and the Resulting Company shall enter into and execute such deeds, instruments, documents and / or writings and do all such acts as may be required, including obtaining necessary consents, filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the provisions of the foregoing Clauses, if required.
- 6.11 Any reference in any security documents or arrangements (to which the Demerged Company is a party) to the Demerged Company and its assets and properties, which relate to the Demerged Undertaking, shall be construed as a reference to the Resulting Company and the assets and properties of the Demerged Company transferred to the Resulting Company by virtue of the Scheme. The provisions of this Clause 6.11 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue of any security document, all of which instruments, deeds or writings shall stand modified and/ or suspended by the foregoing provisions.

## 7. TAXATION MATTERS

- 7.1 Any tax liabilities under Customs Act, 1962, Central Excise Act, 1944, value added tax laws, as applicable to any State in which the Demerged Company operates, Central Sales Tax Act, 1956, Central Goods and Services Tax Act, 2017 any other State sales tax/value added tax laws/ goods and services tax laws, or service tax, or corporation tax, income tax, or other applicable laws and regulations dealing with taxes / duties / levies / cess (hereinafter referred to as "Tax Laws") to the extent not provided for or covered by tax provision in the Demerged Company's accounts, in relation to or in connection with the Demerged Undertaking, made as on the date immediately preceding the Appointed Date shall be transferred to the Resulting Company. Any surplus in the provision for taxation / duties / levies / accounts as on the date immediately preceding the Appointed Date in relation to the Demerged Undertaking will also be transferred to the account of and belong to the Resulting Company. The Board of the Demerged Company and the Resulting Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Demerged Undertaking and whether the same would be transferred to the Resulting Company.
- 7.2 Without prejudice to the generality of the above, various incentives, tax exemptions and benefits, tax credits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority or availed of by the Demerged Company, in relation to or in connection with the Demerged Undertaking as on the Appointed Date including pro rata





minimum alternate tax credit entitlement under IT Act shall without any further act or deed vest with and be available to the Resulting Company on the same terms and conditions on and from the Appointed Date.

- 7.3 The amount of minimum alternate tax credits under section 115JAA of the IT Act available with the Demerged Company on the Appointed date shall be apportioned to the Resulting company in the proportion of book profit under section 115JB of the IT Act of the Demerged Undertaking and book profit of the Demerged Company for the respective tax assessment years which shall, without any further act or deed, vest with and be available for set off under section 115JAA of the IT Act to the Resulting Company on the same terms and conditions on and from the previous year commencing from the Appointment Date.
- 7.4 Any actions taken by the Demerged Company to comply with Tax Laws (including payment of taxes, maintenance of records, payments, returns, tax filings, etc.) in respect of the Demerged Undertaking on and from the Appointed Date upto the Effective Date shall be considered as adequate compliance by the Demerged Company with such requirements under Tax Laws and such actions shall be deemed to constitute adequate compliance by the Resulting Company with the relevant obligations under such Tax Laws.
- 7.5 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and Annexures under the Tax Laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 7.6 Any refunds or credits, under the Tax Laws or other applicable laws/regulations dealing with taxes / duties / levies due to Demerged Company relating to Demerged Undertaking consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.
- 7.7 The tax payments (including but not limited to income tax, service tax, goods and services tax laws, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Demerged Company relating to Demerged Undertaking after the Appointed Date upto Effective Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 7.8 Further, any tax deducted at source by Demerged Company with respect to Demerged Undertaking on transactions with the Resulting Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 7.9 Upon the Scheme coming into effect, any obligation of tax at source on any payment made by or to be made by the Demerged Company relating to Demerged Undertaking shall be made or deemed to have been made and duly complied with by Resulting Company.

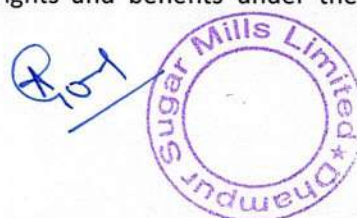




- 7.10 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Demerger of the Demerged Undertaking, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 7.11 Upon the Effective Date, the borrowing limits of the Resulting Company in terms of Section 180(1)(c) of the Act, shall, without any requirement of any further act or deed, stand enhanced by an amount being the aggregate borrowings forming part of the Transferred Liabilities which are being transferred to the Resulting Company pursuant to this Scheme and the Resulting Company shall not be required to pass any separate resolution in this regard. Such limits shall be incremental to the existing borrowing limits of the Resulting Company.

## **8. PERMITS, CONSENTS AND LICENSES**

- 8.1 All the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, allotments, insurance cover, clearances, authorities, privileges, affiliations, easements, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Demerged Company, in relation to or in connection with the Demerged Undertaking, pursuant to the provisions of Sections 230 to 232 of the Act, shall without any further act, instrument or deed, be transferred to and vest in or be deemed to have been transferred to and vested in and be available to the Resulting Company so as to become as and from the Appointed Date, the estates, assets, rights, title, interests and authorities of the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Law and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with Applicable Law, the Resulting Company on such approvals, clearances, permissions etc. so as to facilitate the transfer and vesting of the Demerged Undertaking in the Resulting Company and continuation of operations forming part of the Demerged Undertaking in the Resulting Company without hindrance and that such approvals, clearances and permissions etc. shall remain in full force and effect in favour of or against the Resulting Company, as the case may be, 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 and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or recipient or beneficiary or obligee thereto. The Demerged Company and the Resulting Company may execute necessary documentation to give effect to the foregoing, where required.
- 8.2 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, pre-qualifications, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking, including by any Appropriate Authority, including the benefits of any applications made for any of the foregoing, shall, subject to Applicable Law, stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour 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 Resulting Company shall make necessary applications / file relevant forms to any Appropriate Authority as may be necessary in this behalf.

- 8.3 Upon this Scheme being effective, the past track record of the Demerged Company relating to the Demerged Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Resulting Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Resulting Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 8.4 Upon the Appointed Date and until the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status are transferred, vested, recorded, effected, and / or perfected, in the record of the Appropriate Authority, in favour of the Resulting Company, the Resulting Company is authorized to carry on business in the name and style of the Demerged Company, in relation to or in connection with the Demerged Undertaking, and under the relevant license and or permit and/or approval, as the case may be, and the Resulting Company shall keep a record and / or account of such transactions.

#### **9. CONTRACTS, DEEDS, ETC.**

- 9.1 Upon coming into effect of this Scheme and subject to the other provisions of this Scheme, all contracts, deeds, bonds, schemes, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature forming part of the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company is eligible and which is subsisting or having effect on the Effective Date, shall without any further act or deed, continue in full force and effect against or in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto. It shall not be necessary to obtain the consent of any third party or other person who is a party to any such contracts, deeds, bonds, agreements, schemes, arrangements and other instruments to give effect to the provisions of this Clause 9.1 of the Scheme. The Resulting Company will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements and other instruments as stated above.
- 9.2 The Resulting Company may at its sole discretion enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company for the Demerged Undertaking and to implement or carry out all formalities required to give effect to the provisions of this Scheme.
- 9.3 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 the Scheme, in accordance with its provisions, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements





with any party to any contract or arrangement 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.

- 9.4 If any assets (including but not limited to any estate, rights, title, interest in or authorities relating to such assets) which the Demerged Company owns in relation to or in connection with the Demerged Undertaking, any Liabilities that pertain to the Demerged Company and / or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature ("**Contracts**") to which the Demerged Company is a party in relation to or in connection with the Demerged Undertaking, have not been transferred to the Resulting Company, the Demerged Company, as applicable, shall hold such assets, Liabilities and / or Contracts, as the case may be, in trust for the benefit of the Resulting Company insofar as it is permissible so to do till the time such assets, Liabilities and / or Contracts are duly transferred to the Resulting Company, subject to Applicable Law. The Demerged Company and Resulting Company shall, however, between themselves, treat each other as if that all contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking had been transferred to the Resulting Company on the Effective Date. The Demerged Company, as applicable shall render all necessary assistance to and fully cooperate with, the Resulting Company with respect to such assets, Liabilities and / or Contracts for the purposes of transfer to the Resulting Company. The Resulting Company shall perform or assist the Demerged Company in performing all of the obligations under those contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, to be discharged after the Effective Date. Notwithstanding any such mechanism or arrangement between the Demerged Company and Resulting Company pursuant to this Clause 9.4, the Companies agree that the Demerged Company shall with respect to period after the Effective Date, (i) not be responsible for performance of any obligations or for any liabilities whatsoever arising from or in relation to the Demerged Undertaking; and (ii) not be entitled to any rights or to receive any benefits whatsoever in relation to the Demerged Undertaking. The economic, financial, technical and operational responsibility and all related costs and expenses (direct and incurred), liabilities and taxes in connection with the Demerged Undertaking, shall rest and be borne entirely and exclusively by Resulting Company after the Effective Date. Resulting Company shall promptly pay, indemnify and hold harmless the Demerged Company for and from any such costs and expenses, losses, damages, liabilities and taxes or requirements under the Contract(s) after the Effective Date if arising pursuant to the arrangement between the Demerged Company and Resulting Company under this Clause 9.4.

## 10. EMPLOYEES

- 10.1 Upon the effectiveness of this Scheme and with effect from the Appointed Date, all the employees of the Demerged Company who are either: (i) engaged in or relate to the Demerged Units as on the Effective Date, or (ii) jointly identified by the Boards of the Companies as being necessary for the proper functioning of the Demerged Units including their future development ("**Transferred Employees**") shall be deemed to have become employees of the





Resulting Company on terms and conditions which are not less favourable than those applicable to them with reference to their employment in the Demerged Company, with effect from the Appointed Date or their respective joining date, whichever is later, on the basis of continuity of service and without any interruption of service as a result of transfer of the Demerged Undertaking to the Resulting Company. The services of all Transferred Employees with the Demerged Company prior to the Demerger shall be taken into account for the purposes of all benefits to which the Transferred Employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the Transferred Employees in the existing provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities, by the Resulting Company, or to the government provident fund in relation to the Transferred Employees who are not eligible to become members of the provident fund maintained by the Resulting Company.

- 10.2 Upon the Scheme becoming effective, insofar as the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff and employees of the Demerged Company (including the Transferred Employees) are concerned, such proportion of the investments made in the funds and liabilities which are referable to the Transferred Employees shall be transferred to the similar funds, if any, created by the Resulting Company and shall be held for their benefit pursuant to this Scheme, or at the sole discretion of the Resulting Company, maintained as separate funds by the Resulting Company. In the event that the Resulting Company does not have its own funds in respect of any of the above mentioned funds, the Resulting Company may, to the extent permitted by the contracts or deeds or Applicable Law governing these funds and subject to necessary approvals and permissions, continue to contribute to the relevant funds of the Demerged Company, until such time that the Resulting Company creates its own funds or decides not to form its own funds, at which time the funds and the investments and contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Resulting Company or to the concerned funds of relevant Appropriate Authority (such as of the Employees' Provident Fund Organization) and other funds as the case may be. Where the Resulting Company decides not to form its own funds, and if certain benefits cannot be provisioned for through the funds of relevant Appropriate Authority, these benefits are to be provided in any other legally compliant manner, and the Parties shall, at that time, agree on the mode for transfer of the relevant amounts from the appropriate funds of the Demerged Company.
- 10.3 Further to the transfer of funds as set out in Clause 10.2 above, for all purposes whatsoever in relation to the administration or operation of such funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of the Demerged Company in relation to the Demerged Undertaking as on the Effective Date in relation to such funds shall become those of the Resulting Company. It is clarified that the services of the Transferred Employees of the Demerged Company forming part of the Demerged Undertaking will be treated as having been continuous for the purpose of the said funds.

*[Handwritten signature]*





- 10.4 In relation to those Transferred Employees who are not covered under the provident fund trust of the Resulting Company, and for whom the Demerged Company is making contributions to the government provident fund, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Transferred Employees.
- 10.5 In so far as the existing benefits or funds created by the Demerged Company for the employees of the Demerged Company other than the Transferred Employees are concerned, the same shall continue and the Demerged Company shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and such benefits or funds, if any, shall be held inter alia for the benefit of the employees of the Remaining Undertaking, and the Resulting Company shall have no liability in respect thereof.

## **11. PROCEEDINGS**

- 11.1 Upon the coming into effect of this Scheme, if any suit, cause of actions, appeal, or other legal, taxation, quasi-judicial, arbitral, administrative, or other proceedings of whatever nature, whether civil or criminal, under any Applicable Law (hereinafter referred to as the "Proceedings") by or against the Demerged Company be pending, in relation to or in connection with the Demerged Undertaking, on the Effective Date or which may be instituted thereafter the same shall not abate, be discontinued or be in anyway prejudicially affected by reason of the transfer and vesting of the Demerged Undertaking or of anything contained in the Scheme, but such Proceedings may be continued, prosecuted, defended, 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 as if the Scheme had not been made.
- 11.2 The Resulting Company shall have all Proceedings initiated by or against the Demerged Company with respect to the Demerged Undertaking, transferred into its name as soon as reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.
- 11.3 If any Proceedings are initiated or carried on against the Demerged Company in respect of the matters referred to in Clause 11.1 pertaining to Demerged Undertaking, it shall defend the same in accordance with the advice of the Resulting Company and the latter shall reimburse, indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- 11.4 Any difference or difficulty as to whether a Proceeding relates to the Demerged Undertaking, shall be mutually decided between the Boards of the Demerged Company and the Resulting Company and such mutual decision shall be conclusive and binding on the Demerged Company and the Resulting Company.





## 12. CONSIDERATION FOR THE DEMERGER

- 12.1 Upon the effectiveness of this Scheme and in consideration of the transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to provisions of this Scheme, the Resulting Company shall, without any further act or deed, issue and allot 6,63,87,590 (six crore sixty three lakh eighty seven thousand five hundred ninety) equity shares of Rs. 10 (Rupees Ten) each to the shareholders of the Demerged Company, whose name is recorded in the register of members and records of the depository as members of the Demerged Company, on the Record Date, in the ratio of (1) one equity share of Rs. 10 (Rupees Ten) each of Resulting Company credited as fully paid up for every equity share of Rs. 10 (Rupees Ten) each held by such shareholder in the Demerged Company ("New Equity Shares") such that the shareholding in the Resulting Company on such issuance of shares is the mirror image of the shareholding in the Demerged Company.
- 12.2 The New Equity Shares to be issued and allotted as provided in Clause 12 above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank *pari passu* in all respects with the then existing equity shares of the Resulting Company after the Record Date including with respect to dividend, bonus entitlement, rights shares entitlement, voting rights and other corporate benefits.
- 12.3 The New Equity Shares to be issued pursuant to Clause 12 above shall mandatorily be issued in dematerialized form by the Resulting Company, and the shareholders of the Resulting Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. Any shareholder who holds shares of the Demerged Company in physical form shall also receive the New Equity Shares in dematerialized form only provided that the details of their account with the depository participant are intimated in writing to the Demerged Company and/or its registrar at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. In the event any shareholder has not provided the requisite details relating to his /hers /its accounts with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall keep such shares in suspense account and will credit the same to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Resulting Company and/or its registrar.
- 12.4 The New Equity Shares issued and /or allotted pursuant to Clause 12, in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act shall, pending settlement of dispute by order of court or otherwise, be also held in abeyance by the Resulting Company.
- 12.5 The New Equity Shares issued pursuant to Clause 12, which the Resulting Company is unable to allot due to Applicable Laws (including, without limitation, the failure to receive approvals of an Appropriate Authority as required under Applicable Law) or any regulations or otherwise shall, pending allotment, be held in abeyance by Resulting Company and shall be dealt with in





the manner as may be permissible under the Applicable Law and deemed fit by the Board of the Resulting Company. If the above cannot be effected for any reason, the Resulting Company shall ensure that this does not delay implementation of the Scheme; and shall, take all such appropriate actions as may be necessary under Applicable Laws. The Resulting Company and/or the depository shall enter into such further documents and take such further actions as may be necessary or appropriate in this regard and to enable actions contemplated therein.

- 12.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of the Demerged Company shall be empowered prior to or even subsequent to the Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by the Resulting Company after this Scheme comes into effect. The Board 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.
- 12.7 The issue and allotment of the New Equity Shares in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62, Section 42 and any other applicable provisions of the Act have been complied with.
- 12.8 Post effectiveness of the Scheme, the Resulting Company shall apply for and procure the listing of its equity shares issued in terms of Clause 12 above on both BSE and NSE which have nationwide terminal, in terms of and in compliance with the SEBI Circular. The New Equity Shares allotted by the Resulting Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- 12.9 The Resulting Company will not issue/reissue any shares, not covered under this Scheme and there will be no change in the shareholding pattern of the Resulting Company between the record date and the date of listing of the equity shares issued under this Scheme, which may affect the status of approval from the Stock Exchanges.
- 12.10 The New Equity Shares to be issued *in lieu* of the shares of the Demerged Company held in the unclaimed suspense account, if any, shall be issued to a new unclaimed suspense account created for shareholders of the Resulting Company.
- 12.11 Where any securities are to be allotted to the heirs, executors, administrators, legal representatives or other successors in title, as the case may be, of any security holders, the concerned heirs, executors, administrators, legal representatives or other successors in title shall be obliged to produce evidence of title, satisfactory to the Board of the Resulting Company as a condition to such allotment.
- 12.12 The New Equity Shares may not be registered under the United States Securities Act, 1933, as amended (the "**Securities Act**") and the Resulting Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Resulting Company may elect to rely upon. In the event the Resulting Company elects to rely upon an exemption from the registration





requirements of the Securities Act under Section 3(a)(10) thereof, the Sanction Order will be relied upon for the purpose of qualifying the issuance and distribution of the New Equity Shares of the Resulting Company for such exemption.

### **13. DIVIDENDS**

- 13.1 The Demerged Company and the Resulting Company 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 consistent with the past practice, or in the ordinary course.
- 13.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Boards of Demerged Company and Resulting Company respectively, subject to such approval of the shareholders, as may be required.

### **14. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY AND THE RESULTING COMPANY**

- 14.1 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall give effect to the accounting treatment in their respective books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, or any other relevant or related requirement under the Act, as applicable on the Appointed Date. Without prejudice to the generality of the aforesaid, the accounting treatment in respect of certain specific matters in the books of accounts of the Companies shall be as set out below.

#### **14.2 Accounting treatment in the books of the Demerged Company**

Upon the effectiveness of this Scheme, in accordance with the applicable Accounting Standards and generally accepted accounting principles in India:

- 14.2.1 Upon cancellation of forfeited shares of the Demerged Company in accordance with this Scheme, the paid up amount in respect of such shares shall be transferred to capital reserve;
- 14.2.2 The value of all assets and liabilities including deferred tax assets and liabilities pertaining to the Demerged Undertaking which cease to be assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their carrying values on the day immediately preceding the Appointed Date in its books of accounts;
- 14.2.3 The difference i.e. the excess or shortfall, as the case may be, of the value of transferred assets over the Transferred Liabilities pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to the Scheme shall be adjusted first to the Capital Reserves including security premium account and revaluation reserve account and the balance shall be adjusted against revenue reserves of the Demerged Company; and





14.2.4 The utilization of capital reserves including securities premium account referred to in Clause 14.2.3 of this Scheme, being consequential in nature, is proposed to be affected as an integral part of this Scheme. The approval of the shareholders and creditors of the Demerged Company to this Scheme shall be deemed to be their approval under the provisions of Section 52 read with Section 66 and all other applicable provisions of the Act and the Demerged Company shall not be required to undertake any separate proceedings/ compliances for the same. The Sanction Order shall in view of explanation to section 66 of the Act be sufficient and not requiring a separate order under Section 66(3) of the Act. Accordingly, the Demerged Company shall not be required to separately comply with Section 52 read with Section 66 or any other provisions of Act. The Demerged Company shall not be required to add "and reduced" as a suffix to its name.

**14.3 Accounting treatment in the books of the Resulting Company**

Upon the effectiveness of this Scheme and with effect from the Appointed Date:

14.3.1 The Resulting Company shall record the transferred assets and Transferred Liabilities pertaining to the Demerged Undertaking at the values appearing in the books of the Demerged Company, prepared in accordance with the provisions of the Accounting Standards notified under Section 133 of Companies Act, 2013.

14.3.2 The Resulting Company shall issue shares to the shareholders of the Demerged Company as per Clause 12 of this Scheme. These shares shall be issued and recorded at face value and accordingly the aggregate face value of the shares to be issued shall be credited to the Resulting Company's share capital account.

14.3.3 The difference i.e. the excess or shortfall, as the case may be, of the value of the assets and the liabilities pertaining to the Demerged Undertaking and received from the Demerged Company pursuant to the Scheme after taking into account the face value of the shares issued by the Resulting Company shall be credited or debited to the reserves of the Resulting Company.

**15. CONDUCT OF BUSINESS BY THE DEMERGED COMPANY PERTAINING TO DEMERGED UNDERTAKING UNTIL THE EFFECTIVE DATE**

15.1 Till the Effective Date, the Demerged Company undertakes to carry on the business and activities of the Demerged Undertaking with reasonable diligence, business prudence and shall not, except in the ordinary course of business or with prior written consent of the Resulting Company or as provided in this Scheme, alienate, Encumber or otherwise deal with or dispose of any business or part thereof.

15.2 All the profits or income accruing or arising to the Demerged Company and expenditure or losses arising or incurred or suffered by the Demerged Company which form part of Demerged Undertaking, for the period commencing from the Appointed Date shall, for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of the Resulting Company, and such profits (if any) will be available to Resulting Company for being disposed of in any manner as it thinks fit.

*[Handwritten signature]*





- 15.3 Upon the Scheme becoming effective and with effect from the Appointed Date, any of the rights, powers, authorities or privileges attached, related or forming part of the Demerged Undertaking, exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for the Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or forming part of the Demerged Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken/ discharged for and on behalf of the Resulting Company.
- 15.4 The Demerged Company and the Resulting Company shall be entitled, pending the Sanction Order, to apply to all Appropriate Authorities concerned as are necessary under any Applicable Law for such consents, approvals and sanctions, which may be required in connection with this Scheme.
- 16. REMAINING UNDERTAKING**
- 16.1 The Remaining Undertaking and all the assets, properties, rights liabilities and obligations pertaining thereto shall continue to belong to and remain vested in and be managed by the Demerged Company, and the Resulting Company shall have no right, claim or obligation in relation to the Remaining Undertaking and nothing in this Scheme shall operate to transfer any of the Remaining Undertaking to the Resulting Company or to make the Resulting Company liable for any Liabilities of the Demerged Company relating to the Remaining Undertaking.
- 16.2 All Proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and relating to the Remaining Undertaking of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Undertaking) shall be continued and enforced against the Demerged Company.
- 16.3 If Proceedings are taken against the Resulting Company in respect of matters referred to in Clause 16.2 above relating to the Remaining Undertaking, it shall defend the same in accordance with the advice of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company, against all liabilities and obligations incurred by the Resulting Company in respect thereof
- 16.4 With effect from date of approval of this Scheme by the Board of the Demerged Company up to, including and beyond the Effective Date:
- (i) The Demerged Company shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Remaining Undertaking for and on its own behalf.
  - (ii) All profits or income accruing or arising to the Demerged Company thereon and expenditure or losses arising or incurred or suffered by it relating to the Remaining Undertaking shall for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company.





- (iii) All assets and properties acquired by the Demerged Company in relation to the Remaining Undertaking shall belong to and continue to remain vested in the Demerged Company.

**17. VALIDITY OF EXISTING RESOLUTIONS**

Upon the Effective Date and with effect from the Appointed Date, all the resolutions, if any, of the Demerged Company which are valid and subsisting on the effectiveness of this Scheme, shall continue to be valid and subsisting and be considered as the resolutions of the Resulting Company to the extent such resolutions pertain to the Demerged Undertaking, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in the Resulting Company.

**18. SAVING OF CONCLUDED TRANSACTIONS**

The transfer of assets and Liabilities to, and the continuance of proceedings by or against, the Resulting Company as envisaged in this Part II shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Appointed Date and after the Appointed Date till the effectiveness of this Scheme, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

**PART III**

**SHARE TRANSFERS**

19. Following the completion of the issuance and allotment of shares by the Resulting Company to all the shareholders of the Demerged Company in accordance with this Scheme, and in keeping with the objectives of the Scheme including ultimately segregating the promoter group ownership of the Demerged Company and the Resulting Company, it is envisaged that GV Promoter Group shall transfer the equity shares held by them in the Resulting Company to GT Promoter Group, and GT Promoter Group shall transfer the shareholding held by them in the Demerged Company to GV Promoter Group, pursuant to and as an integral part of this Scheme (collectively, the "Share Transfers").
20. The Promoter Groups shall undertake the Share Transfers in either of the following ways:
- (i) **Option 1:** Within a period of 1 (one) year from the date of listing of the equity shares of the Resulting Company on any of the Stock Exchanges, (a) GV Promoter Group shall transfer such number of equity shares, representing their entire shareholding in the Resulting Company to GT Promoter Group, and (b) simultaneously therewith, GT Promoter Group shall transfer such number of equity shares representing their entire shareholding in the Demerged Company to GV Promoter Group.





The above Share Transfer shall be undertaken in one or more tranches and by way of such modalities and on such terms and conditions, and on the stock exchange or otherwise, as may be agreed between the Promoter Groups mutually.

or

- (ii) **Option 2:** Within a period of 1 (one) year from the date of listing of the equity shares of the Resulting Company, GV Promoter Group shall transfer such number of equity shares held by them in the Resulting Company to GT Promoter Group, and GT Promoter Group shall transfer such number of equity shares held by them in the Demerged Company to GV Promoter Group, that at least 30% of the shareholding of the Demerged Company shall be held by GV Promoter Group and at least 30% of the shareholding of the Resulting Company shall be held by GT Promoter Group. Such Share Transfers in respect of the Demerged Company and the Resulting Company are hereinafter referred to as the **"First Block Share Transfers"**.

The First Block Share Transfers may be undertaken in one or more tranches and by way of such modalities and on such terms and conditions, and on the stock exchange or otherwise, as may be agreed by the Promoter Groups mutually. The First Block Share Transfers shall be within the creeping acquisition limit under Regulation 3(2) of the Takeover Regulations and/or avail of exemptions under Regulation 10 of the Takeover Regulations;

Following the First Block Share Transfers, the Share Transfers in relation to a certain portion of the balance shareholding of the Promoter Groups in the Companies, representing up to 11.17% of the share capital of each of the Companies (**"Put/Call Threshold"**), shall be undertaken at their option and on such terms and conditions as are mutually agreed between them, pursuant to the following option agreements to be executed between identified entities forming part of each of the Promoter Groups:

- (a) Put / call agreement in respect of the shares of the Demerged Company pursuant to which GV Promoter Group shall have the right (but not the obligation) to call upon GT Promoter Group to sell all or part of the shares of GT Promoter Group in the Demerged Company upto the Put/Call Threshold, and GT Promoter Group shall have the right (but not the obligation) to put upon GV Promoter Group for purchase all or part of the shares of GT Promoter Group in the Demerged Company upto the Put/Call Threshold, in accordance with the terms and conditions set out in such agreement.
- (b) Put / call agreement in respect of the shares of the Resulting Company pursuant to which GT Promoter Group shall have the right (but not the obligation) to call upon GV Promoter Group to sell all or part of the shareholding of GV Promoter Group in the Resulting Company upto the Put/Call Threshold, and GV Promoter Group shall have the right (but not the obligation) to put upon GT Promoter Group for purchase all or part of the shareholding of GV Promoter Group in the Resulting Company upto the Put/Call Threshold, in accordance with the terms and conditions set out in such agreement.





The put/ call options as above may be exercised in one or more tranches by the relevant Promoter Group at any time following the expiry of 1 (one) year from the date of listing of the equity shares of the Resulting Company up until 4 (four) years from such date of listing (such period the "**Option Period**") in such manner as is agreed between the Promoter Groups; provided that, the relevant Promoter Group shall not be entitled to put in excess of the creeping acquisition limit under Regulation 3(2) of the Takeover Regulations applicable to the relevant Promoter Group in respect of the Company whose shares are being acquired pursuant to the put option, unless the transfer shall be exempt under the provisions of Regulation 10 of the Takeover Regulations. The call / put options shall lapse on the expiry of the Option Period.

21. The Promoter Groups shall mutually agree and select either Option 1 or Option 2 set out above at any time prior to the dispatch of notices to the shareholders of the Demerged Company in respect of the shareholders' meeting convened to approve this Scheme ("**Option Selection Date**"), and the Option that they have not chosen shall automatically become ineffective and stand severed from the Scheme. The Promoter Groups shall intimate the option selection to the Demerged Company, on or before the Option Selection Date, and the Demerged Company shall in turn communicate the selected option to the (i) NCLT; and (ii) the shareholders and creditors of the Demerged Company.
22. The Share Transfers shall be undertaken: (i) as an integral part of the Scheme and will be subject to the provisions of Applicable Law including the regulations issued by SEBI and the Foreign Exchange Management Act, 1999 and rules and regulations thereunder; and (ii) in a manner that mandatory open offer obligations are not triggered in respect of the Companies under the provisions of the Takeover Regulations.
23. The GV Promoter Group intends to reclassify their status as promoters to that of public shareholders of the Resulting Company and GT Promoter Group intends to reclassify their status as promoters to that of public shareholders of the Demerged Company, in the event that and at such time, pursuant to the Share Transfers, their respective shareholding falls below the threshold permitted for reclassification as per Applicable Law (in particular Regulation 31A of the SEBI LODR Regulations). The respective Company and Promoter Group shall take such steps as are necessary for this purpose under Applicable Law, at the relevant time.

#### PART IV

##### (GENERAL PROVISIONS)

#### 24. APPLICATIONS /PETITIONS TO THE NCLT AND APPROVALS

- 24.1 The Companies shall, without undue delay, make all necessary applications to SEBI and the Stock Exchanges in connection with the Scheme and make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the NCLT, for sanction of this Scheme, including seeking such orders for convening and holding or alternatively, dispensing with requirements for convening and holding meetings of the shareholders and/ or creditors of the Demerged Company and the Resulting Company as may be directed by the NCLT and obtain such other approvals, as required by Applicable Law.





- 24.2 The Companies shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law, as agreed between the Demerged Company and the Resulting Company, for such consents and approvals which the Resulting Company may require to own the assets and / or liabilities of the Demerged Undertaking and to carry on the business of the Demerged Undertaking, in any case subject to the terms as may be mutually agreed between the Demerged Company and the Resulting Company.

**25. CHANGES IN AUTHORISED SHARE CAPITAL OF THE COMPANIES**

- 25.1 As an integral part of this Scheme and upon this Scheme becoming effective:

- (i) Part of the existing authorised share capital of the Demerged Company of Rs. 69,17,40,000 (Rupees Sixty Nine Crores Seventeen Lakhs Forty Thousand only) divided into 69,17,400 (Sixty Nine Lakhs Seventeen Thousand Four Hundred) preference shares of the face value of Rs. 100 (Rupees One Hundred only) each shall be reclassified to authorized share capital of Rs. 69,17,40,000 (Rupees Sixty Nine Crores Seventeen Lakhs Forty Thousand only) divided into 6,91,74,000 (Six Crores Ninety One Lakhs Seventy Four Thousand) equity shares of the face value of Rs. 10 (Rupees Ten only) each of the Demerged Company, automatically without any further act or instrument or deed on the part of the Demerged Company pursuant to Sections 13 and 61 of the Act and other applicable provisions of the Act, as the case may be.
- (ii) Further to such reclassification, part of authorised share capital of the Demerged Company of Rs. 91,50,00,000 (Rupees Ninety One Crores Fifty Lakhs only) divided into 9,15,00,000 (Nine Crores Fifteen Lakhs) equity shares of face value Rs. 10 (Rupees Ten only) each shall stand transferred to and combined with the authorised share capital of Resulting Company. Accordingly, upon the Scheme becoming effective, the authorised share capital of the Resulting Company shall stand increased to Rs. 91,60,00,000 (Rupees Ninety One Crores Sixty Lakhs only) divided into 9,16,00,000 (Nine Crores Sixteen Lakhs) equity shares of face value Rs. 10 (Rupees Ten only) each. The filing fees and stamp duty already paid by Demerged Company on its authorised share capital shall be deemed to have been so paid by Resulting Company on the combined authorised share capital and accordingly, Resulting Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.
- (iii) Accordingly, Clause V of the Memorandum of Association of the Demerged Company and Clause 5 of the Articles of Association of the Demerged Company and Clause V of the Memorandum of Association of the Resulting Company and Clause 5 of the Articles of Association of the Resulting Company relating to authorised share capital of the Demerged Company and Resulting Company respectively, shall without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13, 14 and 61 of the Act and other applicable provisions of the Act, as the case may be.





- 25.2 It is clarified that for the purposes of the above Clause 25.1, the approval of the shareholders of the Demerged Company to this Scheme shall be deemed to be their consent / approval also to the said reclassification and transfer (and subsequent reduction) of the authorised share capital of and alteration of the Memorandum of Association and Articles of Association of the Demerged Company as may be required under the Act, and no further resolution under Sections 13, 14 and 61 of the Act or any other applicable provisions of the Act, would be required to be separately passed. Likewise, it is also clarified that the approval of the shareholders of the Resulting Company to this Scheme shall be deemed to be their consent / approval also to the said increase in authorized share capital and alteration of the Memorandum of Association and Articles of Association of the Resulting Company as may be required under the Act, and no further resolution under Sections 13, 14 and 61 of the Act or any other applicable provisions of the Act, would be required to be separately passed.
- 26. CANCELLATION OF EXISTING SHARES OF THE RESULTING COMPANY AND REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY**
- 26.1 Immediately following the issue and allotment of the New Equity Shares by the Resulting Company to the equity shareholders of the Demerged Company in accordance with Clause 12 of this Scheme, and pursuant to provisions of Section 230-232 of the Act, the existing shareholding of the Demerged Company and its nominees in the Resulting Company will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the Resulting Company, without any further act, instrument or deed. The consequent reduction of share capital of the Resulting Company shall be an integral part of this Scheme and the Demerged Company and the Resulting Company shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable Law separately.
- 26.2 Upon this Scheme coming into effect, and pursuant to provisions of Section 230-232 of the Act, 3,25,496 (Three Lakhs Twenty Five Thousand Four Hundred Ninety Six) forfeited equity shares of face value Rs. 10 (Rupees Ten only) each of the Demerged Company will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the Demerged Company, without any further act, instrument or deed. The consequent reduction of share capital of the Demerged Company shall be an integral part of this Scheme and the Demerged Company shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable Law separately.
- 26.3 The reduction of capital of the Resulting Company and the Demerged Company in Clauses 26.1 and 26.2, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.
- 26.4 Notwithstanding the reduction of the existing share capital of the Resulting Company and the Demerged Company above, the Companies shall not be required to add "and reduced" as a suffix to its name.
- 27. CHANGE IN CAPITAL STRUCTURE OF THE DEMERGED COMPANY/ RESULTING COMPANY**
- 27.1 Without prejudice to the generality of this Scheme, during the period between the date of approval of the Scheme by the respective Boards and up to and including the date of allotment





of the New Equity Shares pursuant to this Scheme, neither the Demerged Company nor the Resulting Company shall make any change in its capital structure, whether by way of increase (including by issue of equity shares on a rights basis, issue of bonus shares), decrease, reduction, reclassification, sub-division or consolidation, re-organisation of share capital, or in any other manner which may, in any way, affect the issuance of the New Equity Shares as per Clause 12, except under any of the following circumstances:

- (a) by mutual written consent of the respective Boards of the Demerged Company and the Resulting Company; or
- (b) as may be expressly permitted under this Scheme.

## **28. AMENDMENT OF ARTICLES OF THE RESULTING COMPANY**

- 28.1 As an integral part of the Scheme, and upon coming into effect of the Scheme, the articles of association of the Resulting Company shall stand amended and restated to contain provisions applicable to a listed company and in such form as the Board of the Resulting Company may determine.
- 28.2 It is hereby clarified that for the purposes of the above Clause 28.1, the consent of the shareholders of the Resulting Company to the Scheme shall be deemed to be sufficient for the purposes of amendment of the articles of association of the Resulting Company, and no further resolution under Section 14 of the Act or any other applicable provisions of the Act, shall be required to be separately passed.

## **29. WRONG POCKET ASSETS**

- 29.1 Subject to Clause 5.1, no part of the Demerged Undertaking shall be retained by the Demerged Company after the Effective Date pursuant to the Demerger. If any part of the Demerged Undertaking is inadvertently retained by the Demerged Company after the Effective Date, the Demerged Company shall take such actions as may be reasonably required to ensure that such part of the Demerged Undertaking is transferred to the Resulting Company promptly and for no further consideration. The Resulting Company shall bear all costs and expenses as may be required to be incurred by the Demerged Company, subject to the prior written consent of the Resulting Company, for giving effect to this Clause.
- 29.2 No part of the Remaining Undertaking shall be transferred to the Resulting Company after the Effective Date pursuant to the Demerger. If any part of the Remaining Undertaking is inadvertently held by the Resulting Company after the Effective Date, the Resulting Company shall take such actions as may be reasonably required to ensure that such part of the Remaining Undertaking is transferred back to the Demerged Company, promptly and for no consideration. The Demerged Company shall bear all costs and expenses as may be incurred by each of the Demerged Company or the Resulting Company for giving effect to this Clause.
- 29.3 If the Demerged Company realizes any amounts after the Effective Date that form part of the Demerged Undertaking, it shall immediately make payment of such amounts to the Resulting Company. It is clarified that all receivables relating to the Demerged Undertaking, for the period prior to the Effective Date, but received after the Effective Date, relate to the Demerged





Undertaking and shall be paid to the Resulting Company for no additional consideration. If the Resulting Company realizes any amounts after the Effective Date that pertains to the Remaining Undertaking, the Resulting Company shall immediately pay such amounts to the Demerged Company.

### **30. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

30.1 The Demerged Company and the Resulting Company, through their respective Boards, acting collectively, in their full and absolute discretion, may:

- (a) make and/or consent to any modifications/ amendments to the Scheme or to agree to any conditions or limitations:
  - (i) which the Stock Exchange(s), SEBI and any other Appropriate Authority may deem fit to suggest/ impose / direct; or
  - (ii) to effect any other modification or amendment which the NCLT may deem fit;
- (b) jointly and as mutually agreed in writing, modify or vary this Scheme at any time prior to the Effective Date in any manner;
- (c) give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme, whether by reason of any directive or orders of any Appropriate Authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Demerged Company or the Resulting Company, as the case may be); and
- (d) do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

Provided that any modification to the Scheme by the Companies, after receipt of the Sanction Order, shall be made only with the prior approval of the NCLT.

- 30.2 Any question that may arise as to whether a specific asset (tangible or intangible), any liability, employee or proceeding pertains or does not pertain to the Demerged Units as stated above or whether it arises out of the activities or operations of the Demerged Units or not, shall be mutually decided by the Boards of the Companies.
- 30.3 In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of the Companies shall have complete power to mutually take the most sensible interpretation so as to render the Scheme operational.
- 30.4 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorised person of the Demerged Company and/or the Resulting Company may give and are hereby authorized to determine and give all such directions as are





necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on the Companies, in the same manner as if the same were specifically incorporated in this Scheme.

- 30.5 If, upon the Scheme becoming effective and upon the transfer and vesting of the assets and liabilities of the Demerged Undertaking into the Resulting Company and pursuant to the provisions of Applicable Law, the Resulting Company is not permitted under the Applicable Law to carry on the certain business or hold assets, licenses, etc., transferred and vested pursuant to this Scheme, the Board of the Resulting Company shall be permitted and/or entitled to divest such business or assets, licences, etc., in the manner as it may deem appropriate.

### 31. CONDITIONS PRECEDENT

31.1 This effectiveness of this Scheme is and shall be conditional upon and subject to:

- 31.1.1 the sanction or approval of the Appropriate Authorities, including the Competition Commission of India, and other sanctions and approvals (as may be required by Applicable Law) in respect of this Scheme being obtained in respect of any of the matters in respect of which such sanction or approval is required or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;
  - 31.1.2 approval of the Scheme by the requisite majority of each class of shareholders / creditors of the Demerged Company and the Resulting Company as may be required under the Act and SEBI Circulars or as may be directed by the NCLT. It is clarified that the Scheme is conditional upon it being approved by the public shareholders through e-voting in terms of Part –I (A)(10)(a) and (b) of SEBI Master circular No. SEBI/HO/CD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
  - 31.1.3 receipt of such other approvals, sanctions and fulfillment of conditions as may be agreed in writing between the Demerged Company and the Resulting Company;
  - 31.1.4 Sanction Order, under Sections 230 to 232 and other relevant provisions of the Act being obtained by the Demerged Company and the Resulting Company from the NCLT; and
  - 31.1.5 certified/ authenticated copy of the Sanction Order, being filed with the Registrar of Companies by the Demerged Company and the Resulting Company in relation to this Scheme.
- 31.2 It is hereby clarified that submission of the Scheme to the NCLT and to Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles





or defences that the Demerged Company and/or the Resulting Company may have under or pursuant to Applicable Law.

- 31.3 On the approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Demerger, as the case may be, set out in this Scheme, related matters and this Scheme itself.

### **32. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION / WITHDRAWAL OF THE SCHEME**

- 32.1 In the event any of the conditions set out in Clause 31.1 above, not being fulfilled, obtained or waived, as the case may be, on or before December 31, 2022 or within such further period or periods as may be agreed upon between the Demerged Company and the Resulting Company through their respective Boards, the Scheme shall stand terminated and become null and void and the Demerged Company shall bear and pay its costs, charges and expenses for and/or in connection with the Scheme.
- 32.2 Without prejudice to the generality of the aforesaid clause, the Companies (jointly and not severally) shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Boards of the Companies prior to the Effective Date.
- 32.3 In the event of revocation/withdrawal under Clauses 32.1 and 32.2 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and/or the Resulting Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Company shall bear its own costs, unless otherwise mutually agreed.

### **33. SCHEME AS A WHOLE**

- 33.1 The provisions contained in this Scheme are inextricably interlinked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Boards of the Companies.

### **34. SEVERABILITY**

- 34.1 If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Demerged Company and the Resulting Company through their respective Boards, affect the validity or implementation of the other parts and/or provisions of this Scheme.

### **35. RESIDUAL PROVISIONS**

- 35.1 Upon this Scheme becoming effective, the accounts of the Companies, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.





- 35.2 The Companies, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/novate the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Demerged Company in relation to or in connection with the Demerged Undertaking. It is hereby clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Appropriate Authority shall make and duly record the necessary substitution/endorsement in the name of the Resulting Company, as the case may be pursuant to the sanction of this Scheme, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Demerged Company and/or the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

### **36. COSTS, CHARGES AND EXPENSES**

- 36.1 All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) arising out of or incurred in connection with and in implementing this Scheme and matters incidental thereto shall be borne equally by the Demerged Company and the Resulting Company; provided that all costs, charges and expenses arising out of or incurred in connection with the Share Transfers shall be borne by the Promoter Groups in a manner as may be mutually agreed between them.





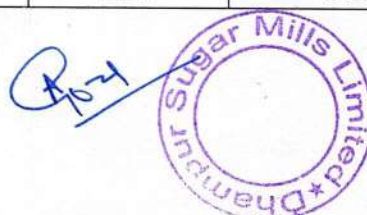
## SCHEDULE I

### 1. LIST OF IMMOVABLE PROPERTY

#### A) ASMOLI UNIT

##### (i) AT ASMOLI – DISTRICT SAMBHAL (U.P.)

Sr No	Village Name	Khasra No.	Area of land (in Hectares)
1	Village Asmoli	184	8.421
2	Village Asmoli	185	2.243
3	Village Asmoli	186	0.862
4	Village Asmoli	188	7.770
5	Village Asmoli	189	2.323
6	Village Asmoli	190	0.246
7	Village Asmoli	191	0.175
8	Village Asmoli	192	1.817
9	Village Asmoli	193	0.190
10	Village Asmoli	195	0.535
11	Village Asmoli	200	0.117
12	Village Asmoli	201	0.271
13	Village Asmoli	202	0.986
14	Village Asmoli	203	0.393
15	Village Asmoli	204	0.218
16	Village Asmoli	205	0.077
17	Village Asmoli	206	3.564
18	Village Asmoli	207	0.178
19	Village Asmoli	208	3.711
20	Village Asmoli	210	0.394
21	Village Asmoli	230	0.191
22	Village Asmoli	252	1.524
23	Village Asmoli	274	0.442
24	Village Asmoli	299	0.952
25	Village Asmoli	317	12.376
26	Village Asmoli	879	0.202
27	Village Asmoli	1248	0.202
28	Village Asmoli	1375	0.401
29	Village Asmoli	295	0.495
30	Village Asmoli	295	0.351





31	Village Asmoli	282	0.017
32	Village Asmoli	310	0.100
33	Village Asmoli	298	0.500
34	Village Asmoli	292	0.295
35	Village Asmoli	293	0.294
36	Village Asmoli	291	0.174
37	Village Asmoli	290	0.185
38	Village Asmoli	296	0.047
39	Village Asmoli	271	0.412
40	Village Asmoli	272	0.214
41	Village Asmoli	270	0.406
42	Village Asmoli	297	0.073
43	Village Ramnagar	332	1.984
44	Village Ramnagar	434	0.744
45	Village Ramnagar	433	0.719
46	Village Ramnagar	383	0.146
47	Village Ramnagar	432	0.170
	<b>Total (hectares)</b>		<b>58.107</b>

(ii) AT -MOHRA VILLAGE , DISTRICT BIJNOR (U.P.)

Sr No.	Village Name	Khasra No.	Area of land (in Hectares)
1	Village Mohra	234	0.051
2	Village Mohra	235	0.101
3	Village Mohra	247	0.064
4	Village Mohra	248	0.049
5	Village Mohra	249	0.067
6	Village Mohra	250	0.128
7	Village Mohra	251	0.025
8	Village Mohra	252	0.025
9	Village Mohra	253	0.051
10	Village Mohra	254	0.025
11	Village Mohra	255	0.070
12	Village Mohra	256	0.290
13	Village Mohra	257	0.291
14	Village Mohra	258	0.040
15	Village Mohra	266	0.329
16	Village Mohra	292	0.234
17	Village Mohra	293	0.091





18	Village Mohra	295	0.152
19	Village Mohra	296	0.417
20	Village Mohra	298	0.304
21	Village Mohra	300	0.114
22	Village Mohra	301	0.354
23	Village Mohra	303	0.153
24	Village Mohra	304	0.076
25	Village Mohra	308	0.108
26	Village Mohra	309	0.406
27	Village Mohra	311	0.012
28	Village Mohra	312	0.127
29	Village Mohra	314	0.161
30	Village Mohra	317	0.079
31	Village Mohra	318	0.393
32	Village Mohra	350	0.019
33	Village Mohra	311 A	0.065
34	Village Mohra	311 B	0.065
35	Village Mohra	312A	0.181
36	Village Mohra	312B	0.162
	<b>Total (Hectares)</b>		<b>5.279</b>

- (iii) 50% undivided share and interest in the property situated at 241, Okhla Industrial Estate, Phase III New Delhi 110020 admeasuring 1012 Square meters of land with Building thereon and fixed fixtures and furnishing appurtenant thereto.

**B) MEERGANJ UNIT AT DISTRICT BAREILLY (U.P.)**

S. No.	Village Name	Khasra No.	Area of Land
			(in Hectares)
1	Village Nagaria Sadat	375	0.453
2	Village Nagaria Sadat	376	0.8
3	Village Nagaria Sadat	377	0.076
4	Village Nagaria Sadat	378	0.077
5	Village Nagaria Sadat	379	0.076
6	Village Nagaria Sadat	381	0.256
7	Village Nagaria Sadat	383	0.315
8	Village Nagaria Sadat	388	0.12
9	Village Nagaria Sadat	389	0.289
10	Village Nagaria Sadat	390	0.205





11	Village Nagaria Sadat	394	0.376
12	Village Nagaria Sadat	395	1.468
13	Village Nagaria Sadat	396	0.01
14	Village Nagaria Sadat	397	0.014
15	Village Nagaria Sadat	398	0.014
16	Village Nagaria Sadat	399	0.015
17	Village Nagaria Sadat	400	0.036
18	Village Nagaria Sadat	405	0.101
19	Village Nagaria Sadat	407	0.201
20	Village Nagaria Sadat	409	0.559
21	Village Nagaria Sadat	412	0.121
22	Village Nagaria Sadat	413	0.12
23	Village Nagaria Sadat	414	0.104
24	Village Nagaria Sadat	417	0.373
25	Village Nagaria Sadat	419	0.225
26	Village Nagaria Sadat	490	0.55
27	Village Nagaria Sadat	491	0.595
28	Village Nagaria Sadat	492	1.118
29	Village Nagaria Sadat	493	1.338
30	Village Nagaria Sadat	498	0.37
31	Village Nagaria Sadat	501	0.301
32	Village Nagaria Sadat	503	0.336
33	Village Nagaria Sadat	504	1.301
34	Village Nagaria Sadat	505	1.423
35	Village Nagaria Sadat	507	0.372
36	Village Nagaria Sadat	510	0.152
37	Village Nagaria Sadat	518	0.406
38	Village Nagaria Sadat	519	0.389
39	Village Nagaria Sadat	524	0.171
40	Village Nagaria Sadat	526	0.784
41	Village Nagaria Sadat	527	0.261
42	Village Nagaria Sadat	528	0.185
43	Village Nagaria Sadat	529	0.261
44	Village Nagaria Sadat	532	0.787
45	Village Nagaria Sadat	533	0.107
46	Village Nagaria Sadat	535	0.789
47	Village Nagaria Sadat	537	0.837
48	Village Nagaria Sadat	538	0.296
49	Village Nagaria Sadat	539	0.08





50	Village Nagaria Sadat	542	0.715
51	Village Nagaria Sadat	543	1.228
52	Village Nagaria Sadat	544	0.944
53	Village Nagaria Sadat	545	0.229
54	Village Nagaria Sadat	551	0.449
55	Village Nagaria Sadat	552	0.431
56	Village Nagaria Sadat	553	0.41
57	Village Nagaria Sadat	554	0.602
58	Village Nagaria Sadat	555	0.063
59	Village Nagaria Sadat	556	0.063
60	Village Nagaria Sadat	557	0.063
61	Village Nagaria Sadat	558	0.062
62	Village Nagaria Sadat	561	0.054
63	Village Nagaria Sadat	562	0.052
64	Village Nagaria Sadat	563	0.105
65	Village Nagaria Sadat	564	0.105
66	Village Nagaria Sadat	565	0.105
67	Village Nagaria Sadat	566	0.223
68	Village Nagaria Sadat	531/589	0.241
69	Village Nagaria Sadat	382	0.103
70	Village Nagaria Sadat	386	0.191
71	Village Nagaria Sadat	387	0.086
72	Village Nagaria Sadat	404	0.203
73	Village Nagaria Sadat	416	0.573
74	Village Nagaria Sadat	494	1.84
75	Village Nagaria Sadat	496	0.201
76	Village Nagaria Sadat	497	0.201
77	Village Nagaria Sadat	508	1.793
78	Village Nagaria Sadat	514	0.933
79	Village Nagaria Sadat	531	0.403
80	Village Nagaria Sadat	512	0.063
81	Village Nagaria Sadat	534	0.052
82	Village Nagaria Sadat	549	0.371
83	Village Nagaria Sadat	567	0.907
84	Village Nagaria Sadat	391	0.121
85	Village Nagaria Sadat	415	0.126
86	Village Nagaria Sadat	517	0.563
87	Village Nagaria Sadat	520	0.066
88	Village Nagaria Sadat	521	0.066





89	Village Nagaria Sadat	523	0.141
90	Village Nagaria Sadat	546	0.604
91	Village Nagaria Sadat	403	0.99
92	Village Nagaria Sadat ,	586	0.333
93	Village Nagaria Kalyanpur	5	0.438
94	Village Nagaria Kalyanpur	7	0.2
95	Village Nagaria Kalyanpur	8	0.556
96	Village Nagaria Kalyanpur	10	0.168
97	Village Nagaria Kalyanpur	11	0.069
98	Village Nagaria Kalyanpur	12	2.118
99	Village Nagaria Kalyanpur	14	0.558
100	Village Nagaria Kalyanpur	15	1.296
101	Village Nagaria Kalyanpur	17	0.602
102	Village Nagaria Kalyanpur	19	0.349
103	Village Nagaria Kalyanpur	20	0.352
104	Village Nagaria Kalyanpur	21	0.2
105	Village Nagaria Kalyanpur	22	0.165
106	Village Nagaria Kalyanpur	23	0.709
107	Village Nagaria Kalyanpur	25	0.3
108	Village Nagaria Kalyanpur	26	0.403
109	Village Nagaria Kalyanpur	28	0.929
110	Village Nagaria Kalyanpur	30	0.312
111	Village Nagaria Kalyanpur	31	0.305
112	Village Nagaria Kalyanpur	33	0.025
113	Village Nagaria Kalyanpur	34	0.038
114	Village Nagaria Kalyanpur	35	0.325
115	Village Nagaria Kalyanpur	40	1.22
116	Village Nagaria Kalyanpur	42	0.307
117	Village Nagaria Kalyanpur	43	0.307
118	Village Nagaria Kalyanpur	46	0.271
119	Village Nagaria Kalyanpur	47	0.193
120	Village Nagaria Kalyanpur	48	0.23
121	Village Nagaria Kalyanpur	49	0.083
122	Village Nagaria Kalyanpur	50	0.345
123	Village Nagaria Kalyanpur	52	0.251
124	Village Nagaria Kalyanpur	53	0.901
125	Village Nagaria Kalyanpur	54	0.396
126	Village Nagaria Kalyanpur	56	0.332
127	Village Nagaria Kalyanpur	57	0.314














2	DHAMPUR GLOBAL (WORD)	DHAMPUR GLOBAL	35	3506570	04-03-2017
3	DHAMPURE (Logo)		1-6	1742573 - 78	13-10-2008
			7	1742693	13-10-2008
			8 - 11	1742579 - 82	13-10-2008
			12	1742694	13-10-2008
			13-28	1742583 - 98	13-10-2008
			29 - 32	1799295 - 98	24-03-2009
			33 - 42	1742599 - 608	13-10-2008
			43 - 45	2315141 - 43	13-04-2012
4	DHAMPURE (word)	DHAMPURE	1,3,7,8,16,18 & 25	3506094 - 6100	04-03-2017
			5	4495660	04-05-2020
			29 - 32	1025173 - 76	10-07-2001
			33 & 35	3506101 - 102	04-03-2017
			40 - 43	3506104 - 108	04-03-2017
			45	3506108	04-03-2017
5	GROUPHAAT (word)	GROUPHAAT	16	2315146	13-04-2012
			38	2315147	13-04-2012
			35	2315145	13-04-2012
6	HAATNET (word)	HAATNET	38	2315135	13-04-2012
			35	2315136	13-04-2012
			16	2315137	13-04-2012
7	KRISHAK MITRA (LOGO)		42	1722314	18-08-2008
			35	1722315	18-08-2008
8	PM TO AM WHISKY (LOGO)		32	3031071	12-08-2015








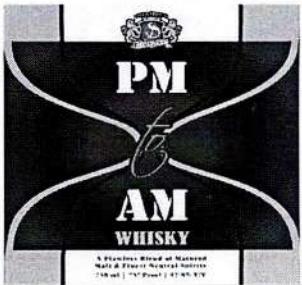
9	POWER BOOSTER (logo)		16	2527589	08-05-2013
10	SOIL BOOSTER (word)	SOIL BOOSTER	5	2631685	22-11-2013
11	STATE HOUSE	STATE HOUSE	33	2347908	14-06-2012
12	YIELD BOOSTER (word)	YIELD BOOSTER (word)	1	2631693	22-11-2013
13	A C SILVER (logo)		35	2495140	13-03-2013
			16	2495141	13-03-2013
14	AC GOLD (LOGO)		35	2495136	13-03-2013
			16	2495137	13-03-2013
			9	2495138	13-03-2013
15	ADVANTAGE CARD (word)	ADVANTAGE CARD	16	2495143	13-03-2013
			35	2495144	13-03-2013
16	BIO AGE (word)	BIO AGE	5	2631691	22-11-2013
			31	2631692	22-11-2013
17	BLACK DUCK (device)		33	3441348	23-12-2016
18	BUSI-DESK (LOGO)		35	1722318	18-08-2008
			42	1722319	18-08-2008
19	COMHAAT (word)	COMHAAT	38	2315132	13-04-2012
			16	2315133	13-04-2012
			35	2315134	13-04-2012





20	CROP RICH (Word)	CROP RICH	1	2631678	22-11-2013
21	DHAMPURE		1,5,7,8,9, 16,21	3970219 - 226	11-10-2018
			28 - 33	3970227 - 232	11-10-2018
			35-38 & 41-43	3970233 - 239	11-10-2018
			30	3963566	04-10-2018
22	Chetak	Chetak	33	4316390	10-10-2019

**B : PENDING TRADE MARKS & LOGO FOR REGISTRATIONS**


Sno	Brand	Trademark	Class	Application No.	Date of Application
1	DHAMPURE (word)	DHAMPURE	37	3506103	04-03-2017
2	Jaivik foods by Dhampur (logo)		30	3096836	09-11-2015
			31	3096837	09-11-2015
3	PM TO AM WHISKY (logo)		33	3031072	12-08-2015
4	Dhamaka	Dhamaka	33	4316388	10-10-2019
5	Manchali	Manchali	33	4282016	02-09-2019
6	Manchali Lime	Manchali Lime	33	4881981	26-02-2021
7	Madam Orange	Madam Orange	33	4594616	03-08-2020





8	Oranze	Oranze	33	4881978	26-02-2021
9	Orange Valley	Orange Valley	33	4881979	26-02-2021

**C : COPYRIGHTS**

Sr No.	ROC No.	Diary No.	Title of Work
1	A-99592/2013	6713/2012-CO/A	Dhampure Logo 
2	A-99545/2013	6643/2012-CO/A	Dhampur Logo 