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COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

**SPV GLOBAL TRADING LIMITED
(DEMERGED COMPANY)**

AND

**RMIL METAL INDUSTRIES PRIVATE LIMITED
(RESULTING COMPANY / TRANSFEROR COMPANY)**

AND

**RASHTRIYA METAL INDUSTRIES LIMITED
(TRANSFEEEE COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

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

PREAMBLE

This Composite Scheme of Arrangement (defined below), presented under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of Companies Act, rules and regulations thereunder as applicable from time to time, provides for Demerger of the Demerged Undertaking (defined below) of SPV Global Trading Limited into RMIL Metal Industries Private Limited and Amalgamation of RMIL Metal Industries Private Limited with Rashtriya Metal Industries Limited.

A. DESCRIPTION OF COMPANIES

- i. SPV Global Trading Limited (the "SPV" or "Demerged Company") was originally incorporated as "Tarrif Cine & Finance Limited" on 5th February 1985 under the Companies Act, 1956 in Maharashtra. Name of the Demerged Company was changed to "SPV Global Trading Limited" w.e.f. 26th April 2019 pursuant to Certificate of Incorporation obtained from the Registrar of Companies, Mumbai. The Corporate Identity Number of the Demerged Company is L27100MH1985PLC035268 and having registered Office situated at 28/30, Anant Wadi, Bhuleshwar, Mumbai - 400002, Maharashtra. It is, *inter alia*, engaged in the Manufacturing and Trading of Non-Ferrous Metals, Copper and Copper scrap along with holding certain other business and assets. The shares of Demerged Company are listed on Bombay Stock Exchange (BSE). However, presently the shares of SPV are thinly traded on BSE after revocation of its suspension.

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- ii. **RMIL Metal Industries Private Limited** (the “**RM IPL**” or “**Resulting Company**” or “**Transferor Company**”) is a Private Limited Company incorporated on 16th October 2019 under the Companies Act, 2013 in Maharashtra. The Corporate Identity Number of the Transferor Company is U27320MH2019PTC331757. Registered Office of RM IPL is situated at 308-312, Meadows, Sir M.V. Road, Sahar Plaza Complex, J.B. Nagar, Andheri - East, Mumbai - 400059, Maharashtra. It is, inter alia, incorporated with the objective to engaged in the business of copper and allied metal and their scrap.
- iii. **Rashtriya Metal Industries Limited** (the “**RMIL**” or “**Transferee Company**”) is a Public Limited Company incorporated under the Companies Act, 1913 on 28th November, 1946 and has its registered office at 308-312, Meadows, Sir M.V. Road, Sahar Plaza Complex, J.B. Nagar, Andheri - East, Mumbai, Maharashtra - 400059. The Corporate Identity Number of the Transferee Company is U99999MH1946PLC005378. The Transferee Company is engaged in manufacturing of Copper and Copper Alloy Strips. It is one of the premier producers of speciality cold rolled strips in a wide range of copper alloys. The Transferee Company is subsidiary of the Demerged Company holding 50.51% shares.

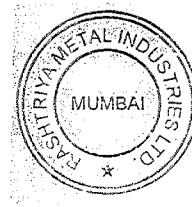
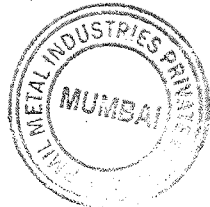
B. OVERVIEW OF BUSINESSES & RATIONALE FOR THE SCHEME OF ARRANGEMENT

I. The following provides an overview of business activities of the Companies:

- i. The business of the Demerged Company comprises of following:
- Trading in Non-Ferrous Metals, Copper and Copper alloys and their scraps including Investment in RMIL which is engaged in manufacturing of Copper and Copper Alloy strips (“**Metal Business**”).
 - Portfolio investment in shares and securities of various listed companies and units of Mutual funds. Further, Demerged Company had entered into trading in virgin metals like Copper Cathodes, Zinc Ingots, Nickel Cathodes, Tin Ingots, Storage and logistics of virgin metals, Advisory services on hedging on London Metal Exchange (LME). Management is considering this opportunity as it foresees good potential and it has in-house expertise and international contacts with manufacturers / traders in virgin metals. In this regard, management has also approached professionals to undertake funding possibilities and other aspects (“**Remaining Business**”).
- ii. RM IPL is newly incorporated Company and has not commenced any activities relating to metal business.
- iii. RMIL is engaged in the manufacturing of Copper and Copper Alloy Strips and other related wide range of products.

II. The following are rationale and benefits of the Scheme:

- i. No trading activity has been undertaken on BSE by any of the Shareholders of the Demerged Company. Therefore, notwithstanding the listing of equity shares of the Demerged Company, the shareholders of the Demerged Company have not really enjoyed the benefit of listing in particular, they have not enjoyed any liquidity in respect of their shareholding nor have they enjoyed any significant appreciation in value of their shares. On the other hands, under the Scheme, they will have an



option to opt for 10% Optionally-Convertible Non-Participatory Preference Shares of RMIL which will effectively ensure that the shareholders are able to enjoy appreciation in value of investment held by the Demerged Company and will be assured of obtaining liquidity upon exercising the option of redemption of preference shares instead of conversion, as per the terms of such Preference Shares as mentioned in this Scheme.

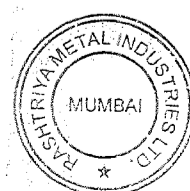
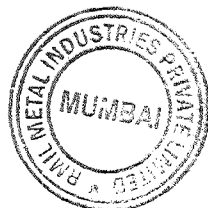
- ii. Thus, through this Scheme, the Demerged Company is unlocking the value and creating liquidity avenues for the shareholders of the Demerged Company which is otherwise not possible due to thin trading on BSE.
- iii. Accordingly, upon the Scheme becoming effective, there will not be any adverse effect on the Shareholders of the Demerged Company. The Scheme will not in any manner be prejudicial to the interest of the concerned shareholders, creditors, employee or key managerial personnel or any stakeholder or general public at large.
- iv. Elimination of inter-company holdings and layering of investment and business operations;
- v. Improved business efficiencies with consolidation of trading and manufacturing activities of the Demerged Company relating to Copper and Copper Alloy Strips and the Transferee Company;
- vi. Achieve cost optimization and specialization for sustained growth;
- vii. Enhancing operational efficiencies, ensuring synergies through pooling of the financial, managerial, and technical resources, personnel capabilities, skills, expertise and technologies; and
- viii. Enhancing shareholder value by creating leaner and focused organizations.

III. Treatment of the scheme for the purpose of the Income Tax Act, 1961:

This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any of the terms or provisions of this Scheme is/are found or interpreted to be inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961 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 Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with the provisions of Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

IV. The Scheme is divided into the following parts:

- a. **Part I** deals with Definitions and Share Capital
- b. **Part II** deals with demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company
- c. **Part III** deals with amalgamation of the Resulting Company / Transferor Company into the Transferee Company



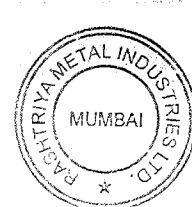
- d. **Part VI** deals with General Terms and Conditions and other matters consequential and integrally connected thereto.

PART I

1. **DEFINITIONS**

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

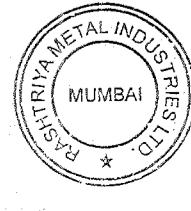
- 1.1. **“Act”** shall mean reference to the Companies Act, 2013 and the rules, regulations, circulars and notifications issued thereunder, as amended from time to time and to the extent in force;
- 1.2. **“Applicable Law”** means any statute, notification, bye laws, rules, regulations, guidelines, rule 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 in India;
- 1.3. **“Appointed Date”** shall mean the opening of the business hours as on 1st October 2020 or such other date as may be decided by the National Company Law Tribunal or any other appropriate authority as may be applicable;
- 1.4. **“Appropriate Authority” or “Governmental Authority”** means and includes any applicable Central, State or Local Government, legislative body, regulatory or administrative authority, including Registrar of Companies (ROC), Regional Director (RD), Official Liquidators (OL), National Company Law Tribunal (NCLT), National Company Law Appellate Tribunal (NCLAT), Income Tax Authority (ITA), Securities and Exchange Board of India (SEBI), Stock Exchanges, Reserve Bank of India (RBI), agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- 1.5. **“Board of Directors” or “Board”** means the Board of Directors of each of the Companies under the Scheme as the context may require and shall include a committee of Directors or any person authorized by Board or such Committee of Directors for the purposes of matters pertaining to this Scheme and or any other matter relating thereto;
- 1.6. **“BSE”** means BSE Limited;
- 1.7. **“Book Value”** shall mean the value(s) of assets and liabilities of the Demerged Undertaking, as appearing in the books of accounts of the Demerged Company at the close of business as on the day immediately preceding the Appointed Date;
- 1.8. **“Demerged Company” or “SPV”** means SPV Global Trading Limited, a company governed under the Companies Act, 2013 and having CIN



L27100MH1985PLC035268 with registered Office situated at 28/30, Anant Wadi, Bhuleshwar, Mumbai - 400002, Maharashtra;

1.9. **“Demerged Undertaking”** shall mean the Metal Business of SPV. Without prejudice and limitation to the generality of the above, the Demerged Undertaking shall mean and include:

- a. all assets (whether movable or immovable, real or personal corporeal or incorporeal, present or future, contingent or definite, tangible or intangible) including plant and machinery, furniture, fixtures, equipment's, accessories, vehicles, leasehold assets, investments in relation to the Business Undertaking, letters of intent, registrations, settlements, rights, credits, title, interest, benefits, advantages, sundry debtors, deposits, provisions, advances, receivables, funds, leases, licenses, tenancy rights, premises, hire purchase and lease arrangements, benefits of agreements, contracts and arrangements, powers, authorities, industrial and other licenses registrations, quotas, permits, allotments, approvals, consents, privileges, liberties, advantages, easements, and all the rights, titles, interests, goodwill, benefit entitlements and advantages, contingent rights or benefit belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Demerged Company with respect to Metal Business as on the Appointed Date;
- b. Investments in shares, debentures and other securities, if any, held by the Demerged Company pertaining to the Metal Business;
- c. Assets other than those referred to in above sub-clauses (a & b) being general in nature, if any, allocated to the Metal Business in the manner as may be decided by the Board of Directors of the Demerged Company;
- d. all present secured or unsecured, asserted or unasserted debts, duties, obligations, guarantees, assurances, liabilities including contingent liabilities, in respect of Metal Business Undertaking and also including all other debts, liabilities, duties and obligations of the Demerged Company relating to the Metal Business which may accrue or arise after the Appointed Date but which is related to the period up to the day immediately preceding the Appointed Date;
- e. the specific loans and borrowing raised, incurred and utilized solely for the activities and operations of the Demerged Company in relation to the Metal Business;
- f. liabilities other than those referred above being the amounts of general or multipurpose borrowings, if any, of the Demerged Company as allocated to the Metal Business in the same proportion in which the book value of the assets transferred under this Clause bears to the total book value of the assets of the Demerged Company immediately before the Appointed Date

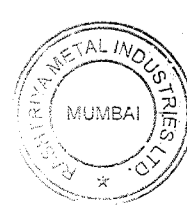
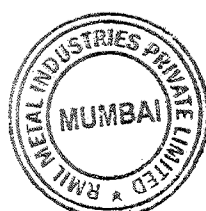


of the Scheme as may be determined by the Board of Directors of the Demerged Company;

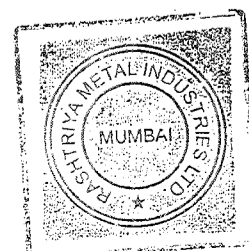
- g. all employees of the Demerged Company employed in and / or relatable to the Metal Business as on the Effective Date;
- h. all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the Metal Business;
- i. all advance payments, earnest monies and/or security deposits, payment against warrants, if any, or other entitlements of the Demerged Company pertaining to the Metal Business;
- j. all contracts, agreements, understanding in connection with or pertaining to or relatable to the Metal Business;
- k. all intellectual property rights, including trademarks, trade names and the goodwill associated therewith, patents, patent rights, copyrights and other industrial designs and intellectual properties and rights of any nature whatsoever including know-how, or any applications for the above, assignments and grants in respect thereof of the Demerged Company in relation to the Metal Business as on the Appointed Date;
- l. cash, bank balance and deposits of the Demerged Company with banks, government, semi-government, local and other authorities and bodies with respect to the Metal Business;
- m. all books, records, files, papers, information, software, computer programs along with their licenses, drawings, manual, data, catalogues, quotations, sales and advertising materials, list of present and former clients, and any other record whether in physical or electronic form, in connection with or relating to the Metal Business of the Demerged Company as on the Appointed date; and
- n. all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature initiated by or against the Demerged Company in connection with the Metal Business.

1.10. **"Eligible Member"** means each Equity shareholder of the Demerged Company whose name is recorded in the register of members as members of the Demerged Company on the Record date;

1.11. **"Effective Date"** means the opening hours of the day on which the last of approvals/conditions specified in Clause 30 of this Scheme are obtained or complied with. Any references in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"Scheme taking effect"** or **"upon the scheme becoming effective"** shall mean the Effective Date;



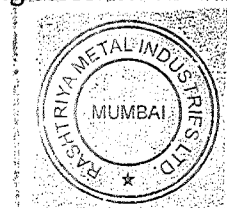
- 1.12. **"IT Act"** shall mean the Income Tax Act, 1961, rules and regulations made thereunder and shall include any statutory modification, re-enactment or amendments thereof for the time being in force;
- 1.13. **"National Company Law Tribunal" or "NCLT" or "Tribunal"** means the National Company Law Tribunal, Mumbai Bench;
- 1.14. **"Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company in consultation with the Board of Directors of the Transferor Company and the Demerged Company for the purpose of determining the shareholders of the Demerged Company who shall be entitled to receive Consideration under Clause 15, pursuant to the Scheme.
- 1.15. **"Remaining Business"** means all assets, liabilities, businesses, activities & operations of the Demerged Company other than those comprised in the Demerged Undertaking;
- 1.16. **"Resulting Company" or "Transferor Company" or "RMIPL"** means RMIL Metal Industries Private Limited, having CIN U27320MH2019PTC331757, a private company, governed under the Companies Act, 2013 and having its registered Office situated at 308-312, Meadows, Sir M.V. Road, Sahar Plaza Complex, J.B. Nagar, Andheri - East, Mumbai - 400059;
- 1.17. **"RMIL Preference Shares"** means 10% Optionally-Convertible Non-Participatory Preference Shares of Transferee Company proposed to be issued and allotted as consideration by the Transferee Company mentioned in Clause 15.1 and detailed terms of which are mentioned under **Annexure A**;
- 1.18. **"ROC"** means Registrar of Companies, Mumbai;
- 1.19. **"Scheme" or "The Scheme" or "This Scheme" or "Scheme of Arrangement"** means this Composite Scheme of Arrangement in its present form as submitted in accordance with the provisions of Sections 230 to 232 of the Act or with any modification(s), if any, made under Clause 29 of the Scheme or with such other modification/amendments as the NCLT or any other Governmental Authority may direct;
- 1.20. **"SEBI"** means Securities Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992, as amended from time to time;
- 1.21. **"SEBI Circular"** shall mean circulars issued by SEBI being Circular CFD/DIL3/CIRJ2017/21 dated 10th March 2017 and any amendments or modifications thereof, and any other circular issued pursuant to Regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;



1.22. **“Transferee Company” or “RMIL”** means Rashtriya Metal Industries Limited, having CIN U99999MH1946PLC005378, a public company, governed under the Companies Act, 2013 and having its registered Office situated at 308-312, Meadows, Sir M.V. Road, Sahar Plaza Complex, J.B. Nagar, Andheri - East, Mumbai - 400059;

1.23. **“Transferor Undertaking”** means all the undertakings including the Demerged Undertaking and entire business of the Transferor Company as a going concern, without limitation:

- a. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad, including, without limitation, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipment, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
- b. all permits, quotas, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the Transferor undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals



and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;

- c. all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company; and
- d. all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

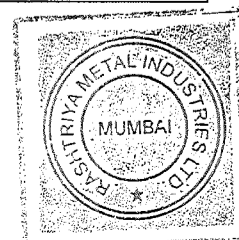
The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date. The Various parts of the Scheme shall be deemed to have taken effect in following sequence:

- 2.1. Firstly, Part II of the Scheme (relating to demerger of the Demerged Undertaking into the Resulting Company) shall be deemed to have taken effect, prior to Part III of the Scheme; and
- 2.2. Thereafter, Part III of the Scheme (relating to amalgamation of Transferor Company with Transferee Company) shall be deemed to have taken effect, after Part II of the Scheme.

3. SHARE CAPITAL

3.1. The share capital of the Demerged Company as on 31st March 2020 and as on the Appointed Date is as under:

Particulars	(Amount in Rs.)
Authorized Share Capital	



250,000 Equity Shares of 10/- each	25,00,000
Total	25,00,000
Issued, Subscribed and Paid up Share Capital	
245,000 Equity Shares of 10/- each.	24,50,000
Total	24,50,000

Subsequent to the Appointed Date and till the date of approval of this Scheme by the Board of Directors of the Demerged Company, there has been no change in the Authorised, Issued, Subscribed and Paid-up capital of Demerged Company.

3.2. The share capital of the Resulting Company / Transferor Company as on 31st March 2020 and as on the Appointed Date is as under:

Particulars	(Amount in Rs.)
Authorized Share Capital	
10,000 Equity Shares of 10/- each.	100,000
Total	100,000
Issued, Subscribed and Paid up Share Capital	
10,000 Equity Shares of 10/- each.	100,000
Total	100,000

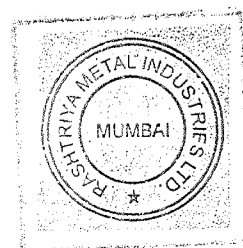
Subsequent to the Appointed Date and till the date of approval of this Scheme by the Board of Directors of the Resulting Company / Transferor Company, there has been no change in the Authorised, Issued, Subscribed and Paid-up capital of the Resulting Company / Transferor Company.

3.3. The share capital of the Transferee Company as on 31st March 2020 and as on the Appointed Date is as under:

Particulars	(Amount in Rs.)
Authorized Share Capital	
53,50,000 Equity Shares of 10/- each	53,50,000
2,00,000 Preference shares of 100/- each	20,00,000
Total	73,50,000
Issued, Subscribed and Paid up Share Capital	
45,13,012 Equity Shares of 10/- each	4,51,30,120
Total	4,51,30,120

Subsequent to the Appointed Date and till the date of approval of this Scheme by the Board of Directors of the Transferee Company, there has been no change in the Authorised, Issued, Subscribed and Paid-up capital of the Transferee Company.

As on the Appointed Date and as on date, the Demerged Company holds approx. 50.51% of Equity Share Capital of the Transferee Company.



PART II

DEMERGER OF THE DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY

4. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

- 4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the Demerged Undertaking of Demerged Company as defined in Clause 1.9 of this Scheme, shall pursuant to Sections 230 to 232 of the Act and other relevant provision of the Act and the order of the NCLT sanctioning the Scheme, without any further act, instrument or deed, be transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, on a going concern basis, in accordance with Section 2(19AA) of the Income-tax Act, 1961, so as to vest in the Resulting Company all the rights, title and interest of Demerged Undertaking therein, subject to the subsisting charges and pledges, if any;
- 4.2 Without prejudice to the provisions of Clause 4.1, assets and properties of Demerged Company relating to the Demerged Undertaking, upon the coming into effect of this Scheme and with effect from the Appointed Date, under the provisions of Sections 230 to 232 of the Act, without any further act or deed or instrument or conveyance for the same shall deemed to be transferred to the Resulting Company and shall become the assets and properties of the Resulting Company. The order of the NCLT shall for all purposes be treated as the instrument conveying such properties and assets to Resulting Company. It is however clarified that the same shall be subject to payment of applicable stamp duty on this composite Scheme
- 4.3 In respect of assets such as intangible assets, actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities, bodies and customers, 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 NCLT or such other competent authority having sanctioned this Scheme under Section 232 of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Demerged 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 Resulting Company.
- 4.4 All immovable properties, if any, (including land, building and any other immovable property) of Demerged Undertaking of the Demerged Company whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall automatically stand vested in the Resulting Company without the requirement of execution of any further documents for registering the name of the Resulting Company as the owner thereof and the regulatory authorities, including Sub-registrar of Assurances, Talati, Tehsildar, Municipality, etc. may rely on the Scheme



along with the order passed by NCLT, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Resulting Company as the owner of the immovable properties. With effect from the Appointed Date, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfill all obligations, in relation to or applicable to such immovable properties. The Demerged Company shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Resulting Company.

- 4.5 If any asset relating to Demerged Undertaking (including but not limited to any estate, rights, title, interest in or authorities relating to such asset) which the Demerged Company owns, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall, (i) hold such asset in trust for the sole benefit of the Resulting Company till the same is transferred and shall hold and deal with the same in accordance with the reasonable instructions as may be given by the Resulting Company in that regard; and (ii) make reasonable efforts to transfer such asset to the Resulting Company (along with any benefits attached thereto) within the earliest possible period pursuant to the Scheme becoming effective.
- 4.6 All patents, patent rights applications, trademarks, trade names, knowhow, content, software, manuals, copyrights and other industrial properties and rights of any nature whatsoever and licenses assignments, grants in respect thereof, privileges, liberties, easements, contract advantages, benefits, goodwill, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile and other communication facilities, connections, equipment and installations, utilities, electricity and electronic devices and all other services of every kind, nature and descriptions whatsoever, reserves, provisions, funds, benefit of all agreements, arrangements including but not limited to indemnities / guarantees given by the Demerged Company in relation to the Demerged Undertaking, deposits, advances, recoverable and receivables whether from government, semi-government, local authorities or any other customs etc., benefits of any agreement to sell of immovable properties sold or purchased by the Demerged Company in relation to the Demerged Undertaking, and all other rights, interests, claims and powers of every kind, nature and description of and arising to them, cash and bank balances, all earnest monies and/ or deposits including security deposits paid by them, the entire business and benefits and advantages of whatsoever nature and where-so-ever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Company and relating to the Demerged Undertaking, stand transferred to and vested in and/ or be deemed to be and stand transferred to and vested in the Resulting Company pursuant to the provisions of Section 232 of the Act so as to become as and from the Appointed Date, the estate, assets, right, title and interests of the Resulting Company.
- 4.7 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any statutory licenses, permissions or approvals or consents held by the Demerged Company required to carry on operations of the Demerged Undertaking

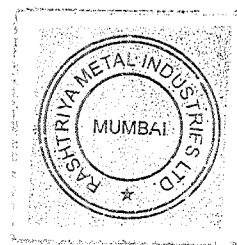


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shall stand transferred to and vested in the Resulting Company by virtue of order of NCLT sanctioning the Scheme, and without any further act or deed shall be appropriately mutated by the statutory authorities concerned therewith in favor of the Resulting Company. The benefit of all statutory and regulatory permissions, approvals and consents, registration or other licenses, and consents shall vest in and become available to the Resulting Company pursuant to the Scheme.

- 4.8 Upon coming into the effect of this Scheme and with effect from the Appointed Date, all income, expenses, debts, liabilities, including, without limitation, all secured and unsecured debts, sundry creditors, contingent liabilities, duties, obligations and undertakings of the Demerged Company, in relation to the Demerged Undertaking, of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized for its business activities and operations, shall, pursuant to the sanction of this Scheme by the NCLT, as the case may be, and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing being made, done or executed, be transferred to, and vested in, or be deemed to have been transferred to and vested in the Resulting Company and shall be assumed by Resulting Company to the extent they are outstanding as on the Effective Date so as to become, as on and from the Appointed Date, the income, expenses, liabilities, debts, duties and obligations of the Resulting Company on the same terms and conditions as were applicable to the Demerged Company, and the Resulting Company shall meet, discharge and satisfy the liabilities and 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 liabilities have arisen in order to give effect to the provisions of this clause.
- 4.9 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the debts, advances, liabilities and obligations pertaining to the Demerged Undertaking the Demerged Company shall, under the provisions of Sections 230 to 232 of the Act, without any further act or deed shall stand transferred to or be deemed to be transferred to the Resulting Company and shall become the debts, liabilities and obligations of the Resulting Company which it undertakes to meet, discharge and satisfy and 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, advances, liabilities and obligations have arisen in order to give effect to the provisions of this clause.
- 4.10 In so far as the assets comprised in the Demerged Undertaking of the Demerged Company are concerned, the security, existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof or charge over such assets relating to any loans or borrowings not relating to Demerged Undertaking shall, without any further act or deed, be released and discharged from the same and shall no longer be available as security in relation to the liabilities, which are not related to Demerged Undertaking of the Demerged Company. The Demerged Company may apply to the authorities for release of such assets and for modification of charges and encumbrances created on such assets, if required.



4.11 All taxes (including income tax, sales tax, excise duty, service tax, VAT, CGST, IGST, SGST, GST Compensation Cess, etc.) paid or payable by the Demerged Company in respect of the operations and/or the profits of the Demerged Undertaking before the Appointed Date, shall be on account of the Demerged Company and, insofar as it relates to the tax payment (including without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, CGST, IGST, SGST, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company in respect of the profits from activities of the Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company, and shall, in all proceedings, be dealt with accordingly.

4.12 Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between or amongst the Demerged Company and the Resulting Company, in so far as it relates to the Demerged Undertaking, shall be considered as intra-party transactions for all purposes.

5. CONSIDERATION

Upon this Part of the Scheme becoming effective and in consideration of the Demerger and vesting of the Demerged Undertaking into the Resulting Company in accordance with this Part of the Scheme, the Transferee Company, wherein the Resulting Company will be amalgamated, shall issue and allot to every member of the Demerged Company holding fully paid up Equity Shares in the Demerged Company and whose names appear in the register of the members on the Record Date or to such of their heirs, executors, administrators or the successor-in-title as per clause 15.1 of this Scheme.

6. ACCOUNTING TREATMENT

6.1. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

Upon Part II of this Scheme coming into effect on the Effective Date, and with effect from the Appointed Date, the Demerged Company shall account for the Demerger and vesting of the Demerged Undertaking with the Resulting Company in its books of accounts in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and other generally accepted accounting principles in India as under:

- i. the Demerged Company shall reduce the book values of assets and liabilities of the Demerged Undertaking as at the close of business on the day immediately preceding the Appointed Date in its books of accounts; and
- ii. Upon Part II of this Scheme coming into effect on the Effective Date, the Demerged Company shall make an adjustment equal to the book values of the Demerged Undertaking as per Clause (i) above, first in the Special Reserve to the extent available, thereafter in the General Reserve to the extent available and thereafter in the Retained Earnings.



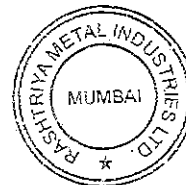
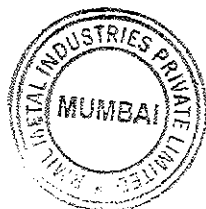
6.2. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY

On effectiveness of the Scheme and with effect from the Appointed Date, since the transaction involves entities which are under common control before and after the transaction, the Resulting Company shall account for the transfer and vesting of the Demerged Undertaking as per the 'Pooling of interests' in its books of account in accordance with Appendix C 'Business combinations of entities under common control' of the Indian Accounting Standards (Ind AS) 103 for Business Combination prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standards) Rules, 2015 and other applicable accounting standards prescribed under the Act.

7. EMPLOYEES

- 7.1. On the Scheme becoming effective, all staff and employees of the Demerged Company, in relation to Demerged Undertaking, as on the Effective Date shall be deemed to have become staff and employees of the Resulting Company without any break or interruption in their services, on same terms and conditions of their employment with the Demerged Company. The Resulting Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past service with the Demerged Company, as the case may be, shall also be taken into account.
- 7.2. It is expressly provided that, on the Scheme becoming effective, 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, in relation to Demerged Undertaking, or all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company in relation to such Fund or Funds shall become those of the Resulting Company. It is clarified that the Resulting Company shall carry out such steps as may be necessary to register the employees of the Demerged Company, in relation to Demerged Undertaking, with its existing exempt Gratuity trust and exempt Provident Fund trust or Employee's Provident Fund Organization or any other government provident fund, as per the provisions of applicable regulations and the same shall be binding on all employees. It is clarified that the services of the staff and employees of the Demerged Company, in relation to Demerged Undertaking, will be treated as having been continuous for the purpose of the said Fund or Funds.

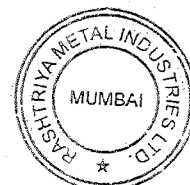
8. LEGAL PROCEEDINGS



- 8.1. All legal proceedings of whatsoever nature, whether pending or threatened, by or against the Demerged Company at the Appointed Date and or arising after the Appointed Date till the Effective Date, relating to the Demerged Undertaking of the Demerged Company, as and from the Effective Date, shall be continued and enforced by or against the Resulting Company in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.
- 8.2. After the Appointed Date till the Effective Date, if any proceedings are taken against the Demerged Company in respect of the matters referred to in Clause 8.1 above, it shall defend the same at the cost of the Resulting Company and the Resulting Company shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- 8.3. After the Effective Date, if any proceedings are taken or continued against the Demerged Company in respect of Demerged Undertaking carried on by the Resulting Company, the Resulting Company shall defend the same at its own cost; and, in respect of Demerged Undertaking carried on by the Resulting Company after the Effective Date, the Resulting Company shall reimburse and indemnify the Demerged Company against all liabilities, costs and obligations incurred by the Demerged Company, if any, in respect thereof.
- 8.4. The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in Clause 8.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company as the case may be, to the exclusion of the Demerged Company, after the Effective Date. In the event that the Demerged Company is required to be joined as a necessary party in any such proceedings, the Demerged Company shall be added as a necessary party to enable the Resulting Company to prosecute/defend such proceedings and the Resulting Company shall reimburse and indemnify the Demerged Company against all costs, liabilities and obligations incurred by the Demerged Company, if any, in respect thereof.

9. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 9.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature relating to Demerged Undertaking and to which the Demerged Company are a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favor of, as the case may be, 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 beneficiary or obligee thereto or there under.
- 9.2. Without prejudice to the transfer and vesting of Demerged Undertaking to and in the Resulting Company, the Resulting Company may, at any time after this Scheme becomes effective, if so required or becomes necessary, enter into and/or issue

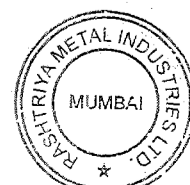


and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation's with or in favor of any party to any agreements, contracts, arrangements, understandings, bonds, engagements, deeds and instruments relating to Demerged Undertaking. The Resulting Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.

- 9.3. For the avoidance of doubt, it is clarified that upon the coming into effect of this Scheme, all permits, authorizations, licences, consents, registrations, approvals, municipal permissions, insurance policies, connections for water, electricity and drainage, sanctions, obligations/benefits arising out of bank guarantees given with respect to any appeals with the relevant authorities, privileges, easements and advantages, facilities, rights, powers and interests (whether vested or contingent), relating to Demerged Undertaking shall stand transferred to and vested in or shall be deemed to be transferred to and vested in the Resulting Company as if the same were originally given or issued to or executed in favor of the Resulting Company, and the rights and benefits under the same shall be available to the Resulting Company.
- 9.4. It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to Demerged Undertaking, which the Demerged Company owns or to which the Demerged Company is a party and which cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such asset or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, in so far as it is permissible so to do till such time as the transfer is affected.
- 9.5. In pursuance of the Scheme, the Demerged Company and the Resulting Company shall agree to execute suitable agreements, deeds, affidavits, consent letters, power of attorney, applications and other documents and enter into such arrangements as may be required for giving effect to this Scheme.

10. TAX CREDIT

- 10.1. The benefit of any tax credits whether central, state or local, availed by the Demerged Company, in relation to Demerged Undertaking, and the obligations, if any, for payment of the tax on any assets of the Demerged Company on their erection and/or installation, etc., shall be deemed to have been availed by the Resulting Company or as the case may be, deemed to be the obligations of the Resulting Company.
- 10.2. With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable / receivable by the Demerged Company, in relation to Demerged Undertaking, including all or any refunds / credit / MAT credit / GST



input credit and any claims relating thereto shall be treated as asset / liability or refunds / credit / claims, as the case may be, of the Resulting Company.

- 10.3. The Resulting Company and the Demerged Company are expressly permitted to revise their tax returns including tax deducted at source certificates/returns and to claim refunds, advance tax credits, excise and service tax credits, unutilized input tax credit of CGST, IGST, SGST, GST Compensation Cess, set off, etc. on the basis of the accounts of the Demerged Company, in relation to Demerged Undertaking, as vested with the Resulting Company upon coming into effect of this scheme and its right to make such revisions in the related tax returns and related certificates, as applicable, and the rights to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

11. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

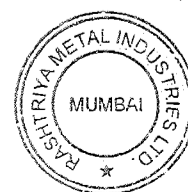
11.1. With effect from the Appointed Date and up to and including the Effective Date, the Demerged Company shall carry on the business of Demerged Undertaking with reasonable diligence in the ordinary course of business. The Demerged Company shall not, without the prior written consent of the Board of Directors of the Resulting Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with, or dispose-off, any of the assets of Demerged Undertaking or any part thereof.

11.2. With effect from the Appointed Date and up to and including the Effective Date:

11.2.1 The Demerged Company, in relation to Demerged Undertaking, shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Resulting Company;

11.2.2 All profits and income accruing or arising to the Demerged Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), in relation to Demerged Undertaking, for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, the Resulting Company;

11.2.3 Any rights, powers, authorities or privileges exercised by the Demerged Company, in relation to Demerged Undertaking, shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for and as an agent of the Resulting Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Demerged Company, in relation to Demerged



Undertaking, shall be deemed to have been undertaken for and on behalf of and as an agent for the Resulting Company;

11.2.4 All taxes (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, IGST, SGST, GST Compensation Cess, etc.) paid or payable by the Demerged Company in respect of the operations and/or the profits of Demerged Undertaking before the Appointed Date, shall be on account of the Demerged Company and, insofar as it relates to the tax payment (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, IGST, SGST, GST Compensation Cess, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operation of Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company and, shall, in all proceedings, be dealt with accordingly; and

11.2.5 The Demerged Company shall not vary the terms and conditions of service of the employees or conclude settlements with unions or employees of Demerged Undertaking, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of the Resulting Company.

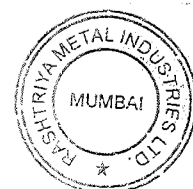
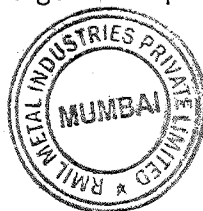
11.3. The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Resulting Company may be required to carry on the business of Demerged Undertaking.

12. REMAINING BUSINESS OF THE DEMERGED COMPANY

12.1. The Remaining Business of the Demerged Company and all the assets, liabilities and obligations other than Demerged Undertaking shall continue to belong to and be vested in and be managed by the Demerged Company.

12.2. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) 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 in each case relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company after the Effective Date.

12.3. If proceedings are taken against the Resulting Company in respect of the matters referred to in Clause 12.2 above, the Resulting Company shall defend the same in accordance with the advice of the Demerged Company and at the cost and risk of the Demerged Company, and the Demerged Company shall reimburse and



indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof. In respect of such defense, the Demerged Company shall extend full and timely cooperation, including providing requisite information, personnel and the like, so as to enable the Resulting Company to defend the same.

12.4. With effect from the Appointed Date and upto and including the Effective Date:

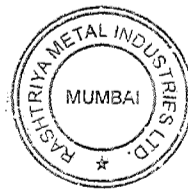
12.4.1. The Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business of the Demerged Company for and on its own behalf;

12.4.2. All profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company; and

12.4.3. All assets and properties acquired by the Demerged Company in relation to the Remaining Business of the Demerged Company on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company.

13. SAVINGS OF CONCLUDED TRANSACTIONS

13.1. The transfer of properties and liabilities under Clause 4 above and the continuance of the proceedings by or against the Resulting Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Demerged Company 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 the Resulting Company.



PART III

AMALGAMATION OF THE TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY

14. TRANSFER AND VESTING OF BUSINESS AND UNDERTAKING

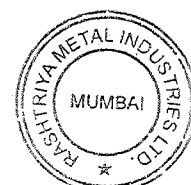
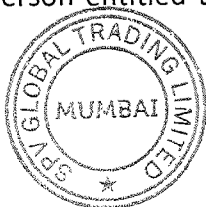
14.1. With effect from the Appointed Date and upon the Scheme becoming effective, Transferor Company shall stand merged with and be vested in the Transferee Company and the entire business and whole of the Undertaking of Transferor Company shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the order of the Court or other Appropriate Authority, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company, as a going concern, so as to become the properties and liabilities of the Transferee Company within the meaning of section 2(1B) of the Income Tax Act, 1961.

14.2. Without prejudice to the generality of the above said Clause:

14.2.1 The assets and properties of the Transferor Company upon the coming into effect of this Scheme and with effect from the Appointed Date, under the provisions of Sections 230 to 232 of the Act, without any further act or deed or instrument or conveyance for the same shall deemed to be transferred to the Transferee Company and shall become the assets and properties of the Transferee Company. The order of the NCLT shall for all purposes be treated as the instrument conveying such properties and assets to the Transferee Company. It is however clarified that the same shall be subject to payment of applicable stamp duty on the order of the NCLT.

14.2.2 With respect to such assets and properties of Transferor Company as on the Effective Date, as are movable in nature or are incorporeal property or otherwise capable of transfer by physical delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to the Transferee Company and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date.

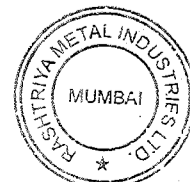
14.2.3 In respect of assets such as intangible assets, actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities, bodies and customers, the Transferor company shall if so required by the Transferee company, issue notices in such form as the Transferee company may deem fit and proper stating that pursuant to the NCLT or such other competent authority having sanctioned this Scheme under Section 232 of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferor company, as the person entitled thereto, to the end and intent that the right of the



Transferor company to recover or realize the same stands transferred to the Transferee company.

14.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, all immovable properties, if any, (including land, building and any other immovable property) of the Transferor company whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall automatically stand vested in the Transferee company without the requirement of execution of any further documents for registering the name of the Transferee company as the owner thereof and the regulatory authorities, including Sub-registrar of Assurances, Talati, Tehsildar, Municipality, etc. may rely on the Scheme along with the order passed by NCLT, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee company as the owner of the immovable properties. With effect from the Appointed Date, the Transferee company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable properties. The Transferor company shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee company.

14.2.5 All patents, patent rights applications, trademarks, trade names, knowhow, content, software, manuals, copyrights and other industrial properties and rights of any nature whatsoever and licenses assignments, grants in respect thereof, privileges, liberties, easements, contract advantages, benefits, goodwill, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile and other communication facilities, connections, equipment and installations, utilities, electricity and electronic devices and all other services of every kind, nature and descriptions whatsoever, reserves, provisions, funds, benefit of all agreements, arrangements including but not limited to indemnities/ guarantees given by the Transferor company in relation to the Demerged Undertaking, deposits, advances, recoverable and receivables whether from government, semi-government, local authorities or any other customs etc., benefits of any agreement to sell of immovable properties sold or purchased by the Transferor company in relation to the Demerged Undertaking, and all other rights, interests, claims and powers of every kind, nature and description of and arising to them, cash and bank balances, all earnest monies and/ or deposits including security deposits paid by them, the entire business and benefits and advantages of whatsoever nature and where-so-ever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor company and relating to the Demerged Undertaking, stand transferred to and vested in and/ or be deemed to be and stand transferred to and vested in the Transferee company pursuant to the provisions of Section 232 of the Act so as to become as and from the Appointed Date, the estate, assets, right, title and interests of the Transferee company.

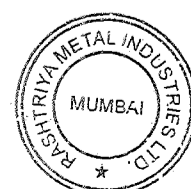


14.2.6 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any statutory licenses, permissions or approvals or consents held by the Transferor Company required to carry on operations shall stand transferred to and vested in the Transferee Company by virtue of order of NCLT sanctioning the Scheme, and without any further act or deed shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, approvals and consents, registration or other licenses, and consents shall become available to the Transferee Company pursuant to the Scheme.

14.3. With effect from the Appointed Date and upon the Scheme becoming effective, in relation to the assets, if any, belonging to the Transferor Company, which require separate documents of transfer, the Transferor Company and the Transferee Company will execute the necessary deeds, documents, and such other instruments, if any, as may be mutually agreed.

14.4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all income, expenses, debts, liabilities, including, without limitation, all secured and unsecured debts, sundry creditors, contingent liabilities, duties, obligations of the Transferor company, of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized for its business activities and operations, shall, pursuant to the sanction of this Scheme by the NCLT, as the case may be, and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing being made, done or executed, be transferred to, and vested in, or be deemed to have been transferred to and vested in the Transferee company and shall be assumed by the Transferee company to the extent they are outstanding as on the Effective Date so as to become, as on and from the Appointed Date, the income, expenses, liabilities, debts, duties and obligations of the Transferee company on the same terms and conditions as were applicable to the Transferor company, and the Transferee company shall meet, discharge and satisfy the liabilities and 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 liabilities have arisen in order to give effect to the provisions of this clause.

14.5. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the debts, advances, liabilities and obligations pertaining to the Transferor company shall, under the provisions of Sections 230 to 232 of the Act, without any further act or deed shall stand transferred to or be deemed to be transferred to the Transferee company and shall become the debts, liabilities and obligations of the Transferee company which it undertakes to meet, discharge and satisfy and 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, advances, liabilities and obligations have arisen in order to give effect to the provisions of this clause.



14.6. All taxes (including but not limited to income tax, CGST, IGST, SGST, GST Compensation Cess, advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, interest, penalty etc.) payable by or refundable to Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/ claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, including carried forward losses such as business losses, capital losses, unabsorbed depreciation etc., as would have been available to Transferor Company, shall pursuant to the Scheme becoming effective, be available to the Transferee Company. All and any credits or entitlements to set off taxes and duties such as CENVAT, VAT, GST by whatever name called to the extent available to Transferor Company shall also be transferred to and vest in the Transferee Company as if it were of the Transferee Company.

14.7. Loans, advances and other obligations (including any guarantee, letter of credit, letter of comfort or any other instrument or arrangements which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between Transferor Company and the Transferee Company, shall stand discharged with effect from Appointed Date and there shall be no liability in that behalf on either party.

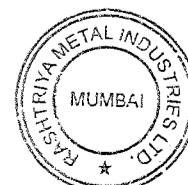
15. CONSIDERATION

15.1. Upon the Scheme becoming effective and in consideration for this Scheme containing demerger of Demerged Undertaking into Resulting Company and without any further act, application or deed, immediate amalgamation of the Transferor Company into the Transferee Company, the Transferee Company shall, without any further application or deed, issue and allot shares, credited as fully paid up, to the extent indicated below, to the Equity Shareholders of the Demerged Company (since the Resulting Company / Transferor Company would immediately be dissolved without being wound up and be amalgamated as on the effective date), whose name appears in the Register of Members/Shareholders of Demerged Company as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as the case may be,

For every 2 (Two) Equity Shares of the Demerged Company held by an Eligible Member of the Demerged Company, at the election of such Eligible Member by way of delivering the Election Notice in accordance with Clause 16.2 and subject to the Share Exchange, either:

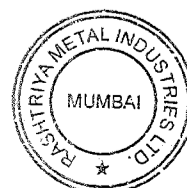
- **19 (Nineteen)** fully paid-up Equity Share of the Transferee Company of Rs. 10/- (Rupees Ten) each at a face value of Rs. 10/- (Rupees Ten) each;

or



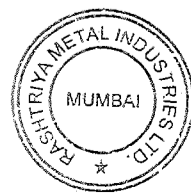
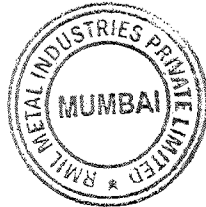
- **104 (One Hundred and Four)** fully paid-up 10% Optionally-Convertible Non-Participatory Preference Share of the Transferee Company at Rs. 100/- (Rupees One Hundred only) each, which shall have a face value of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 90/- (Rupees Ninety only) per share.

- 15.2. In addition to issue of shares to the shareholders of the Demerged Company pursuant to Clause 15.1 above, upon the Scheme becoming effective and in consideration for this Scheme, without any further act, application or deed, the Transferee Company shall, without any further application or deed, issue and allot **1 (One)** Equity Share of the Transferee Company of Rs.10/- (Rupees Ten) each for every **77 (Seventy Seven)** Equity Shares of the Transferor Company of Rs.10/- (Rupees Ten) each fully paid up, credited as fully paid up, whose name appears in the Register of Members/Shareholders of the Transferor Company as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as the case may be.
- 15.3. Notwithstanding anything contained in clause 15.1 above, in view of the provisions of the Applicable Laws, the Transferee Company, subject to the receipt of approval of the Appropriate Authority including the Reserve Bank of India ("RBI"), and fulfilment of such other conditions including declarations and undertakings as may be required and/or prescribed by the Appropriate Authority under Applicable Laws, shall issue and allot, to the members of the Demerged Company being non-residents in India and whose names appear in the register of members on the Record Date or to such of their heirs, executors, administrators or the successors-in-title, in consideration of the Demerger, **104 (One Hundred and Four)** Fully Paid-up 10% Optionally-Convertible Non-Participatory Preference Shares of the face value Rs. 10/- each at a premium of Rs. 90/- per share of the Transferee Company for every **2 (Two)** fully paid up Equity Share of Rs. 10/- each held in the Demerged Company.
- 15.4. If the requisite approval of the Appropriate Authority as mentioned in Clause 15.3 is not received, the members of the Demerged Company being non-resident shareholders / shareholders who are resident outside India and whose names appear in the register of members on the Record Date, in consideration of the Demerger shall, subject to receipt of approval of the Appropriate Authority including RBI, and fulfilment of such other conditions including declarations and undertakings as may be required and/or prescribed by the Appropriate Authority under Applicable Laws, receive cash, equivalent to the value of RMIL Preference Shares proposed to be issued under Clause 15.1.
- 15.5. If the requisite approval of the Appropriate Authority as mentioned in Clause 15.3 and Clause 15.4 is not received, the Board of Directors of the Transferee Company, subject to the approval of the Appropriate Authority, shall appoint a Category-1 Merchant Banker ('Merchant Banker') to act on behalf of and as an agent and a trustee of the members of the Demerged Company being non-resident shareholders / shareholders who are resident outside India and whose names appear in the register of members on the Record Date, in respect of the RMIL



Preference Shares to be allotted as stated in Clause 15.1, in the manner provided under:

- 15.5.1. The Transferee Company shall issue and allot RMIL Preference Shares to the Merchant Banker and the Merchant Banker shall, for and behalf of such members of the Demerged Company being non-resident shareholders / shareholders who are resident outside India, receive the aforesaid RMIL Preference Shares in an on-shore escrow account on such terms and conditions as may be acceptable to the Board of Directors of the Transferee Company;
- 15.5.2. Immediately upon the allotment of the RMIL Preference Shares to the Merchant Banker, the promoters of the Transferee Company and/ or their affiliates or any other person and/or entity identified by them shall, purchase the RMIL Preference Shares, from the Merchant Banker, for and on behalf of the non-resident shareholders / shareholders who are resident outside India, within 30 (thirty) days from the date of allotment of the RMIL Preference Shares, at the same issue price of Rs. 100/- per share as mentioned in Clause 15.1.
- 15.5.3. Upon receipt of the sale proceeds of the RMIL Preference Shares pursuant to Clause 15.5.2 above, the Merchant Banker shall distribute such proceeds (net of expenses) to the members of the Demerged Company being non-resident shareholders / shareholders who are resident outside India within 7 (seven) business days from the date of receipt of such proceeds, after deducting or withholding taxes or duties as may be applicable, in proportion to their entitlements.
- 15.6. Upon allotment of new shares pursuant to Clause 15.1 and Clause 15.2 above, the shares or the share certificates of the Transferor Company in relation to the shares held by its members shall, without any further application, act, instrument or deed be deemed to have automatically cancelled and be of no effect on and from the Effective Date.
- 15.7. If any shareholder of the Transferor Company becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of equity shares by the Transferee Company in accordance with Clause 15.1 and Clause 15.2 of this Scheme, the said such shareholder shall receive share of the Transferee Company rounded off to nearest integer (whole number).
- 15.8. The terms and conditions for issue of 10% Optionally-Convertible Non-Participatory Preference Shares have been specified in Annexure A.
- 15.9. Equity Shares and Preference Shares required to be issued by the Transferee Company pursuant to Clause 15.1 and Clause 15.2 of this Scheme shall be issued in dematerialized form to those members who are holding shares in the Demerged Company or the Transferor Company as on the Record Date, by the Transferee Company or committee constituted thereof. If the Transferee Company is unable to allot Equity Shares and Preference Shares to any shareholders in dematerialized

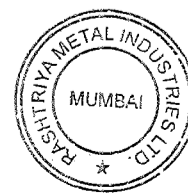
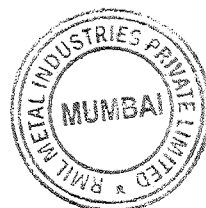


form due to any reason whatsoever (including non-receipt of relevant information / details from shareholders currently holding shares in physical form), the Transferee Company shall issue such shares in trust in a separate escrow/ suspense account to be maintained by the Transferee Company for the benefit of such shareholders. Such shares shall be dealt with in accordance with the Applicable Laws and as the Board of Directors of the Transferee Company deems fit.

- 15.10. In respect of fractional entitlement to a shareholder, shall be rounded off to the higher nearest integer i.e. whole number.
- 15.11. The Equity Shares and Preference Shares to be issued and allotted as above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari-passu in all respects with the existing Equity Shares and Preference Shares, if any, of the Transferee Company respectively.
- 15.12. The approval of this Scheme by the shareholders of the Companies under Sections 230 to 232 read with section 66 of the Companies Act, 2013 shall be deemed to have the approval under Sections 13, 14, 61 and other applicable provisions of the Companies Act, 2013 and any other consents and approvals required in this regard.
- 15.13. Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be the due compliance with the provisions of Section 62 and Section 42 of the Companies Act, 2013 and the other relevant and applicable provisions of the Act for the issue and allotment of shares pursuant to Clause 15.1 and Clause 15.2 by the Transferee Company as provided in this Scheme.
- 15.14. The Transferee Company shall and to the extent required, increase its Authorized Share Capital to facilitate the issue and allotment of shares pursuant to Clause 15.1 and Clause 15.2 as the case may be under this Scheme.

16. ELECTION PROCEDURE

- 16.1. The Demerged Company shall approach the BSE within a period of 7 (seven) business days from the Effective Date to ascertain the Record Date and the Eligible Members.
- 16.2. Within 7 (seven) business days from the Record Date, or such other date as may be required by BSE, the Demerged Company shall dispatch the format of a notice (the "Election Notice") to each Eligible Member via email, speed post or such other modes as prescribed by BSE; which shall allow such Eligible Member the following options, and contain or require the furnishing of such other information as may be necessary to give effect to such options:
- a) issuance and allotment of the Transferee Company's Equity Shares (as consideration pursuant to Clause 15.1); or
 - b) issuance and allotment of RMIL Preference Shares (as consideration pursuant to Clause 15.1).

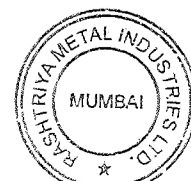


- 16.3. Each Eligible Member shall be required to submit the duly completed Election Notice to the Demerged Company on or prior to the expiry of 15 (fifteen) business days from the dispatch of the Election Notice, or such other date as may be required by BSE (the "Election Period").
- 16.4. If any Eligible Member has not submitted the duly completed Election Notice to the Demerged Company prior to the expiry of the Election Period or has not provided requisite details as may be required in relation to the option or where such Election Notice has not been received by the Demerged Company or its registrars or the ownership of the Demerged Company Equity Shares is in dispute, then the default option shall be the issuance and allotment of RMIL Preference Shares (as consideration pursuant to Clause 15.1) and such Eligible Member shall be deemed to have elected to avail of such default option.
- 16.5. Within 7 (seven) business days of the expiry of the Election Period, or such other date as may be required by BSE, the Resulting Company shall, subject to the authorized share capital having been increased to permit such issuance, issue and allot (the date of issuance and allotment, the "Allotment Date"):
- i. Equity Shares of the Transferee Company to the Eligible Members who have opted for Equity Shares of the Transferee Company pursuant to Clause 16.2(a); and
 - ii. RMIL Preference Shares to the Eligible Members who have opted for the RMIL Preference Shares pursuant to Clause 16.2(b).
- 16.6. Notwithstanding anything set out in this Clause 16 and subject to the approval of the Stock Exchanges, the Demerged Company may dispatch the Election Notice to the members of the Demerged Company and complete the processes set out in Clauses 16.5 prior to the Demerged Company Equity Shares commencing trading subsequent to the Record Date for the Demerger, in which event the timelines set out in this Clause 16 shall stand modified accordingly in consultation with the Stock Exchanges.

17. CANCELLATION OF SHARES OF THE TRANSFEREE COMPANY HELD BY THE DEMERGED COMPANY

- 17.1. Upon the Scheme becoming effective, 22,79,410 equity shares of Rs. 10/- each of the Transferee Company held by the Demerged Company, forming part of the Demerged Undertaking, shall without any application or deed, stand cancelled without any payments to the Demerged Company. This cancellation shall amount to reduction of the capital of the Transferee Company to this limited extent.

There will be an automatic reduction of capital of the Transferee Company pursuant to this Scheme which shall be given effect as an integral part of the Scheme and the consent given to the Scheme by the shareholders and the creditors of the Transferee Company shall be deemed to be their consent, as required under Section 66 of the Act to such reduction of capital of the Transferee Company and the Transferee Company shall not be required to convene any separate meeting for



the purpose. The order of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act. Notwithstanding the reduction of subscribed and paid-up equity share capital of the Transferee Company, the Transferee Company shall not be required to add "And Reduced" as a suffix to its name.

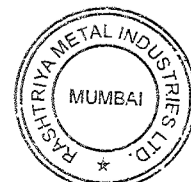
18. COMBINATION OF AUTHORIZED CAPITAL

- 18.1. The Authorized Share Capital of the Transferor Company as specified in clause 3.2 amounting to Rs. 100,000/- divided into 10,000 Equity shares of Rs. 10/- each shall stand transferred to and combined with the Authorized Share Capital of the Transferee Company without any further act or deed. The filing fees and stamp duty already paid by the Transferor Company on its Authorized Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorized Share Capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the Authorized Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the Authorized Share Capital of the Transferee Company under Section 61 of the Act and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the Authorized Share Capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and payment of fees payable to Registrar of Companies, by the Authorized Share Capital of the Transferor Company.
- 18.2. The Authorized Share Capital of the Transferee Company consisting of 2,00,000 (Two Lakhs) Preference shares of Rs. 100/- each be reclassified as 20,00,000 (Twenty Lakhs) Preference shares of Rs. 10/- each. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the Authorized Share Capital of the Transferee Company shall automatically stand modified without any further act, instrument or deed on the part of the Transferee Company.
- 18.3. Clause V of the Memorandum of Association of the Transferee Company relating to Authorized Share Capital shall respectively, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 13, 14, 61 and Section 232 of the Act and other applicable provisions of the Act, as the case may be.

Clause V of Memorandum of Association of the Transferee Company

"The Authorized Share capital of the company is Rs. 7,36,00,000/- (Rupees Seven Crores Thirty-Six Lakhs only) divided into 53,60,000 (Fifty Three Lakhs Sixty Thousand) Equity shares of Rs. 10/- each and 20,00,000 (Twenty Lakhs) Preference shares of Rs. 10/- each."

- 18.4. Upon the Scheme becoming effective, if any further increase in the Authorised Share Capital of the Transferee Company is required, the same shall be deemed to



be approved by the members of the Transferee Company under this Scheme without any further act, instrument or deed on the part of the Transferee Company.

- 18.5. However, the Amalgamating Company undertakes to comply with filings and relevant applicable provisions of the Act, pursuant to this Scheme becoming effective.

19. DISSOLUTION OF THE TRANSFEROR COMPANY

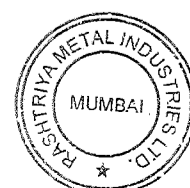
On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

Even after the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts relating to the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this scheme is formally effected by the parties concerned.

20. STAFF, WORKMEN AND EMPLOYEES

20.1. On the Scheme becoming effective, all staff, workmen and employees of Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date without any break, dis-continuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall be the same as their existing terms of employment in the Transferor Company on the Effective Date.

20.2. It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of Transferor Company shall be transferred to and shall get consolidated with the corresponding funds or account of the Transferee Company. The Transferee Company shall have the obligation to make contributions to the said Fund or account or Funds or accounts in accordance with the provisions thereof or as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of Transferor Company in relation to such Fund or account or Funds or accounts shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees of Transferor Company will be treated as having been continuous for the purpose of the said Fund or account or Funds or accounts. Until such time that the Transferee Company creates or arranges for its own funds or accounts, the Transferee Company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Transferor Company to



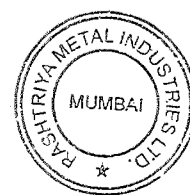
the relevant fund or accounts of Transferor Company. Such contributions and other balances pertaining to the employees of Transferor Company shall be transferred to the funds or accounts created by the Transferee Company on creation of relevant funds or arrangements or accounts by the Transferee Company.

21. LEGAL PROCEEDINGS

- 21.1. All legal proceedings of whatsoever nature by or against the Transferor Company, pending and/or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in the Scheme but shall be continued and enforced by or against the Transferee Company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- 21.2. The Transferee Company undertakes to have all legal and/or other proceedings initiated by or against the Transferor Company referred to in Clause above, transferred in its name and to have the same continued, prosecuted and enforced by or against the Transferee Company, to the exclusion of Transferor Company.

22. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

- 22.1. With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements (including Lease Agreement & Leave and License Agreement), schemes, arrangements, insurance policies, indemnities, guarantees and other instruments of whatsoever nature in relation to Transferor Company, or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect, on or against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- 22.2. The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party.
- 22.3. With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions, approvals, exemption schemes, or consents required to carry on operations in the Transferor Company, respectively, shall stand vested in or transferred to Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Transferee Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on



the operations of the Transferor Company shall vest in and become available to Transferee Company pursuant to the Scheme.

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

23. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 14 above and the continuance of proceedings by or against Transferee Company under Clause 21 above shall not affect any transaction or proceedings already concluded by Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that Transferee Company accepts and adopts all acts, deeds and things done and executed by Transferor Company in respect thereto as done and executed on behalf of itself.

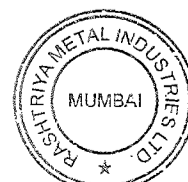
24. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- 24.1. The Transferor Company undertake to preserve and carry on the business with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:
- a. If the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
 - b. If the same is expressly permitted by this Scheme; or
 - c. If the prior written consent of the Board of Directors of the Transferee Company has been obtained.
- 24.2. The Transferor Company shall carry on and be deemed to have carried on all business activities and shall stand possessed of all the assets, rights, title and interest of Transferor Company for and on account of, and in trust for the Transferee Company.

As and from the Appointed Date and till the Effective Date:

- a. All assets and properties of the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of Transferor Company and all assets and properties relating thereto,



which are acquired by Transferor Company on or after the Appointed Date, in accordance with this Scheme, shall without any further act or deed be deemed to be the assets and properties of the Transferee Company.

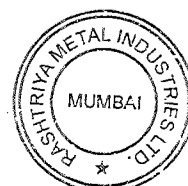
- b. All reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed Date, whether or not provided in the books of the Transferor Company, and all reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to the Transferor Company, on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of Transferee Company.

25. COMPLIANCE WITH SECTION 2(1B) OF THE INCOME-TAX ACT, 1961

The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into and with Transferee Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

26. TREATMENT OF TAXES

- 26.1. Any tax loss including unabsorbed depreciation or surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, tax deducted at source by the customers and MAT credit, CENVAT credit, GST Input Tax Credit as on the date immediately preceding the Appointed Date will also be transferred to Transferee Company. Any refund under the Income Tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of Transferor Company or due to Transferor Company, consequent to the assessment made in respect of Transferor Company, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Transferee Company.
- 26.2. The tax payments (including without limitation income tax, tax on distribution of dividends, service tax, excise duty, central sales tax, applicable state value added tax, GST etc.) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by Transferor Company after the Appointed Date, shall be deemed to be paid by Transferee Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either Transferor Company or Transferee Company on account of inter-company transactions between Transferee Company and Transferor Company post the

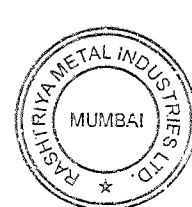


Appointed Date, shall be deemed to be advance tax paid by Transferee Company and shall, in all proceedings, be dealt with accordingly.

- 26.3. Upon the Scheme becoming effective, with effect from the Appointed Date, Transferor Company and Transferee Company are expressly permitted to prepare and/or revise, as the case may be, their Financial Statements and returns along with the prescribed forms, fillings and annexure under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws and other tax laws, GST if required, to give effects to provisions of the Scheme.
- 26.4. All tax assessment proceedings/appeals of whatsoever nature by or against Transferor Company pending and/or arising at the Appointed Date and relating to Transferor Company shall be continued and/or enforced until the Effective Date as desired by Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company. Further, the above-mentioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Transferor Company with Transferee Company or anything contained in the Scheme.
- 26.5. Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.

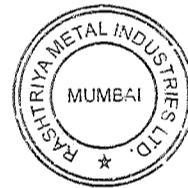
27. ACCOUNTING TREATMENT IN BOOKS OF THE TRANSFEEE COMPANY

- 27.1. Subsequent to Part II of this Scheme and upon Part III of this Scheme coming into effect on the Effective Date, and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company with and into the Transferee Company in its books of accounts in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and other generally accepted accounting principles in India as under:
- The Transferee Company shall record the Assets and Liabilities, of the Transferor Company vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Company;
 - The Transferee Company shall aggregate all the reserves (general reserves, free reserves, capital reserves, securities premium or reserves of any other nature), if any, vested in it pursuant to the amalgamation of the Transferor Company with and into the Transferee Company at their respective book values as specified in the books of accounts of the Transferor Company and shall treat such reserves in its books of accounts in the same manner as it treats its own reserves;
 - The Transferee Company shall issue and allot its shares to the shareholders of the Demerged Company and the Transferor Company in accordance with



Clause 15.1 and Clause 15.2 of Part III of this Scheme. With respect to the Shares issued by the Transferee Company, the share capital account of the Transferee Company would be credited with the aggregate face value of the shares issued by it;

- d. The loans and advances or payables or receivables or any other investment or arrangement of any kind, held inter se, if any, between the Transferor Company and the Transferee Company shall stand cancelled;
- e. The difference between the book value of Assets, Liabilities, reserves as reduced by the face value of the shares issued by the Transferee Company and after considering the cancellation of inter-company balances in accordance with Clause d above, shall be recorded within "Other Equity" of the Transferee Company; and
- f. In case of any difference in the accounting policies between the Transferor Company and the Transferee Company, the impact, if any of the same will be quantified and adjusted in the "Other Equity" of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.



PART IV

GENERAL TERMS AND CONDITIONS

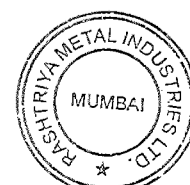
28. APPLICATION TO TRIBUNAL

28.1. The Demerged Company, the Resulting Company / Transferor Company and the Transferee Company with all reasonable dispatch, make necessary applications/petitions to the NCLT under Sections 230 to 232 of the Act and/or other applicable provisions of the Act to the NCLT or such other Appropriate Authority, where the registered offices of the Demerged Company, the Resulting Company / Transferor Company and the Transferee Company are situated, for seeking order for dispensing with or convening, holding and conducting of meeting of the respective classes of the shareholders and/or creditors of the Demerged Company, the Resulting Company / Transferor Company and the Transferee Company as may be directed by the NCLT or such other appropriate authority.

28.2. On the Scheme being agreed to by the requisite majorities of the classes of the shareholders and / or creditors of the Demerged Company, the Resulting Company / Transferor Company and the Transferee Company or such requirement being dispensed with as directed by NCLT or such other appropriate authority, Demerged Company, Resulting Company / Transferor Company and Transferee Company shall, with all reasonable dispatch, apply to the NCLT for sanctioning the Scheme under Sections 230 to 232 of the Act, and for such other order or orders, as the said NCLT or such other appropriate authority may deem fit for carrying this Scheme into effect.

29. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

29.1. The Demerged Company, the Transferee Company and the Transferor Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may make and/or consent to any modifications / amendments to the Scheme or to any conditions or limitations that the NCLT or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Demerged Company, the Transferee Company and the Transferor Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any clause of this Scheme, otherwise, Board of Directors of the Demerged Company, the Transferee Company and the Transferor Company will have complete power to take the most sensible interpretation so as to render the Scheme operational.



29.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of Directors of the Demerged Company, the Transferee Company and the Transferor 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 all parties, in the same manner as if the same were specifically incorporated in this Scheme.

30. CONDITIONALITY OF THE SCHEME

30.1. The Scheme is and shall be conditional upon and subject to:

30.1.1. Obtaining no-objection /observation letter from the stock exchanges, where the Equity shares of the Demerged Company are listed, in relation to the Scheme under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015;

30.1.2. Approval of the Scheme by requisite majority of each class of Shareholders and Creditors of the Demerged Company, the Resulting Company / Transferor Company and the Transferee Company and such classes of persons of the said Companies, if any, as applicable or as may be required under the Act and/or as may be directed by the Tribunal;

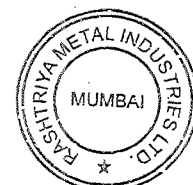
30.1.3. Compliance with the other provisions of the SEBI Circular, including seeking approval of the Shareholders of the Demerged Company through e-voting, as applicable. The Scheme shall be acted upon only if the votes cast by the public shareholders of the Demerged Company are more than the votes cast by the public shareholders against it as required by the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts Regulation Rules, 1957;

30.1.4. The Scheme being sanctioned by the NCLT under Sections 230 to 232 of the Act; and

30.1.5. Certified or authenticated copy of the final Order of the NCLT, sanctioning this Scheme under the provisions of Sections 230 to 232 of the Act, being filed with the Registrar of Companies, either by way of filing the required e-forms with Ministry of Corporate Affairs portal or otherwise.

30.2. It is hereby clarified that submission of the Scheme to the Tribunal and to the Appropriate Authorities for their respective approval is without prejudice to all rights, interests, titles or defenses that the Demerged Company, the Resulting Company/Transferor and the Transferee Company may have under or pursuant to all Applicable Laws.

30.3. On the approval of this Scheme by the Shareholders of the Demerged Company, the Resulting Company / Transferor Company and the Transferee Company and such other classes of Persons of the said Companies, if any, pursuant to Clause



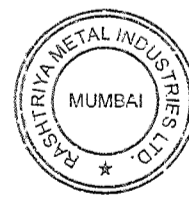
30.1.2, such Shareholders and classes of Persons shall also deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Demerger and capital reduction set out in this Scheme, related matters and this Scheme itself.

31. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the NCLT or such other competent authority and/or Order or Orders not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Demerged Company, the Resulting Company/Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person and save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights, liabilities or obligations which have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law and in such case, each party shall bear its own costs unless otherwise mutually agreed.

32. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses including stamp duty and registration fee of any deed, document, instrument and/or Order passed by the NCLT including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme, if any (save as expressly otherwise agreed) of the Demerged Company, the Resulting Company and the Transferee Company shall be borne in the manner as may be mutually agreed to between the Board of Directors or persons authorised by the Board of Directors of the Demerged Company, the Resulting Company / Transferor Company and the Transferee Company.



Annexure A

Terms of issue of 10% Optionally-Convertible Non-Participatory Preference Shares of Transferee Company:

(a) Face value, Issue price and other terms

RMIL Preference Shares issued shall have a face value of Rs. 10/- each and shall be issued at a premium of Rs. 90/- per share. Further, RMIL Preference Shares to be issued pursuant to the Scheme are not proposed to be listed on any Stock Exchange.

RMIL Preference Shares shall carry a preferential right via-a-vis Equity Shares of RMIL with respect to payment of dividend and repayment in case of winding up or repayment of capital.

Further, RMIL Preference Shares shall have a rank above the future preference shares for the following: payment of dividend, redemption and liquidation.

(b) Coupon

RMIL Preference Shares shall subject to the provisions of the Articles of Association of the Transferee Company and the Act confer the holders thereof a right to fixed preferential dividend of 10% per annum on issue price of Rs. 100/- each in priority to the equity shares. Dividend shall be cumulative and payable annually by the Transferee Company.

(c) Voting Rights

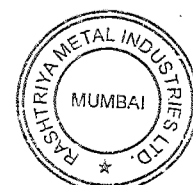
The holder of RMIL Preference Shares shall have the right to vote in general meeting of the Transferee Company in accordance with Section 47(2) of the Companies Act 2013.

(d) Participation in Surplus Fund

RMIL Preference Shares shall be non-participating in the surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company.

(e) Tenure/Maturity

The tenure of the RMIL Preference shares will be 2 years from the date of allotment. Upon completion of 2 years, the Preference Shareholders would have a right to opt for conversion of such Preference Shares into Equity shares or they have an option to get the said Preference Shares being redeemed. Hence, after the aforesaid period of 2 years, the existing RMIL Preference shares, if any, will be redeemed at the end of 2 years from the date of initial allotment of such shares at the option of such Preference Shareholder.



(f) Transferability

Subject to the terms of RMIL Preference Shares and Applicable Law, holders of RMIL Preference Shares shall be entitled to assign or transfer their rights and obligations in the RMIL Preference Shares allotted to them.

(g) Option

The Transferee Company shall have an option to provide an opportunity to the RMIL Preference Shareholders to either opt for redemption of such RMIL Preference Shares at Rs.100/- (Rupees One Hundred only) per share or to provide an opportunity to get the shares converted into Equity Shares of the Transferee Company at such price (equivalent to the Fair Value) as may be offered at the time of giving such option. However, once such RMIL Preference Shares are converted into Equity Shares, there is no obligation on the part of the Transferee Company to redeem them since they are no longer Preference Shares.

(h) Redemption

Under the option of redemption of Preference Shares, upon redemption, each RMIL Preference Shares shall be redeemable at issue price i.e. Rs. 100/- per share, redeemed in one or more tranches anytime on or before the expiry of 2 years from the date of allotment.

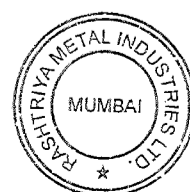
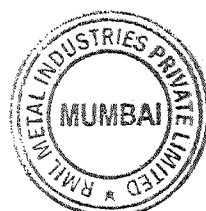
Provided that RMIL Preference shares held by the Minority Shareholders i.e. the Shareholders holding less than 10% of the Issued, Subscribed and Paid-up share capital of the Company shall be redeemed any time, at the discretion of the Transferee Company, on or before the expiry of 2 years from the date of allotment.

Provided further that non-promoter public shareholders shall be given first preference in redemption of RMIL Preference Shares.

Provided further that, in case RMIL Preference Shares are not redeemed by the Transferee Company within the aforesaid period of 2 years or within the offer period, as the case may be, Promoter of the Demerged Company shall purchase such shares from the non-promoter public shareholders at a value equivalent to the redemption price of Rs. 100/- per share and arrears of dividend accumulated over the tenure, if any.

(i) Conversion

Upon the option selected by the Preference Shareholder for conversion of Preference Shares into Equity Shares, the number of Equity shares to be allotted to the Preference Shareholders will be based on the then prevailing fair value of Equity Shares of RMIL. RMIL shall obtain the valuation report of the registered valuer at the end of 2 years when the option is made open to the Preference Shareholders by the Company.



(j) Winding-up

In the event of winding up of the Transferee Company, the holders of RMIL Preference Shares shall have a right to receive the issue price, i.e. Rs.100/- per share and arrears of dividend, whether declared or not, up to the commencement of winding up, in priority to any paid-up capital on the equity shares out of the surplus but shall not have any further rights to participate in the profits of the assets of the Transferee Company.

