

SCHEME OF AMALGAMATION

**(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND ANY
OTHER APPLICABLE PROVISIONS OF THE ACT)**

OF

UNIBEV LIMITED

INTO AND WITH

GLOBUS SPIRITS LIMITED



PART-I

1. INTRODUCTION AND DEFINITIONS

1.1 Introduction

1.1.1 GLOBUS SPIRITS LIMITED (“GSL”):

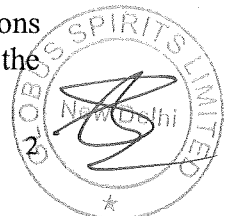
- (i) GSL (“**Transferee Company**”) is a public limited company within the meaning of the Act, having its Registered office at F-0, Ground Floor, The Mira Corporate Suites, Ishwar Nagar, Mathura Road, New Delhi – 110065, India. Shares of GSL are listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Transferee Company was incorporated on February 16, 1993, under the name of Globus Agronics Limited. Further, Transferee Company’s name was changed to its current name (i.e. Globus Spirits Limited) with effect from January 3, 2007. PAN of GSL is AAACG2634B and CIN is L74899DL1993PLC052177.
- (ii) The Transferee Company is primarily involved in manufacturing and marketing of Indian Made Indian Liquor (IMIL) and Country Liquor.

1.1.2 UNIBEV LIMITED (“UL”):

- (i) UL (“**Transferor Company**”) is a public limited company within the meaning of the Act, having its Registered office at F-0, Ground Floor, The Mira Corporate Suites, Ishwar Nagar, Mathura Road, New Delhi – 110065, India. The Transferor Company was incorporated on December 8, 2014, under the name of Uber Blenders & Distillers Limited. Further, Transferor Company’s name was changed to its current name (i.e. Unibev Limited) with effect from June 4, 2015. PAN of UL is AABCU7856J and CIN is U15122DL2014PLC273878.
- (ii) UL is primarily engaged in manufacturing and marketing of premium brand liquor.

1.2 Objects and Benefits of the Scheme:

- 1.2.1 The Transferor Company and the Transferee Company propose through this Scheme (as defined hereinafter) to merge / amalgamate the Transferor Company into and with the Transferee Company pursuant to and under the provisions of Sections 230 to 232 of the 2013 Act and the relevant provisions made thereunder and/or any other applicable provisions of the Act, in the manner provided for in the Scheme.



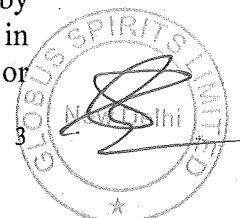
1.2.2 Amalgamation of the Transferor Company into and with the Transferee Companies shall result in:

- (a) Expansion of the business of Transferor company into IMFL trade as well. Post-merger, Globus shall operate in all the segments i.e. Country liquor, IMIL and IMFL;
- (b) Consolidation of the businesses presently being carried on by the Transferor Company and the Transferee Company, which would create greater synergies between the businesses of both companies and would enable them to have access to better financial resources, as well as increase the managerial efficiencies;
- (c) Combined entity would be able to effectively optimize the overall administration and statutory compliances.

1.3 **Definitions**

1.3.1 In this Scheme, unless repugnant to the subject, context or meaning thereof, the following initially and / or fully capitalised words and expressions shall have the meanings as set out hereinbelow:

- (i) “**Act**” means the Companies Act, 2013, as amended or substituted by any statutory modification / re-enactment thereof.
- (ii) “**Appointed Date**” means April 1, 2019 or such other date as may be determined by the Board of the Transferor Company and the Transferee Company or such other date as may be approved by the Hon’ble NCLT of New Delhi (New Delhi Bench) and ;
- (iii) “**Applicable Law(s)**” means any statute, notification, by-laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, directives, notices, orders or instructions enacted or issued or sanctioned by any appropriate authority, including any modification or re-enactment thereof for the time being in force;
- (iv) “**Board of Directors**” in relation to the Transferor Company and/or the Transferee Company, as the case may be, shall mean their respective board of directors, and unless it be repugnant to the context or otherwise, shall include any committee of directors or any person authorized by the board of directors or by such committee of directors;
- (v) “**BSE**” means BSE Limited;
- (vi) “**Effective Date**” means the last of the date on which the certified copy of the Order of the Hon’ble NCLT of New Delhi is filed with the Registrar of Companies, NCT of Delhi and Haryana at New Delhi, by the Transferor Company and Transferee Company. Any references in the Scheme to “**upon the Scheme becoming effective**” or



“**effectiveness of the Scheme**” shall mean and refer to the Effective Date;

- (vii) “**Government**” means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- (viii) “**NSE**” means National Stock Exchange of India Limited;
- (ix) “**RECORD DATE**” means the date to be fixed by the Board of Directors of the Transferor Company and/or the Transferee Company, with reference to which the eligibility of the shareholders of the Transferor Company, for allotment of shares in the Transferee Company pursuant to the Amalgamation in terms of this Scheme, shall be determined.
- (x) “**SEBI**” means the Securities and Exchange Board of India;
- (xi) “**Stock Exchanges**” means the NSE and BSE;
- (xii) “**Scheme**” shall mean this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc, attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions from the NCLT and the regulatory authorities as may be required under the Act and under all applicable laws;
- (xiii) “**Transferee Company**” shall mean GSL, as mentioned under Clause 1.1.1 above;
- (xiv) “**Transferor Company**” shall mean UL as mentioned in Clause 1.1.2 hereof, and shall include:
 - (a) any and all of its assets, movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
 - (b) any and all of its investments (including shares and other securities), loans and advances, including dividends declared or interest accrued thereon;
 - (c) any and all of its licences, including the licences granted by any governmental, statutory or regulatory bodies, permissions,



approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, applications for trade names, copyrights, patents and applications for patents, all indirect and direct tax credits including but not limited to Service Tax credit, CENVAT credit, Goods and Services Tax credit, VAT credit, Income-Tax carry forward losses/depreciation, Tax Deducted at Source ('TDS'), MAT credit entitlement etc., privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever;

- (d) any and all of its debts, borrowings and liabilities, present or future, whether secured or unsecured;
- (e) any and all of its employees, who are on its payrolls, including those employed at its offices and branches; and
- (f) any and all of the advance monies, earnest monies and / or security deposits, payment against warrants or other entitlements, as may be lying with them;

1.3.2 The expressions, which are used in the Scheme and not defined therein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961 and other applicable laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the NCLT in the Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal ("NCLT") or such other forum or authority, as may be vested with any of the powers of a relevant NCLT under Sections 230 to 232 of the 2013 Act and/or any other applicable provisions of the Act.



PART-II

2. CAPITAL STRUCTURE

2.1 Transferee Company

2.1.1. GSL

The capital structure of the Transferee Company, as of March 31, 2019, is as under:

| Particulars | Amount in Rupees |
|--|-------------------------|
| <u>Authorised:</u> | |
| 3,50,00,000 Equity Shares of Rs.10/- each | 35,00,00,000 |
| 51,00,000 Cumulative Convertible Preference Shares of Rs. 140/- each | 71,40,00,000 |
| Total | 1,06,40,00,000 |
| <u>Issued, Subscribed and Paid-up:</u> | |
| 2,87,99,268 Equity Shares of Rs.10/- each fully paid up | 28,79,92,680 |
| Nil Cumulative Convertible Preference Shares of Rs. 140/- each | 0 |
| Total | 28,79,92,680 |

Post March 31, 2019, GSL has not issued any fresh equity or preference shares and hence as on the date of this Scheme being approved by the Board, there is no change in the authorized, issued, subscribed and paid up share capital of GSL.

2.2 Transferor Company

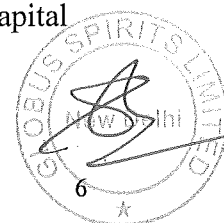
2.2.1 UL

The Capital structure of the Transferor Company, as of March 31, 2019, is as under:

| Particulars | Amount in Rupees |
|--|-------------------------|
| <u>Authorised:</u> | |
| 30,00,000 Equity Shares of Rs. 10/- each | 3,00,00,000 |
| Total | 3,00,00,000 |
| <u>Issued, Subscribed and Paid-up:</u> | |
| 14,06,565 Equity Shares of Rs. 10/- each fully paid up | 1,40,65,650 |
| Total | 1,40,65,650 |

Post March 31, 2019, UL increased its authroised capital to Rs. 7,50,00,000 (75,00,000 equity shares of Rs. 10 each) and issued 5,487,805 and 14,207 fresh equity shares at Rs. 10/- each fully paid to GSL and Mr. Vijay Rekhi respectively. Hence, as on the date of this Scheme being approved by the Board, UL's issued and paid up capital is Rs. 6,90,85,770.

It is further clarified that up to the date of scheme becoming effective, capital structure of the Transferor Company would remain unchanged.



PART-III

3. MERGER OF TRANSFEROR COMPANY WITH TRANSFeree COMPANY

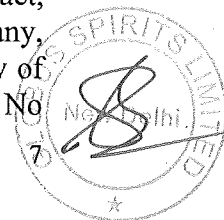
3.1 Transfer and vesting of Assets and Liabilities and entire business of Transferor Company:

Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the assets and liabilities and the entire business of the Transferor Company shall, pursuant to the provisions of Section 230 to 232 of the Act and other applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company, as a going concern so as to become the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

Further, this clause of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any term(s) or provision(s) of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will, however, not affect the other clauses of the Scheme.

3.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date and upon this Scheme becoming effective:

- (i) All assets of the Transferor Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual or constructive delivery and / or by endorsement and delivery or by vesting and recordal pursuant to the Scheme, shall stand vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual or constructive delivery or by endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) All other movable properties of the Transferor Company, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies corporate, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. No

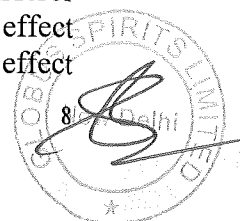


stamp duty is payable on the transfer of such movable properties, being vested in the Transferee Company.

- (iii) All immovable properties, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to and exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon the Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT in accordance with the terms hereof.
- (iv) Investment of Transferee Company in Transferor Company, if any, shall stand cancelled upon the Scheme becoming effective as Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective.
- (v) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to, meet, discharge and satisfy the same. It is hereby clarified that 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, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.

However, any loans, advances and other obligations due from the Transferee Company to the Transferor Company, or vice versa, and between the Transferor Company inter se shall stand cancelled and shall be of no effect.

- (vi) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licences, including the licences granted by any governmental, statutory or regulatory bodies, including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect



on, 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. In relation to the same any procedural requirements required to be fulfilled by the Transferor Company shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company.

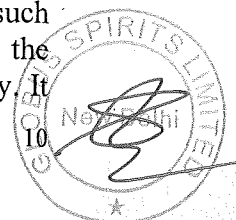
- (vii) Any pending suits/appeals or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, shall not abate, be discontinued or in any way prejudicially affected by reason of the Amalgamation of the Transferor Company or of anything contained in the Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if the Scheme had not been made.
- (viii) All permanent employees of the Transferor Company, who are on its payrolls shall become employees of the Transferee Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this Amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to the funds maintained by the Transferor Company, in accordance with the provisions of applicable laws and in terms of the Scheme. It is hereby clarified that upon the Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.
- (ix) Any and all registrations, goodwill, licences, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trade marks, patents, applications for patents (including listed in Annexure 1) appertaining to the Transferor Company shall stand transferred to and vested in the Transferee Company.
- (x) All taxes (including but not limited to advance tax, tax deducted at source, Minimum Alternate Tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, Goods and Services Tax, wealth tax, etc;) payable by or refundable to the 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, etc, as would have been available to the Transferor Company, shall pursuant to sanction of the Scheme, be available to the Transferee Company.

- (xi) All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences, including the licences granted by any governmental, statutory or regulatory bodies, and certificates of every kind and description whatsoever in relation the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect 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. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of the Scheme by the NCLT, and upon the Scheme becoming effective in accordance with the terms hereof. For this purpose the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- (xii) Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation, approvals under sections 180, 181, 185 and 186 or any other sections of the 2013 Act as and to the extent applicable and any other applicable provisions of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company, as the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.
- (xiii) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Transferor Company shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 230 to 232 of the 2013 Act and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.

3.3 Upon the Scheme becoming effective, the secured creditors of the Transferor Company, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Company (to whom such creditors had advanced the facilities), as existing immediately prior to the Amalgamation of such Transferor Company with the Transferee Company.



is hereby clarified that pursuant to the Amalgamation of the Transferor Company with the Transferee Company, the secured creditors of the Transferor Company shall not be entitled to any further security over the properties, assets, rights, benefits and interest of the Transferee Company and hence such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by the Transferee Company after the sanction of the Scheme. For this purpose, no further consent from the existing secured creditors shall be required and sanction of the Scheme shall be considered as a specific consent towards the same.

- 3.4 The Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions hereof, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 3.5 The Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences and certificates which were held or enjoyed by the Transferor Company. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3.6 Conduct of Businesses till Effective Date

- 3.6.1 With effect from the Appointed Date and upto and including the Effective Date:
- (i) The Transferor Company undertake to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Transferee Company;
 - (ii) all profits or income accruing or arising to the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, goods and services tax, value added tax, sales tax, service tax, etc) or losses arising or incurred by it shall,



for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company;

- (iii) The Transferor Company shall carry on its business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except—
 - (a) when the same is expressly provided in the Scheme; or
 - (b) when the same is in the ordinary course of business as carried on by Transferor Company, as on the date of filing of the Scheme in the NCLT; or
 - (c) when written consent of the Transferee Company has been obtained in this regard or the transaction is with the Transferee Company itself.
 - (iv) the Transferor Company shall not alter or substantially expand or diversify its businesses, except with the written concurrence of the Transferee Company; and
 - (v) all profits accruing to the Transferor Company and all taxes thereon or losses arising in or incurred by them with respect to its businesses shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Transferee Company.
- 3.6.2 (i) With effect from the Effective Date, the Transferee Company shall carry on and shall be authorized to carry on the businesses of the Transferor Company.
- (ii) For the purpose of giving effect to the Amalgamation order passed under Sections 230 to 232 of the 2013 Act and other applicable provisions of the Act in respect of the Scheme by the NCLT, the Transferee Company shall, at any time pursuant to the orders on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the Amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the 2013 Act and/or any other applicable provisions of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.
 - (iii) Upon the Scheme becoming effective the Transferee Company unconditionally and irrevocably agrees and undertakes to pay,



discharge and satisfy all liabilities and obligations of the Transferor Company with effect from the Appointed Date, in order to give effect to the foregoing provisions.

- 3.7 Upon the Scheme becoming effective, shareholders of the Transferor Company as on the Record Date shall be entitled for shares of Transferee Company as per Para 4.2.1 of the Scheme (in lieu of the shares allotted by Transferor Company upto the Effective Date) subject to Para 4.3.6 of the Scheme.
- 3.8 Upon the Scheme becoming effective, the Transferor Company shall stand dissolved, without any further act or deed, without being wound-up.



PART-IV

4. REORGANISATION OF CAPITAL, CONSIDERATION, ACCOUNTING TREATMENT

4.1 Changes in Share Capital

4.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the authorized share capital of the Transferor Company shall stand transferred to and be merged with the authorized share capital of the Transferee Company, without any liability for payment of any additional fees or stamp duty.

4.1.2 Upon the Scheme coming into effect and with effect from the Appointed Date, (and consequent to consolidation of the existing authorized share capital of the Transferor Company in accordance with Clause 4.1.1 above), the authorized share capital of the Transferee Company of Rs. 106,40,00,000 [Rupees One Hundred and Six Crores and Forty Lacs Only] (divided into 3,50,00,000 equity shares of Rs. 10 each and 51,00,000 Cumulative Convertible Preference Shares of Rs. 140 each), shall stand enhanced to an aggregate amount of Rs. 113,90,00,000 (Rs. One Hundred and Thirteen Crores and Ninety Lacs only) and the authorized share capital of the Transferee Company shall be reclassified as divided into 4,25,00,000 equity shares of Rs. 10 each aggregating to Rs. 42,50,00,000 and 51,00,000 preference shares of Rs. 140 each aggregating to Rs. 71,40,00,000. Accordingly, Clause V of the Memorandum of Association of the Transferee Company shall stand modified and reclassified as necessary and be substituted by the following:

"The Authorised share capital of the Company is Rs. 113,90,00,000 (Rupees One Hundred and Thirteen crores Ninety Lacs only) divided into 4,25,00,000 (Four Crore Twenty Five Lakh) equity shares of Rs. 10 each and 51,00,000 (Fifty One Lakh) preference shares of Rs. 140 (One Hundred and Forty) each."

4.1.3 It is hereby clarified that for the purposes of this Clause, the consent of the shareholders of the Transferor Company and the Transferee Company to the Scheme shall be deemed to be sufficient for purposes of effecting this amendment and that no further resolution under Sections 13, Section 61, Section 62 of the 2013 Act or any other applicable provisions of the Act, would be required to be separately passed, nor any additional registration fee, stamp duty, etc, shall be payable by the Transferee Company.

4.2 Issue of shares by Transferee Company

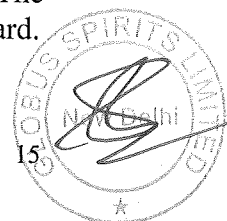
4.2.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of all the assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Share(s) to the Shareholders of the Transferor Company, whose names appear in the Register



of Members as on the Record Date, subject to inter-company investment cancellation as per Para 4.3.6 of the Scheme, in the following ratio:

“The Transferee Company will issue 245 Equity Share of Rs. 10/- each, credited as fully paid up, for every 1000 Equity Shares of Rs. 10/- each held in the Transferor Company”

- 4.2.2 Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to nearest whole number.
- 4.2.3 The Equity Shares to be issued in terms of Para 4.2.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. New Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company.
- 4.2.4 The issue and allotment of Equity Shares by the Transferee Company, as provided in this Scheme, is an integral part thereof. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval under sections 42 and 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Equity Shares in terms of this Scheme.
- 4.2.5 New Equity Shares to be issued by the Transferee Company in lieu of shares held in Transferor Company shall be issued in dematerialized form with the equity shares being credited to the existing depository account of the Equity Shareholders of the Transferor Company entitled thereto, unless otherwise notified in writing by the shareholders of the Transferor Company to the Transferee Company on or before the Record Date.
- 4.2.6 In terms of the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, new Equity Shares to be issued by the Transferee Company to the Shareholders of the Transferor Company, pursuant to this Scheme, shall be listed on all the Stock Exchanges on which the Equity Shares of the Transferee Company are listed as on the Effective Date. The Transferee Company will make necessary application(s) to the Stock Exchanges and other competent authorities, if any, for this purpose and will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in this regard.
- 4.2.7 Shares allotted pursuant to this Scheme may remain frozen in the Depositories system till listing/trading permission is given by the Stock Exchanges. The Transferee Company will comply with the applicable provisions in this regard.



4.2.8 BSE Ltd shall be the Designated Stock Exchange for the purposes of this Scheme.

4.3 Accounting Treatment

- 4.3.1 The Transferee Company, subject to the provisions of this Scheme, shall follow the method of accounting as prescribed for the "Pooling of Interest Method" under the Indian Accounting Standard 103 – 'Business Combination' notified under Section 133 of the 2013 Act read with relevant rules issued thereunder and other applicable accounting standards prescribed under the 2013 Act.
- 4.3.2 The Transferee Company shall, upon the Scheme becoming effective record the assets and liabilities of the Transferor Company at their respective carrying values and in the same form as appearing in its books of accounts on the Appointed Date.
- 4.3.3 The balance of the earnings in the books of Transferor Company as on the Appointed Date shall be aggregated with the corresponding balance of earnings of the Transferee Company. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination.
- 4.3.4 Face value of equity shares issued by Transferee Company to the shareholders of the Transferor Company shall be recorded equity share capital of the Transferee Company.
- 4.3.5 All inter-company balances between the Transferor Company and Transferee Company, if any on the Effective Date, shall stand cancelled.
- 4.3.6 Upon this Scheme becoming effective, all the inter-company investments between the Transferor Company and Transferee Company as on the Effective Date will stand cancelled without any further application, act, instrument or deed.
- 4.3.7 Difference between the consideration discharged by the Transferee Company pursuant to Clause 4.2.1 above and the carrying amount of net assets of Transferor Company transferred and recorded by Transferee Company as aforesaid after taking into consideration the cancellation of inter-company balances and inter-company investments as per Clause 4.3.5 and 4.3.6 above shall be transferred to Capital Reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes of the Transferee Company.

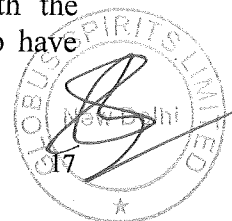


- 4.3.8 In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company will prevail and impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted and reported in accordance with applicable accounting rules and principles, so as to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policies.

PART-V

5. GENERAL TERMS AND CONDITIONS

- 5.1 Upon this scheme becoming effective, the accounts of the Transferee Company as on the Appointed Date shall be reconstructed in accordance with the terms of this scheme.
- 5.2 Upon the sanction of the Scheme and after the Scheme has become effective, with effect from the Appointed Date, the Amalgamation of the Transferor Company with the Transferee Company shall be deemed to have occurred in compliance with Section 2(1B) of the Income Tax Act, 1961, in accordance with the Scheme.
- 5.3 The Transferee Company shall be entitled to revise its income tax returns, TDS Certificates, TDS returns, and other statutory returns as may be required under respective statutes pertaining to indirect taxes, such as goods and services tax, sales-tax, VAT, excise duties, etc, and shall have the right to claim refunds, advance tax credits, credit of tax under section 115JB, credit of tax deducted at source, credit of foreign taxes paid/withheld etc, if any, as may be required consequent to implementation of the Scheme.
- 5.4 The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make respective applications to the NCLT, under Sections 230 to 232 of the 2013 Act and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective members and/or creditors and for sanctioning the Scheme with such modifications, as may be approved by the NCLT.
- 5.5 Upon the Scheme being approved by the requisite majority of the members and creditors of the Transferee Company and by the members and creditors (wherever required) of the Transferor Company, the Transferee Company and the Transferor Company shall, with all reasonable dispatch, file respective petitions before the NCLT for sanction of the Scheme under Sections 230 to 232 of the 2013 Act and other applicable provisions of the Act, and for such other order or orders, as the NCLT may deem fit for carrying the Scheme into effect. Upon the Scheme becoming effective, the members of both the Transferee Company and the Transferor Company shall be deemed to have



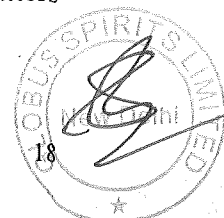
also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in the Scheme.

5.6 The Scheme is conditional upon and subject to the following:

- (a) the Scheme being approved by the requisite majorities of the various classes of members and creditors of the Transferee Company and Transferor Company as required under Applicable Laws and as may be directed by the NCLT or any other authority as may be prescribed or notified;
- (b) Approval and/or compliance of the regulations / conditions, if any, by SEBI, NSE and BSE (as applicable);
- (c) the sanction of the Scheme by NCLT;
- (d) such other sanctions and approvals including sanctions of any Governmental Authority or regulatory authority as may be required by law or contract in respect of the Scheme being obtained; and
- (e) the certified copies of the orders of the NCLT referred to in this Scheme being filed with the Registrar of Companies by the Transferee Company and the Transferor Company. The Scheme shall become effective on last of the dates on which Transferee Company and the Transferor Company file a certified copy of the order of the NCLT sanctioning the Scheme with the relevant Registrar of Companies. Such date shall be known as the "**Effective Date**".

Notwithstanding anything to the contrary contained elsewhere in this Scheme, in the event this Scheme is approved with respect to the merger of one or more Transferor Company(ies) into Transferee Company by the NCLT, but not in relation to the merger of one or more other Transferor Company(ies) into the Transferee Company, or vice versa, the Board of Directors of the Transferee Company shall be at liberty to make the Scheme partially effective to that extent.

5.7 The Transferee Company and the Transferor Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to the Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme. The Transferee Company and the Transferor Company (acting through its respective Boards of Directors) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to the Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of the Scheme and/or any matters concerning or connected therewith.



- 5.8 The Transferee Company and the Transferor Company shall be at liberty to withdraw from the Scheme in case any condition or alteration imposed by the NCLT or any other authority is not on terms acceptable to them or otherwise.
- 5.9 All costs, expenses, charges, fees, taxes, duties, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of the Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.
- 5.10 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company, and/or their respective shareholders and/or creditors, and the terms and conditions of the Scheme, the latter shall prevail.
- 5.11 If any part of the Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part. Requisite powers to decide could be given to the Board of the Transferee Company, or the Board of the Transferor Company.
- 5.12 The transfer of properties and liabilities to, and the continuance of proceedings by or against the Transferee Company, as envisaged in Part-III above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.
- 5.13 The Companies undertake to comply with all Applicable Laws (including all applicable compliances required by the SEBI and the Stock Exchanges) including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the Central Government, RBI (if required) or any other statutory or regulatory authority, which by law may be required for the implementation of this Scheme or which by law may be required in relation to any matters connected with this Scheme.

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