



August 29, 2025

To

Deputy Vice President/ Deputy Manager  
BSE Limited ("BSE")  
P.J. Towers  
Dalal Street  
Mumbai  
Maharashtra – 400 001

**Kind Attention: Ashok Kumar Singh, Deputy Vice President and Nilima Burghate, Deputy Manager**

**Sub: Compliance Status Report**

**Ref:** Composite Scheme of Arrangement amongst Triveni Engineering & Industries Limited ("Amalgamated Company" / "Demerged Company") and Sir Shadi Lal Enterprises Limited ("Amalgamating Company") and Triveni Power Transmission Limited ("Resulting Company") and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of Companies Act, 2013 and rules made thereunder ("Scheme").

Dear Sir/ Madam,

With reference to Observation Letter bearing reference no. DCS/AMAL/NB/R37/3734/2025-26 dated August 07, 2025, issued by BSE in relation to the aforesaid Scheme ("BSE Observation Letter"), enclosed herewith is the response of the company to compliance of each point as mentioned in the BSE Observation Letter.

For the purpose of this compliance status report, the Amalgamated Company and the Amalgamating Company are collectively referred to as "Entities".

Request you to take the above on record and oblige.

Yours sincerely,

Yours faithfully,

**For Sir Shadi Lal Enterprises Limited.**

**RAKESH KUMAR YADAV**

Company Secretary

M.No.A62974



S. No.	Particulars	Compliance Status (Yes/No/ Will be complied)	Remarks
1.	The Entities shall disclose[s] all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
2.	The Entities shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed company and the stock exchanges.	Yes/ Will be complied, when becomes due	The Entities have complied with this requirement till date and shall continue to comply with the aforesaid requirement in future as applicable.
3.	The Entities shall ensure compliance with the SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Master Circular and ensure that all the liabilities of Transferor Company are transferred to the Amalgamated Company.	Yes/ Will be complied, when becomes due	<p>The Entities have complied with the SEBI circulars (including the Master Circular) as applicable, till date.</p> <p>The Entities further undertake to ensure compliance of the requirements mentioned in the said observation, as applicable.</p> <p>The Entities also undertake to ensure that all the liabilities of the Amalgamating Company are transferred to the Amalgamated Company in accordance with the terms of the Scheme, as approved by the NCLT.</p>
4.	The entities are advised that information [the information] pertaining to all the Unlisted Companies, if any, involved in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
5.	The Entity shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.	Yes	Complied.
6.	The entities are advised that the details of the proposed scheme under consideration as provided by the Company to the Stock	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.



S. No.	Particulars	Compliance Status (Yes/No/ Will be complied)	Remarks
	Exchange shall be prominently disclosed in the notice sent to the Shareholders.		
7.	The Entities are advised that the proposed equity shares, if any, to be issued in terms of the "Scheme" shall mandatorily be in demat form only.	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
8.	The entities are advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
9.	No changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
10.	The entities are advised that the observations of SEBI/Stock exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
11.	The entities are advised to comply with all the applicable provisions of Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
12.	<p>The company is advised to ensure disclosure [hat] the following additional disclosure to the public shareholders as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013, to enable them to take an informed decision.</p> <p>i. Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme.</p> <p>ii. Impact of scheme on revenue generating capacity of Amalgamated Company.</p> <p>iii. Need and Rationale of the scheme, Synergies of business of the companies involved in the scheme, Impact of the</p>	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.



S. No.	Particulars	Compliance Status (Yes/No/ Will be complied)	Remarks
	<p>scheme on the shareholders and cost benefit analysis of the scheme.</p> <p>iv. Value of assets and liabilities of Amalgamating Company that are being transferred to Amalgamated Company.</p> <p>v. Details/ facts about the basis of valuation including projections considered for valuation of transferor and transferee companies along with justification for growth rate considered for valuation.</p> <p>vi. Details/ facts about the basis of valuation pertaining to the demerger of PTB undertaking of the Demerged Company into the Resulting Company along with the justification for the methodology adopted.</p> <p>vii. Latest financials of Amalgamating and Amalgamated companies should be updated on the Website and same also to be disclosed in the explanatory statement.</p> <p>viii. Revised shareholding pattern of Amalgamating and Amalgamated companies Pre and Post-Merger.</p> <p>ix. Pre and Post scheme shareholding of Amalgamating and Amalgamated companies as on the date of notice of Shareholders meeting along with rationale for changes, if any, occurred between filing of Draft Scheme to Notice to shareholders.</p> <p>x. Disclose all pending actions against the entities involved in the scheme its promoters/directors/KMPs and possible impact of the same on the Amalgamated Company to the shareholders.</p> <p>xi. The entities shall ensure that applicable additional information, if any to be submitted to SEBI along with draft scheme of arrangement as advised by email dated August 07, 2025 shall form part of disclosures to the shareholders.</p>		
13.	It is to be noted that the petitions are filed by the company before NCLT after processing and communication of	-	Noted.



S. No.	Particulars	Compliance Status (Yes/No/ Will be complied)	Remarks
	comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.		
14.	Accordingly, based on aforesaid comment offered by SEBI, the Company is hereby advised: <ul style="list-style-type: none"> <li>• To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.</li> <li>• To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.</li> <li>• To duly comply with various provisions of the circulars.</li> </ul>	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
15.	Where applicable in the explanatory statement of the notice to be sent by the Company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.	Will be complied, when becomes due	The Entities undertake to comply with the said requirement.
16.	The listing of equity shares of Triveni Power Transmission Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. Further, Triveni Power Transmission Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange. The Companies shall fulfill the Exchange's criteria for listing the securities of such Companies and also comply with other applicable statutory requirements. However, the listing of shares of Triveni Transmission Limited is at the discretion of the Exchange.	Will be complied, when becomes due	The said requirements shall be complied with.
17.	To submit the Information Memorandum containing all the information about [of] Triveni Power Transmission Limited in line	Will be complied, when becomes due	The said requirements shall be complied with.



S. No.	Particulars	Compliance Status (Yes/No/ Will be complied)	Remarks
	with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the Companies are also advised to make the same available to the public through its website.		
18.	To publish an advertisement in the newspapers containing all details of Triveni Power Transmission Limited in line with the details required as per the aforesaid SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.	Will be complied, when becomes due	The said requirements shall be complied with.
19.	To disclose all the material information about [of] Triveni Power Transmission Limited to BSE on continuous basis so as to make the same public, in addition to the requirements, if any, specified in Listing Agreement for disclosures about the subsidiaries.	Will be complied, when becomes due	The said requirements shall be complied with.
20.	The following provision shall be incorporated in the scheme: <ul style="list-style-type: none"> <li><i>"The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."</i></li> <li><i>"There shall be no change in the shareholding pattern of Triveni Power Transmission Limited between the record date and the listing which may affect the status of this approval."</i></li> </ul>	Yes	<p>(a) The provision as listed in the first observation here, has already been incorporated under Clause 3.11.8 and 4.12.5 of the Scheme. Hence, no modifications are required to be made to the Scheme in this respect.</p> <p>(b) The provision as listed in the second observation here, has already been incorporated under Clause 4.12.6 of the Scheme. Hence, no modifications are required to be made to the Scheme in this respect.</p> <p><b>Note:</b> It may be noted that pursuant to the Observation Letter bearing reference no. NSE/LIST/ 46129_I dated August 11, 2025, issued by National Stock Exchange of India Limited ("NSE") to the Amalgamated Company, edits have been made under Clause 4.12.6 of the Scheme. The updated clause reads as follows:</p>



S. No.	Particulars	Compliance Status (Yes/No/ Will be complied)	Remarks
			<p>“4.12.6 Further, there shall be no change in the shareholding pattern <u>or control</u> of the Resulting Company between the Record Date 2 and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.”</p> <p>The updated Scheme is attached herewith. We undertake that no other change has been made to the Scheme.</p>
21.	<p>You are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.</p>	<p>Will be complied, when becomes due</p>	<p>The said requirements shall be complied with.</p>
22.	<p>It may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act) read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be <b><u>is required to be served upon the Exchange seeking representations or objections if any.</u></b></p> <p>In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has <b><u>already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.</u></b></p> <p>Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, <b><u>would be accepted and processed through the Listing Centre only and no physical filings would be accepted.</u></b></p>	-	<p>As regards this observation, we note from para 13 of the comments given by SEBI as mentioned in the BSE Observation Letter, that since the petitions are filed before NCLT after processing and communication of comments/ observations on draft scheme by SEBI/stock exchange, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.</p>



**COMPOSITE SCHEME OF ARRANGEMENT  
AMONGST  
TRIVENI ENGINEERING & INDUSTRIES LIMITED  
AND  
SIR SHADI LAL ENTERPRISES LIMITED  
AND  
TRIVENI POWER TRANSMISSION LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS  
AND  
THEIR RESPECTIVE CREDITORS  
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE  
COMPANIES ACT, 2013 AND RULES MADE THEREUNDER**

For Triveni Engineering & Industries Ltd.

  
Group Vice President & Company Secretary

For Triveni Power Transmission Ltd.

  
Director

For Sir Shadi Lal Enterprises Ltd.

  
Authorised Signatory



## PART I

### INTRODUCTION, DEFINITIONS AND INTERPRETATION

#### 1. INTRODUCTION, DEFINITIONS AND INTERPRETATION

##### 1.1 Introduction

##### 1.1.1 TRIVENI ENGINEERING & INDUSTRIES LIMITED

- (i) Triveni Engineering & Industries Limited (hereinafter referred to as the "**Amalgamated Company**" or the "**Demerged Company**"), having CIN L15421UP1932PLC022174, was originally incorporated as a public limited company under the name 'Ganga Sugar Corporation Limited', under the Indian Companies Act, 1913 on July 27, 1932 *vide* certificate of incorporation issued by the Registrar of Joint Stock Companies, Punjab; and it was granted the certificate of commencement of business on February 06, 1933 by the Registrar of Joint Stock Companies, Punjab. Pursuant to the necessary resolution passed in terms of Section 21 of the Companies Act, 1956 and the approval of Central Government having been accorded thereto, the name of the Amalgamated Company was subsequently changed to 'Gangeshwar Limited' on April 03, 1973, *vide* fresh certificate of incorporation consequent on change of name issued by the Registrar of Companies, Delhi. The registered office of the Amalgamated Company was then changed from the state of NCT of Delhi to the state of Uttar Pradesh, and the alteration of its memorandum of association in this regard having been confirmed by an order of C.L.B (N.R.) Bench, New Delhi bearing the date April 01, 1997 in C.P. No. 127/17/95-CLB, the said order was registered on June 20, 1997. Thereafter, pursuant to the necessary resolution passed in terms of Section 21 of the Companies Act, 1956 and the approval of Central Government having been accorded thereto, the name of the Amalgamated Company was further changed to 'Triveni Engineering & Industries Limited' on March 31, 2000, *vide* fresh certificate of incorporation consequent on change of name, issued by the Registrar of Companies, Uttar Pradesh, Kanpur.

The registered office of the Amalgamated Company is situated at A-44, Hosiery Complex, Phase-II Extension, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201305.

- (ii) The equity shares of the Amalgamated Company are listed on BSE Limited and National Stock Exchange of India Limited (collectively, "**Stock Exchanges**").
- (iii) The objects of the Amalgamated Company as per its memorandum of association *inter-alia* include the following:

"(1) To manufacture sugar and for that purpose to erect a mill or mills in a suitable place or places in India.

(2) To add to the above the growth, production and manufacture of any other article or articles and the necessary machineries for the same as well as for utilising the by products and to do and add such other business as the Directors may otherwise deem advantageous.



*(18) To amalgamate with any other company, whose objects or any of them are similar to any object or objects of this Company or whose business is similar to the business or any part of the business of this Company, whether by sale or purchase (for shares or otherwise) of the undertakings and liabilities of this or any such other company as aforesaid with or without winding up, or by sale or purchase (for shares or otherwise) of all the shares or stock debentures or securities of this or such other company as aforesaid or in any other manner.*

...

*(21) To do all such other things as are incidental or conducive to the objects of the Company or any of them, in any part of the world as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.*

...

*(21e) To manufacture, produce, refine, purchase, sell, prepare, import, export and generally to deal in sugar, sugarbeets, gur, jaggery, molasses, syrups and melada and to acquire, erect, construct, establish, operate and maintain sugar factories and other works.*

*(21f) To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of light and heavy engineering products, plant and machinery including steam turbines, turbo alternators, hydel turbines, gas turbines, wind turbines, power plants, filters, high speed reduction gears, hydraulic equipments, metallurgical machinery, sugar mills, sugar mill machinery, boilers, textile plants, coal/mineral beneficiation plants and pollution control equipment, water treatment plants, agricultural implements, apparatus, tools, utensils, and electrical equipments, tubes, pipes and fitting of iron and steel, to carry on business as importer, exporter, buyer and sellers and merchants and dealers in and of merchandise goods, materials and machinery of all kinds, spareparts, accessories and equipments.*

...

*(21m) To manufacture, produce, refine, purchase, sell, prepare, import, export and generally to deal in all kind of alcohol, spirits and liquor whether for human consumption or for industrial use or as fuel or otherwise, citric acid, vinegar, acetic acid, ethyl acetate, acetaldehyde, carbonic acid, gas, dry ice and to acquire, erect, construct, establish operate and maintain distilleries and other works.*

...

*(21u) To pay all or any costs, charges and expenses whatsoever, preliminary, incidental or relating to the promotion, formation, registration or establishment of this or any other company and also to undertake and execute any trusts the undertaking whereof may seem desirable either gratuitously or otherwise. ...*

*(21u)(iv) To carry on in India or elsewhere the business of Generation, Transmission, Distribution of power and energy in any manner by acquisition*



*or establishment, operation and maintenance of Power Plants of all kinds, both conventional and non-conventional (including those based on bio-mass, bio-gas, co-generation, hydro etc.); wheeling and banking of power, purchase and sale of power and trading of power, transmission and distribution infrastructure.*

...

*(21u)(viii) To carry on the business of purchasing, selling, import, export, producing, trading, manufacturing or otherwise dealing in all aspects of planning investigation, research, design and preparation of preliminary, feasibility and definite project reports, construction, generation, operation and maintenance of power stations and projects, transmission systems and sale of power, power development of ancillary and other allied industries and for that purpose to install, operate and manage all necessary plant establishments and works.*

...

*(21u)(xii) To acquire concessions, facilities or licenses from electricity boards, government, semi governments or local authorities for generation, distribution, production, transmission or use of electric power and to take over alongwith all movable and immovable properties, the existing facilities on mutually agreed terms from aforesaid authorities and to do all incidental acts and things necessary for the attainment of foregoing objects."*

- (iv) The Amalgamated Company is inter alia engaged in the businesses of: (a) sugar (including manufacturing and selling of sugar (including refined and pharmaceutical grade sugar), to wholesalers and institutional users as well as in the export market); (b) production of alcohol in molasses and grain-based distilleries (including the supply of ethanol to oil marketing companies, extra neutral alcohol for the production of potable liquor and alcoholic beverages for retail purposes); (c) power cogeneration (including generation of power (including export of power to the grid) through bagasse-based cogeneration plants) ; (d) water (including providing tailored solutions for water treatment and wastewater management for addressing diverse needs of industries as well as municipalities, engaging in the supply of equipment and operations & maintenance); and (e) PTB (*as defined hereunder*) (including the gears and defence business segments). The gears business involves design and manufacturing of engineer to order industrial gears and gearboxes consisting of original equipment manufacturing, built-to-print manufacturing, and providing comprehensive aftermarket solutions. The defence business involves original equipment manufacturing and providing after-market solutions; and Navy, Coast Guard and other defence services for equipment and systems *inter-alia* for gearboxes and propulsion shafting including propellers, gas turbine generator for auxiliary power generation, stabilizers and steering gears, winches and deck machinery, special application pumps for sub surface and surface platforms, autonomous vehicles etc.
- (v) As on date, the promoters and the promoter group of the Amalgamated Company hold 60.98% shareholding of the Amalgamated Company and the remaining 39.02% shareholding of the Amalgamated Company is held by the public shareholders.



## 1.1.2 SIR SHADI LAL ENTERPRISES LIMITED

- (i) Sir Shadi Lal Enterprises Limited (hereinafter referred to as the “**Amalgamating Company**”), having CIN L51909UP1933PLC146675, was originally incorporated as a public limited company under the name ‘Upper Doab Sugar Mills Limited’, under the Indian Companies Act, 1913 on January 13, 1933, *vide* certificate of incorporation issued by the Deputy Registrar of Joint Stock Companies, Lucknow. Pursuant to the necessary resolution passed in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government having been accorded thereto, the name of the Amalgamating Company was changed to ‘Sir Shadi Lal Enterprises Limited’, *vide* fresh certificate of incorporation consequent on change of name issued by the Registrar of Companies, Delhi and Haryana on September 25, 1982. The registered office of the Amalgamating Company was changed from the state of Delhi to the state of Uttar Pradesh, and the alteration of its memorandum of association in this regard having been confirmed by an order of the Regional Director bearing the date September 29, 2020, a certified copy of the said order was registered with the Registrar of Companies-Kanpur on May 31, 2021.

The registered office of the Amalgamating Company is situated at A-44, Hosiery Complex, Phase II Extension, Nepz Post Office, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201305.

- (ii) The shares of the Amalgamating Company are listed on BSE Limited.
- (iii) The objects of the Amalgamating Company as per its memorandum of association *inter-alia* include the following:

*“(a) To erect a factory or Factories in suitable place or places in India or abroad for the manufacture of sugar.*

*(b) To appoint agents or open branches or depots for the sale of sugar or any other thing manufactured or handled by the Company under this memorandum and to constitute committees or boards within or outside India for the purpose of controlling such agencies, branches or depots and to procure this or any other Company to be legalised or registered or incorporated, if necessary, in accordance with the laws of any colony, country or state in which it may or may propose to carry on operations.*

*(c) To add to the above the manufacture of any other article, machinery, or any other business for utilising the by-products, or as the Company may otherwise deem advantageous.*

...

*(e) To carry on the business of cultivating, growing, buying or selling or otherwise dealing, in sugar cane, raw sugar (gur), manufactured sugar, and all other materials and things necessary or expedient for the above purposes.*

...

*(n) To amalgamate with any other company having objects altogether or in part similar to those of this Company.*

...



*(w) Subject to the provisions of sections 391 to 394 of the Companies Act, 1956, to amalgamate with or dispose of or exchange any of them businesses or undertakings, properties or rights of the company in consideration of shares, debentures, or other securities and to enter into any agreement or arrangement with other companies or firms or individuals for joint working in business or for sharing of profits in any other company, firm or persons, if such acts are advantageous to this company.*

... ”

- (iv) The Amalgamating Company is engaged in the business of manufacturing sugar and alcohol/ ethanol, with two manufacturing units in Uttar Pradesh namely Upper Doab Sugar Mills of capacity 7500 TCD at Shamli and Shamli Distillery & Chemical Works of capacity 100 KLPD at Shamli.
- (v) The Amalgamating Company is a subsidiary of the Amalgamated Company, which holds 61.77% of the shareholding of the Amalgamating Company.

### 1.1.3 TRIVENI POWER TRANSMISSION LIMITED

- (i) Triveni Power Transmission Limited (hereinafter referred to as “**Resulting Company**”), having CIN U28110UP2024PLC212958, is a company incorporated as a public limited company under the Companies Act, 2013 on December 4, 2024, *vide* certificate of incorporation issued by the Registrar of Companies, Central Registration Centre on behalf of the jurisdictional Registrar of Companies, Kanpur (Uttar Pradesh).

The Resulting Company has its registered office at A-44, Hosiery Complex, Phase II Extension, Nepz Post Office, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201305.

- (ii) The main objects of the Resulting Company as per its memorandum of association are as follows:

1. *To design, research, develop, manufacture, buy, sell, exchange, repair, service, alter, improve, retrofit, refurbish, manipulate, prepare for market and otherwise deal in all kinds of light and heavy engineering products and systems, plant and machinery including industrial, marine and special application gears, gearboxes and other power transmission products and systems, steam turbines, turbo alternators, high speed blowers, compressors, special application motor driven and turbo pumps, gas turbines and gas turbine generators, propulsion shafting, propellers, thrust bearings, seals, couplings, stabilisers, steering gears, winches, deck machinery, Defense and aerospace products and systems, unmanned vehicles, drones, wind turbines, power plants, filters, high speed reduction gears, test rigs, hydraulic equipment, metallurgical machinery, apparatus, tools, utensils, electrical equipments, tubes, pipes and fitting of iron and steel, to carry on business as importer, exporter, buyer and sellers and merchants and dealers in and of merchandise goods, materials and machinery of all kinds, spare parts, accessories and equipments.*
2. *To carry on the business of designing developing, engineering manufacturing, integrating, testing, commissioning, validating, fabricating, erecting, installing, remodeling, delivering, assembling, repairing, refurbishing, upgrading, overhauling, hiring, supporting, distributing, marketing, buying, selling, inporing, exporting, trading in all types varieties, descriptions, specifications characteristics,*



*applications of engineering and technological products, ultra precision components, subsystems, systems, tools machines used in defence and space sectors including commissioning systems and projects including turnkey projects and special purpose projects comprising of mechanical, optic, electrical, electronic software, power electronic parts required for defence, space, aerospace and allied industries by contact and all non contact methods with inhouse or outsourced facilities.*

- (iii) The Resulting Company has been recently incorporated in order to carry on the business of the PTB Undertaking upon its demerger from the Demerged Company hereunder.
- (iv) The Resulting Company is a wholly owned subsidiary of the Demerged Company. The Demerged Company holds 3,13,00,000 equity shares of face value INR 2 each in the Resulting Company (“Existing Equity Shares”).

#### 1.1.4 OVERVIEW OF THE SCHEME

This composite scheme of arrangement amongst the Amalgamated Company, the Amalgamating Company, the Resulting Company and their respective shareholders and creditors is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*). This Scheme provides for the following:

- (a) amalgamation of the Amalgamating Company with and into the Amalgamated Company and the consequent issuance of equity shares by the Amalgamated Company to the members of the Amalgamating Company, in terms of Section 2(1B) and other applicable provisions of the IT Act and Sections 230 to 232 and other applicable provisions of the Act, as may be applicable, the listing of the equity shares of the Amalgamated Company which shall be issued as consideration to the members of the Amalgamating Company, and the cancellation of the SSEL Promoter Shareholding (*as defined hereunder*), as elaborated in Part III of the Scheme;
- (b) the transfer and vesting of the PTB Undertaking of the Demerged Company to the Resulting Company and the consequent issuance of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Section 2(19AA) and other applicable provisions of the IT Act and Sections 230 to 232 and other applicable provisions of the Act, as may be applicable, as elaborated in Part IV of the Scheme; and
- (c) listing of the Total Equity Shares of the Resulting Company, consisting of the Existing Equity Shares and the New Equity Shares, of the Resulting Company issued as consideration in terms of Clause 4.11 of this Scheme to the shareholders of the Demerged Company, on the Stock Exchanges after the Scheme becomes effective in accordance with the provisions of the SEBI Circular, as elaborated in Part IV of the Scheme; and
- (d) various other matters consequential or otherwise integrally connected therewith.

#### 1.1.5 RATIONALE OF THE SCHEME

- (a) Both the Amalgamating Company and the Amalgamated Company have manufacturing verticals of sugar and distillery; therefore, the proposed amalgamation of the Amalgamating Company into the Amalgamated Company would lead to the consolidation of all operations pertaining to the manufacture of the sugar, alcohol, ethanol in one entity.



- (b) The proposed amalgamation will create and provide operational synergies, economies of scale, optimum utilization of resources, simplification of business processes, elimination of duplication and rationalization of administrative expenses, which will lead to savings in the costs.
- (c) It will help in achieving consolidation, greater integration and flexibility that will maximize overall shareholder's value and improve the competitive position and negotiating power of the combined entity.
- (d) It will result in reduction of multiplicity of entities, thereby reducing compliance cost of multiple entities viz., statutory filings, regulatory compliances, labour law/ establishment related compliances.
- (e) Further, the demerger of the PTB Undertaking of the Demerged Company into the Resulting Company, pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:
  - (i) The PTB and the Residual Business (*defined hereinafter*) address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the PTB Undertaking into the Resulting Company will enable each business to sharpen its focus and organize its activities and resources to improve its offerings to their respective customers. This would help to improve its competitiveness, operational efficiency, agility and strengthen its position in relevant markets resulting in more sustainable growth and competitive advantage.
  - (ii) PTB has attained a significant size, scale and has a large headroom for growth in its market. As PTB is entering the next phase of growth, the transfer and vesting of the PTB Undertaking into the Resulting Company pursuant to this Scheme would result in focused management attention and efficient administration to maximize its potential.
  - (iii) Further, as PTB has separate growth trajectories, risk profile and capital requirement, the segregation of the PTB Undertaking and the Residual Business will enable independent value discovery and lead to unlocking of value for each business.

#### 1.1.6 PARTS OF THE SCHEME

The Scheme is divided into the following parts:

<b>Part I</b>	Introduction, Definitions and Interpretation
<b>Part II</b>	Share capital structure of the Amalgamated Company, the Amalgamating Company, and the Resulting Company



<b>Part III</b>	Amalgamation of the Amalgamating Company with and into the Amalgamated Company
<b>Part IV</b>	Transfer and vesting of the PTB Undertaking of the Demerged Company to and in the Resulting Company, and the subsequent listing of the Total Equity Shares of the Resulting Company
<b>Part V</b>	General/residuary terms and conditions and various other matters consequential or otherwise integrally connected therewith

## 1.2 DEFINITIONS

- 1.2.1 “**Act**” means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 1.2.2 “**Amalgamated Company**” or “**Demerged Company**” means Triveni Engineering & Industries Limited, as defined in Clause 1.1.1(i) above;
- 1.2.3 “**Amalgamating Company**” means Sir Shadi Lal Enterprises Limited, as defined in Clause 1.1.2(i) above;
- 1.2.4 “**Amalgamation Appointed Date**” means April 01, 2025 or such other date as may be approved by NCLT;
- 1.2.5 “**Applicable Law(s)**” means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;
- 1.2.6 “**Board of Directors**”/ “**Board**” in relation to the Amalgamated Company and/or the Amalgamating Company and/or the Resulting Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by the board of directors;
- 1.2.7 “**Clause**” and “**sub-Clause**” means the relevant clauses and sub-clauses set out in this Scheme;
- 1.2.8 “**Demerger Appointed Date**” means the same date as the Effective Date or such other date as may be mutually agreed by the Demerged Company and the Resulting Company, or such other date as may be directed by the NCLT;
- 1.2.9 “**Effective Date**” means the date on which the Scheme shall become effective pursuant to Clause 7 of this Scheme. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” or “after this Scheme becomes effective” means and refers to the Effective Date;
- 1.2.10 “**Existing Equity Shares**” has the meaning set out in Clause 1.1.3(iv);



- 1.2.11 “**Financial Statements**” would include standalone and consolidated accounts, as applicable;
- 1.2.12 “**Governmental Authority(ies)**” 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;
- 1.2.13 “**GST**” and “**GST Rules**” means the central tax as defined under the Central Goods and Services Tax Act, 2017, the integrated tax as defined under the Integrated Goods and Services Tax Act, 2017, and the state tax as defined under State Goods and Services Tax acts.
- 1.2.14 “**IT Act**” means the Income Tax Act, 1961 together with all applicable orders, ordinances, directions including circulars and notifications and similar legal enactments, in each case issued under the Income-tax Act, 1961;
- 1.2.15 “**Licenses of the Amalgamating Company**” has the meaning set out in Clause 3.2.1(v);
- 1.2.16 “**NCLT**” means the National Company Law Tribunal, Allahabad, to which this Scheme in its present form is submitted for its sanctioning under Sections 230 to 232 of the Act;
- 1.2.17 “**New Equity Shares**” has the meaning set out in Clause 4.11.1;
- 1.2.18 “**New Triveni Shareholders**” means the shareholders of the Amalgamating Company on Record Date 1 that shall be allotted the shares of the Amalgamated Company, pursuant to Part III of the Scheme;
- 1.2.19 “**PTB**” means the business of the Demerged Company consisting of gears and defence business segments. The gears business involves design and manufacturing of engineer to order industrial gears and gearboxes consisting of original equipment manufacturing, built-to-print manufacturing, and providing comprehensive aftermarket solutions. The defence business involves original equipment manufacturing and providing after-market solutions; and Navy, Coast Guard and other defence services for equipment and systems *inter-alia* for gearboxes and propulsion shafting including propellers, gas turbine generator for auxiliary power generation, stabilizers and steering gears, winches and deck machinery, special application pumps for sub surface and surface platforms, autonomous vehicles etc.
- 1.2.20 “**PTB Undertaking**” means the Demerged Company’s business, activities, operations and properties pertaining to the PTB, and comprising of all the assets and liabilities, as described hereunder, as on the Demerger Appointed Date, on a going concern basis, including but not limited to, the following:
- (i) All movable properties of the Demerged Company in relation to the PTB, including hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present or future or contingent, tangible or intangible, and associated capital costs, in each case, wherever situated, whether or not recorded in the books of the Demerged Company, including plant and equipment, furniture and fixtures, office equipment, computers, installations, communication facilities, IT infrastructure, appliances, accessories, vehicles, capital work in progress, investments, trade receivables, rights, including rights arising under contracts, loans, deposits, advances, derivative contracts, inventories, security deposits, prepaid expenses, contract assets, title, interests, cash and bank balances, bills of exchange, or other financial or non-financial assets, funds, and all other services of every



kind, nature and description whatsoever and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits 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 Demerged Company pertaining to the PTB.

- (ii) all immovable properties of the Demerged Company in relation to the PTB including the land together with buildings and structures standing thereon (whether freehold or leasehold, leave and license, right of use, rights of way, tenancies, authorizations, permissions or otherwise) including roads, drains, culverts, civil works, foundation for civil works, factory buildings, residential buildings, offices, warehouses, workshops, sheds, stores, storages, cooling stations, etc. benefits of any rental agreement for any use of premises which immovable properties are currently in use for the purpose of conducting PTB and all documents of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interests in connection with the said immovable properties;
- (iii) without prejudice to the generality of above sub-clauses, all assets (movable or immovable), wherever located in India or outside India (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Demerged Company in, or otherwise identified for use in, the Demerged Company's undertaking, business, activities and operations pertaining to the PTB;

(the items at (i), (ii) and (iii) above, being collectively referred to as the "**Assets**");

- (iv) (a) all debts (in Indian Rupees or foreign currency), liabilities, guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any statute, contract or tort based on negligence or strict liability) of the Demerged Company which arise out of the activities or operations of the PTB; (b) the specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the PTB; (c) in cases other than those referred to in sub-clause (a) or sub-clause (b) above, such amount of general or multipurpose borrowings, if any, of the Demerged Company, which is proportionate to the value of the assets transferred pursuant to the demerger of the PTB Undertaking into the Demerged Company vis-à-vis the total value of the assets of the Demerged Company immediately before prior to the Demerger Appointed Date. Sub-clauses (a), (b) and (c) above are collectively referred to as the "**Demerged Liabilities**";

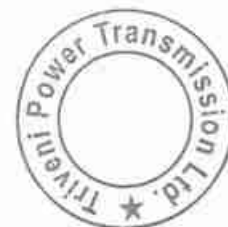
For avoidance of any doubt, the Demerged Liabilities shall include liabilities of the Demerged Company with regard to PTB Employees, whether under employment agreements, appointment letters, settlement agreements or otherwise, including with respect to the payment of gratuity, superannuation, pension benefits, leave encashment and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise;

- (v) all existing and future contracts, agreements, request for proposal, bids, responses to invitation for expression of interest, leases, leave and licences, memoranda of undertakings, memoranda of understanding, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, insurance policies, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the



Demerged Company is either a party or it may enter, exclusively relating to the Demerged Company's undertaking, business, activities and operations pertaining to the PTB (collectively, "**Contracts**");

- (vi) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames and trademarks pertaining to the PTB (including any applications for the same) of any nature whatsoever, including all books, approvals, records, files, papers, engineering and process information, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, investor credit information, pricing information, and other records whether in physical or electronic form pertaining to PTB (collectively, "**Intellectual Property**");
- (vii) all permits, licenses, consents, clearances, approvals, authorizations, quotas, registrations, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, accreditations, awards, pre-qualifications, bid acceptances, no-objection certificates, certifications, easements, tenancies, privileges and similar rights and any waiver of the foregoing issued by any legislative, executive or judicial unit of any Governmental Authority or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority exclusively used or held for use by the Demerged Company in the Demerged Company's undertaking, business, activities and operations pertaining to the PTB (collectively, "**Licenses**");
- (viii) all such permanent employees of the Demerged Company and employees/personnel engaged on contract basis, as are primarily engaged in or in relation to the Demerged Company's undertaking, business, activities and operations pertaining to the PTB, at its respective offices or otherwise, and any other employees/personnel hired by the Demerged Company after the date hereof who are primarily engaged in or in relation to the Demerged Company's undertaking, business, activities and operations pertaining to the PTB (collectively, "**PTB Employees**");
- (ix) all taxes, tax deferrals and benefits, tax holidays and incentives, subsidies, concessions, refund of any tax, duty, cess or of any excess payment, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts and credits in respect of income tax, such as carry forward tax losses comprising of unabsorbed depreciation and unabsorbed business losses), TDS, TCS and GST or under the Applicable Law, pertaining to the PTB;
- (x) all rights to any claim not preferred or made by the Demerged Company pertaining to the PTB Undertaking in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Demerged Company pertaining to the PTB Undertaking and any interest thereon, under Applicable Law, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under any Applicable Law, or any other or like benefits under and in accordance with any Applicable Law or act, whether in India or anywhere outside India;



- (xi) all legal, tax, regulatory, quasi-judicial, arbitral, administrative or other proceedings, suits, appeals, writ petitions, applications or proceedings of whatsoever nature, initiated by or against the Demerged Company pertaining to the PTB, as may be permitted under the Applicable Law;
- (xii) all insurance policies relating to the PTB;
- (xiii) the specific reserves outstanding on the Demerger Appointed Date, which have been created in relation to or in connection with the activities and transactions pertaining to the PTB;
- (xiv) entire experience, credentials, past record, and market share pertaining to the PTB; and
- (xv) all necessary books, records, files, papers, engineering drawings, blueprints, computer programs, software applications, data, databases including databases for procurement, commercial and management, catalogues, sales and advertising materials, list of present and former customers and suppliers, customer and supplier pricing information and all other books, records and documents, whether in physical or electronic form, in connection with or relating to PTB.

Any question or doubts that may arise as to whether a specified asset or liability pertains to or does not pertain to the PTB or whether it arises out of the activities or operations or is to be included in the PTB shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

- 1.2.21 **“Record Date 1”** means, the date to be fixed by the Board of Directors of the Amalgamating Company and the Amalgamated Company for the purposes of determining the shareholders of the Amalgamating Company to whom equity shares of the Amalgamated Company will be allotted as consideration for the amalgamation of the Amalgamating Company with and into the Amalgamated Company, pursuant to Clause 3.11.1 in Part III of this Scheme;
- 1.2.22 **“Record Date 2”** means, the date to be fixed by the Board of Directors of the Demerged Company and Resulting Company for the purposes of determining the shareholders of the Demerged Company to whom shares of the Resulting Company will be allotted as consideration for the transfer and vesting of the PTB Undertaking to the Resulting Company, pursuant to Clause 4.11.1 in Part IV of this Scheme;
- 1.2.23 **“Residual Business”** means all the undertakings, businesses, activities and operations, assets and liabilities of the Demerged Company of whatsoever nature and kind and wheresoever situated, other than those that form part of the PTB Undertaking;
- 1.2.24 **“Resulting Company”** means Triveni Power Transmission Limited, as defined in Clause 1.1.3(i) above;
- 1.2.25 **“ROC”** means the relevant Registrar of Companies;
- 1.2.26 **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Composite Scheme of Arrangement in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the Act, as applicable, and under all other Applicable Laws;



- 1.2.27 “**SEBI**” means the Securities and Exchange Board of India;
- 1.2.28 “**SEBI Circular**” means Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Rule 19(7) of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time or any other circular issued by SEBI applicable to schemes of arrangement, from time to time;
- 1.2.29 “**SEBI LODR**” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- 1.2.30 “**SSEL Promoter Shareholding**” means the shareholding held by the Amalgamated Company in the Amalgamating Company, on a fully diluted basis, on the Effective Date;
- 1.2.31 “**Stock Exchanges**” has the same meaning as ascribed to it in Clause 1.1.1(ii);
- 1.2.32 “**Tax**” or “**Taxes**” means and includes any tax, whether direct or indirect, including income tax (including withholding tax, dividend distribution tax, TDS/TCS), GST, excise duty, central sales tax, service tax, octroi, local body tax and customs duty, duties, charges, unearned income, transfer charges, fees, surcharge, cess, levies or other similar assessments by or payable to a Governmental Authority, including in relation to: (a) income, services, gross receipts, premium, immovable property, movable property, assets, profession, entry, capital gains, municipal, interest, expenditure, imports, wealth, gift, sales, use, transfer, licensing, withholding, employment, payroll and franchise taxes, and (b) any interest, fines, penalties, assessments, or additions to tax resulting from, attributable to or incurred in connection with any proceedings or late payments in respect thereof;
- 1.2.33 “**Tax Law**” or “**Tax Laws**” means and includes any law, whether governed at the central, state, or local level or whether relating to direct, indirect tax (including withholding tax, TDS/ TCS), GST, excise duty, central sales tax, service tax, octroi, local body, customs duty, etc.), or any other law relating to any other Tax as defined above.
- 1.2.34 “**TCS**” means tax collectible at source, in accordance with the provisions of Tax Laws;
- 1.2.35 “**TDS**” means tax deductible at source, in accordance with the provisions of Tax Laws; and
- 1.2.36 “**Total Equity Shares of the Resulting Company**” means the Existing Equity Shares, and the New Equity Shares;
- 1.2.37 “**Undertaking of the Amalgamating Company**” means all the business, personnel, employees, property, assets, investments, rights, approvals, licenses and powers, benefits, interests, debts, liabilities, duties, and obligations of the Amalgamating Company , including, but not in any way limited to, the following:
- (i) All movable properties, including hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, and associated capital costs, plant and equipment, furniture and fixtures, office equipment, vehicles, capital work in progress, trade receivables, advances, derivative contracts, inventories, security deposits, prepaid expenses, contract assets, title, interest, cash and bank balances, bills of exchange, or other financial or non-financial assets, funds, and all other services of every kind, nature and description whatsoever and all the rights, title,



interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits 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 Amalgamating Company;

- (ii) All immovable properties, including the land together with buildings and structures standing thereon (whether freehold or leasehold, on leave and license, with right of use, rights of way, tenancies, authorizations, permissions or otherwise) including offices, warehouses, workshops, sheds, stores, storages, cooling stations, etc., benefits of any rental agreement for any use of premises which immovable properties are currently in use and all documents of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interests in connection with the said immovable properties;
- (iii) Any and all of its assets, whether movable or immovable, whether present or future, whether tangible or intangible, leasehold or freehold, all rights, title, interests, covenants, undertakings, liabilities; together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
- (iv) Any and all loans and advances (including inter-corporate loans), including accrued interest thereon, receivables, funds, cash, bank balances, investments, accounts, and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange; letters of intent;
- (v) All contracts, agreements, concessions (of any nature and any rights therein or thereto or thereunder), memoranda of understanding, letters of intent, other arrangements, undertakings, deeds, bonds, guarantees, letters of credit, insurance covers and claims, clearances and other instruments of whatsoever nature and description, if any, whether written, oral or otherwise;
- (vi) All rates, taxes, duties, cess etc., that are allocable, or referable or related to the Amalgamating Company, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto;
- (vii) All investments in the capital of other companies, whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates including dividends declared and other accrued benefits thereto;
- (viii) All taxes, tax deferrals and benefits, tax holidays and incentives, subsidies, concessions, refund of any tax, duty, cess or of any excess payment, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts and credits in respect of income tax, such as carry forward tax losses comprising of unabsorbed depreciation), TDS, TCS and GST;
- (ix) Any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, municipal permissions, balances with Governmental Authorities, intellectual property rights including trade names, trademarks, service marks, copyrights, domain names, income tax credit, advance tax, applications for trade names, trademarks, service marks, copyrights, powers and facilities of every kind and description whatsoever;
- (x) any and all secured and unsecured debts, borrowings and liabilities (including contingent liabilities), present or future, undertakings and obligations;



- (xi) any and all employees, workmen and staff who are on the pay roll of the Amalgamating Company, including those engaged at its offices and branches, employees/personnel engaged on contract basis, contract labourers and interns/trainees, including all employee benefits such as provident fund, employees' state insurance, gratuity fund, superannuation fund;
- (xii) any and all insurance policies;
- (xiii) all legal, Tax, regulatory, quasi-judicial, administrative or other proceedings, suits, writ petitions, appeals, applications or proceedings of whatsoever nature, initiated by or against the Amalgamating Company;
- (xiv) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames and trademarks (including any applications for the same) of any nature whatsoever, including all books, approvals, records, files, papers, engineering and process information, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, investor credit information, pricing information, and other records whether in physical or electronic form;
- (xv) any and all advance monies, earnest monies and/or security deposits, trade payables, payment against warrants or other entitlements; and
- (xvi) all books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information - customer credit information, customer/supplier pricing information, and all other books and records whether in physical or electronic form.

1.2.38 **“Valuation Report”** means the joint valuation report dated December 09, 2024 issued by (i) Finvox Analytics and (ii) SSPA & Co. Chartered Accountants, recommending (a) the fair equity share exchange ratio for amalgamation of the Amalgamating Company into and with the Amalgamated Company; and (b) the fair equity share entitlement ratio for demerger of the PTB Undertaking into the Resulting Company.

### 1.3 INTERPRETATION

1.3.1 The terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words used in this Scheme refers to this entire Scheme.

1.3.2 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, guidelines, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.



**1.4 DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT shall be deemed to be effective from the Amalgamation Appointed Date, or the Demerger Appointed Date, as the case may be in the sequence as provided in Clause 1.5 below, but shall be operative only from the Effective Date.

**1.5 SEQUENCE OF COMING INTO EFFECT OF THIS SCHEME**

The Scheme set out herein shall be deemed to have occurred and become effective and operative only in the sequence and in the order mentioned hereunder. Upon the Scheme becoming effective in terms hereof:

- (a) Part III of the Scheme shall be given effect to and shall operate with effect from the Amalgamation Appointed Date, prior to the Part IV of the Scheme;
- (b) Part-IV of the Scheme shall be given effect to and shall operate with effect from the Demerger Appointed Date, after Part III of the Scheme.



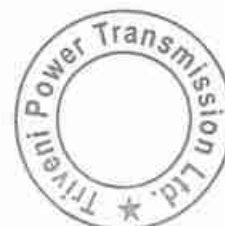
**PART II**  
**SHARE CAPITAL STRUCTURE**

**2. CAPITAL STRUCTURE**

2.1 The share capital of the Amalgamated Company as on March 31, 2024, was as under:

Share Capital	Amount (in INR)
<b>Authorized capital</b>	
50,00,00,000 equity shares of INR 1/- each	50,00,00,000
2,00,00,000 preference shares of INR 10/- each	20,00,00,000
<b>Total</b>	<b>70,00,00,000</b>
<b>Issued share capital</b>	
21,89,05,968 equity shares of INR 1/- each	21,89,05,968
NIL preference shares of INR 10/- each	NIL
<b>Subscribed and paid-up share capital</b>	
21,88,97,968 equity shares of INR 1/- each	21,88,97,968
Add: Paid-up value of 8,000 forfeited shares	1,600
NIL preference shares of INR 10/- each	NIL
<b>Total</b>	<b>21,88,99,568</b>

2.2 There has been no change in the capital structure of the Amalgamated Company since March 31, 2024.



2.3 The share capital of the Amalgamating Company as on March 31, 2024, was as under:

Share Capital	Amount (in INR)
<b>Authorized capital</b>	
2,00,00,000 equity shares of INR 10/- each	20,00,00,000
<b>Total</b>	<b>20,00,00,000</b>
<b>Issued share capital</b>	
52,50,000 equity shares of INR 10/- each	5,25,00,000
<b>Subscribed and paid-up share capital</b>	
52,50,000 equity shares of INR 10/- each	5,25,00,000
<b>Total</b>	<b>5,25,00,000</b>

2.4 There has been no change in the capital structure of the Amalgamating Company since March 31, 2024.

2.5 The share capital of the Resulting Company as on date is as under:

Share Capital*	Amount (in INR)
<b>Authorized capital</b>	
20,00,00,000 equity shares of INR 2/- each	40,00,00,000
<b>Total</b>	<b>40,00,00,000</b>
<b>Issued share capital</b>	
3,13,00,000 equity shares of INR 2/- each	6,26,00,000
<b>Subscribed and paid-up share capital</b>	
3,13,00,000 equity shares of INR 2/- each	6,26,00,000
<b>Total</b>	<b>6,26,00,000</b>

\* As on the date of approval of the Scheme by the Boards of the Demerged Company and the Resulting Company, the entire share capital of the Resulting Company is held by the Demerged Company.



### PART III

## AMALGAMATION OF THE AMALGAMATING COMPANY WITH AND INTO THE AMALGAMATED COMPANY

### 3. TRANSFER BY WAY OF AMALGAMATION OF THE AMALGAMATING COMPANY WITH AND INTO THE AMALGAMATED COMPANY

3.1 Upon the Scheme becoming effective and with effect from the Amalgamation Appointed Date, subject to the provisions of the Scheme, the whole of the Undertaking of the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein, in accordance with Sections 230 to 232 of the Act, IT Act and other Applicable Law, if any. Without prejudice to the generality of the provisions of this Clause 3.1, the manner of transfer of the Undertaking of the Amalgamating Company under this Scheme, is as follows:

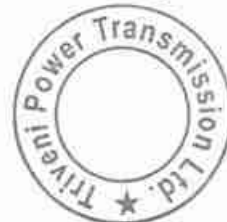
### 3.2 TRANSFER OF ASSETS

3.2.1 Upon the Scheme becoming effective and with effect from the Amalgamation Appointed Date:

- (i) all assets of the Undertaking of the Amalgamating Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property, and an integral part, of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;
- (ii) all movable properties of the Undertaking of the Amalgamating Company, other than those specified in sub-clause (i) above, including but not limited to, sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits, all kind of banking accounts including but not limited to current and saving accounts, term deposits, balances with any Governmental Authorities or any other bodies and/ or customers or any other person, whether recoverable in cash or in kind or for value to be received, bank balances, if any, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
- (iii) all immovable properties of the Undertaking of the Amalgamating Company, including but not limited to, land together with the buildings and structures standing thereon, whether freehold, leasehold, licensed or otherwise, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company. The Amalgamated Company shall be entitled to and shall exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities, pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof;



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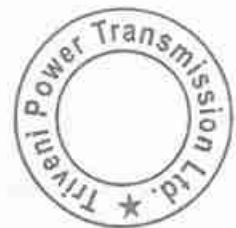


- (iv) all investments forming part of the Undertaking of the Amalgamating Company including but not limited to, the investments made by the Amalgamating Company in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates and other accrued benefits 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 Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company;
- (v) all statutory permissions, licenses, approvals, consents, privileges, environmental approvals and consents, registration or other licenses, benefits and benefits of filings and all other incorporeal rights emanating from such licenses including but not limited to all permits, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights and any waiver of the foregoing issued by any legislative, executive or judicial unit of any Governmental Authority or semi-Governmental Authority or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority (together the "**Licenses of the Amalgamating Company**", for the purpose of this sub-clause (v)) used or held by the Amalgamating Company, shall stand transferred to and be vested in the Amalgamated Company without any further act or deed. The benefit of all Licenses of the Amalgamating Company shall vest in and become available to the Amalgamated Company pursuant to the Scheme. Notwithstanding such transfer/ vesting of the Licenses of the Amalgamating Company, if any application is required for the statistical record of the statutory or other authorities to implement the transfer and vesting of the Licenses of the Amalgamating Company, as provided hereinabove, the Amalgamated Company shall facilitate the said authorities by filing such applications, which shall be granted/ approved in favour of the Amalgamated Company based on the sanction order of the Scheme by the NCLT;
- (vi) all intellectual property rights, including but not limited to, registrations, trademarks, trade names, service marks, computer programmes, manuals, data, copyrights, patents, designs, domain names, applications for trademarks, trade names, trade secrets, copyrights, research and studies, technical know-how, designs and domain names and all software, and all the website contents (including text, graphics, images, audio, video and data) along with any derivatives, enhancements thereof, goodwill, and licenses, whether owned, licensed or otherwise used by or held for use by the Undertaking of the Amalgamating Company (whether registered or unregistered), 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 Amalgamated Company. The Amalgamating Company agrees to execute and deliver, at the request of the Amalgamated Company, all relevant documents and instruments required in respect of such intellectual property to vest such rights, title and interest in the name of the Amalgamated Company and in order to update the records of the concerned registries, wherever applicable, to reflect the name and address of the Amalgamated Company as the current owner of the intellectual property.

### 3.3 TRANSFER OF LIABILITIES

#### 3.3.1 Upon this Scheme becoming effective, and with effect from the Amalgamation Appointed Date:

- (i) all debts and liabilities including but not limited to, guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated,



accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any statute, contract or tort based on negligence or strict liability), whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company, and the Amalgamated Company 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.

- (ii) all the security interest over any movable and /or immovable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Amalgamating Company or any other person acting on behalf of or for the benefit of the Amalgamating Company for securing the obligations of the persons to whom the Amalgamating Company has advanced loans and granted other funded and nonfunded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Amalgamated Company and the benefit of such security shall be available to the Amalgamated Company as if such security was ab initio created in favour of the Amalgamated Company.

It is clarified that any reference in any security documents or arrangements (to which the Amalgamating Company is a party) pertaining to the assets of the Amalgamating Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to the Amalgamating Company as are vested in the Amalgamated Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Amalgamating Company or any of the assets of the Amalgamated Company. Similarly, the Amalgamated Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/ to be availed of by it, and the encumbrances in respect of such indebtedness of the Amalgamated Company shall not extend or be deemed to extend or apply to the assets so vested.

- 3.3.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Amalgamated Company shall, if required, simultaneously with the amendment in the register of charge, file particulars of the modified charge with the ROC and execute necessary documentation with the lenders.

#### 3.4 TRANSFER OF CONTRACTS

- 3.4.1 Upon this Scheme becoming effective, and with effect from the Amalgamation Appointed Date, all existing and future contracts, including but not limited to, agreements, request for proposal, bids, responses to invitation for expression of interest, leases, leave and licenses, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, insurance policies, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature, in relation to the Undertaking of the Amalgamating Company or to the benefit of which, the Amalgamating 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 Amalgamated Company and may be enforced fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.

- 3.4.2 The Amalgamated Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company has been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.
- 3.4.3 Any inter-se contracts between the Amalgamating Company and the Amalgamated Company shall stand cancelled and cease to operate upon the effectiveness of this Scheme.

### 3.5 TRANSFER OF EMPLOYEES

- 3.5.1 Upon this Scheme becoming effective, and with effect from the Amalgamation Appointed Date or their respective joining date, whichever is later, all staff, workmen and employees, who are on the payrolls of the Amalgamating Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Amalgamating Company who are on its payrolls (collectively, "**Employees of the Amalgamating Company**") shall be deemed to have become, the employees of the Amalgamated Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company, without any break in or interruption of service as a result of this amalgamation and transfer. The services of the Employees of the Amalgamating Company shall be taken into account from the date of their respective appointment with the Amalgamating Company, for the purposes of all retirement benefits and all other entitlements for which they may be eligible. For the purpose of payment of any retrenchment compensation or other termination benefits, if any, such past services with the Amalgamating Company shall also be taken into account by the Amalgamated Company.
- 3.5.2 Upon this Scheme becoming effective, all contributions including any provisions created thereof, to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, or any other special scheme or, to Tax benefits (including medical, pension and leave travel allowance) or any other benefits created or existing exclusively for the benefit of the Employees of the Amalgamating Company shall be made by the Amalgamated Company in accordance with the Applicable Law.
- 3.5.3 In relation to the provident fund contributions being made by the Amalgamating Company for the Employees of the Amalgamating Company to the trust –'Sir Shadi Lal Enterprises Limited Employees Provident Fund' ("**SSEL PF Trust**"), upon this Scheme becoming effective, the Amalgamated Company shall make contributions for such Employees of the Amalgamating Company to either the employee provident fund maintained with the Regional Provident Fund Office in terms of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, or to fund/trust created, or as may be created, by the Amalgamated Company in this regard. The existing accumulations in the SSEL PF Trust pertaining to the Employees of the Amalgamating Company shall be transferred to the employee provident fund maintained with the Regional Provident Fund Office, or to fund/ trust created, or as may be created, by the Amalgamated Company in this regard, in accordance with Applicable Law.



- 3.5.4 The existing accumulations under employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits of the Amalgamating Company (as the case may be) pertaining to the Employees of the Amalgamating Company shall be transferred to, the employees' state insurance corporation, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Amalgamated Company or as may be created by the Amalgamated Company for such purpose, in accordance with Applicable Law.
- 3.5.5 In the event the Amalgamated Company does not have its own trusts/funds in respect of any of the above as mentioned in Clause 3.5.3 and/or Clause 3.5.4, the Amalgamated Company may continue to contribute to the relevant trusts/ funds created by the Amalgamating Company, until such time that the Amalgamated Company creates its own trusts/funds and the contributions pertaining to the Employees of the Amalgamating Company shall be transferred to the trusts/funds created by the Amalgamated Company.
- 3.5.6 It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the Employees of the Amalgamating Company and the services of all the Employees of the Amalgamating Company for such purpose, shall be treated as having been continuous.
- 3.5.7 Upon this Scheme becoming effective, the directors or key managerial personnel of the Amalgamating Company will not become directors or key managerial personnel of the Amalgamated Company merely by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship or key managerial position of a person who is already a director / or key managerial personnel in the Amalgamated Company as of the Effective Date.

### 3.6 LEGAL PROCEEDINGS

- 3.6.1 Upon this Scheme becoming effective, and with effect from the Amalgamation Appointed Date, all legal, Tax or other proceedings whether civil or criminal including but not limited to suits, summary suits, indigent petitions, assessments, appeals, or other proceedings of whatever nature (hereinafter called the "Proceedings"), if any, whether by or against the Amalgamating Company, shall not abate or be discontinued or in any way prejudicially be affected by reason of the amalgamation of the Amalgamating Company or of anything contained in this Scheme, but the Proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company, as if this Scheme had not been implemented. The Amalgamated Company shall file necessary applications for transfer of all such Proceedings relating to the Amalgamating Company, subject to Applicable Law.

### 3.7 BANK ACCOUNTS

- 3.7.1 Upon this Scheme becoming effective, all bank accounts operated or entitled to be operated by the Amalgamating Company shall be deemed to have transferred and shall stand transferred to the Amalgamated Company and the name of the Amalgamating Company shall be substituted by the name of the Amalgamated Company in the banks' records and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such bank accounts shall be reconstituted accordingly.
- 3.7.2 Upon this Scheme becoming effective, and with effect from the Amalgamation Appointed Date, the Amalgamated Company shall be entitled to operate all bank accounts, realise all monies and



complete and enforce all pending contracts and transactions in the name of the Amalgamating Company to the extent necessary until the transfer of the rights and obligations of the Amalgamating Company to the Amalgamated Company under the Scheme is formally accepted and completed by the parties concerned.

- 3.7.3 For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders, electronic fund transfers (such as NEFT, RTGS, etc.) received and presented for encashment which are in the name of the Amalgamating Company after the Effective Date, shall be accepted by the bankers of the Amalgamated Company and credited to the accounts of the Amalgamated Company, if presented by the Amalgamated Company or received through electronic transfers. Similarly, the bankers of the Amalgamated Company shall honour all cheques/ electronic fund transfer instructions issued by the Amalgamating Company for payment prior to the Effective Date.

### 3.8 **BENEFIT OF STATUTORY/CORPORATE APPROVALS**

- 3.8.1 Without prejudice to the generality of the above and upon the Scheme becoming effective, the benefits of any and all corporate approvals and/or statutory approvals as may have already been taken by the Amalgamating Company, whether being in the nature of compliances or otherwise and any other approvals as obtained under the Act, shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been complied with by the Amalgamated Company, by virtue of approval of this Scheme. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Amalgamated Company, shall be added to the limits, if any, under the like resolutions passed by Amalgamated Company.
- 3.8.2 Upon the Scheme becoming effective, all the incentives, subsidies, special status, and other benefits or privileges enjoyed, granted by any Governmental Authority, local authority, or by any other person, or availed by the Amalgamating Company shall vest with and be available to the Amalgamated Company on the same terms and conditions.
- 3.8.3 The consent/approval of this Scheme pursuant to Section 230 of the Act and SEBI Circular shall be deemed to be sufficient and no further approvals, including but not limited to approvals under Sections 180, 185, 186, and 188 of the Act or any other applicable provisions of the Act and Regulation 23 of SEBI LODR or any other applicable provisions of the SEBI LODR, shall be required to be obtained separately for approving the Scheme.

### 3.9 **CONDUCT OF BUSINESS**

- 3.9.1 With effect from the Amalgamation Appointed Date and until occurrence of the Effective Date:
- (i) the Amalgamating Company undertakes 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 Amalgamated Company; and
  - (ii) all profits and income accruing or arising to the Amalgamating Company and all Taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, Taxes or losses, as the case may be, of the Amalgamated Company; and



- (iii) the Amalgamating 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 itself 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 this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme before the NCLT; or (c) when a prior written consent of the Amalgamated Company has been obtained in this regard; and
- (iv) except by mutual consent of the Board of Directors of the Amalgamating Company and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Amalgamation Appointed Date or as part of this Scheme, pending sanction of this Scheme by the NCLT, the Amalgamating Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, and/ or undertake any reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of the Amalgamating Company. Notwithstanding the aforesaid, in the event of any such change in the capital structure of the Amalgamating Company at any time before the Record Date 1, there shall be an appropriate adjustment to the share exchange ratio to take into account the effect of such change and the same shall be subject to Applicable Laws and be approved by the Board of Directors of the Amalgamating Company and the Amalgamated Company; and
- (v) the Amalgamating Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Amalgamating Company, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of the Amalgamated Company; and
- (vi) the Amalgamating Company shall not alter or substantially expand its business except with the written concurrence of the Amalgamated Company; and
- (vii) the Amalgamating Company shall not amend its memorandum of association and/ or its articles of association, except with the written concurrence of the Amalgamated Company.

3.9.2 Notwithstanding anything contained in this Scheme, subject to the Applicable Laws, the Board of Directors of the Amalgamated Company shall be entitled to consider, pursue, manage, undertake and conduct the business of the Amalgamated Company inter-alia including, any corporate actions, declaration of dividend, issue of securities and bonus shares, buy back of securities, reorganization, restructuring of its businesses, strategic acquisition or sale of any business, joint ventures, business combinations etc., as it may deem prudent and necessary in the interest of the Amalgamated Company or to give effect to any obligations under the Applicable Laws.

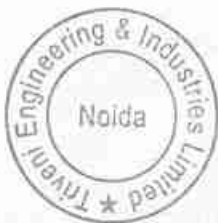
3.9.3 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company.



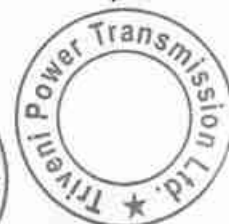
### 3.10 TAXES AND OTHER MATTERS

Notwithstanding anything to the contrary contained in this Scheme, upon effectiveness of this Scheme:

- 3.10.1 The Scheme has been drawn up to comply with and falls within definition and conditions relating to 'Amalgamation' as specified under Section 2(1B) and other applicable provisions of the IT Act. The amalgamation of the Amalgamating Company with the Amalgamated Company shall take place in accordance with the Scheme as per the provisions of Section 2(18) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act.
- 3.10.2 The Amalgamating Company and Amalgamated Company are expressly permitted to revise their respective financial statements, income tax returns (including TDS and TCS returns), Tax audit reports, returns/forms relating to central sales tax, goods and service tax (GST), applicable state value added tax, state excise duty, entry tax, octroi, local tax laws, service Tax Laws, excise and central value added tax ("CENVAT") duty laws, customs duty laws and other applicable direct and indirect tax forms/returns filed under the relevant tax laws to give effect to the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired. The Amalgamated Company is permitted to claim refunds, prepaid Taxes i.e., TDS, TCS, self-assessment tax, advance tax and withholding tax credits, minimum alternative tax ("MAT") credits, GST refund, GST credit, GST TDS, GST TCS, balance of electronic credit ledger & electronic cash ledger available at GST portal, incentives/benefit under foreign trade policy, Duty draw back under Customs Act, 1962, Merchandise Exports from India Scheme, Remission of Duty and Taxes on Exported Products, all incentives/benefit/reimbursement under Uttar Pradesh Industrial Investment & Employment Promotion Policy or any other Governmental policy etc., relating to Amalgamating Company pursuant to the provisions of this Scheme. The Amalgamated Company is also expressly permitted to claim refunds/credits in respect of any transaction by and between the Amalgamating Company and the Amalgamated Company. With respect to the TDS certificates issued in the name of Amalgamating Company after the Amalgamation Appointed Date, the same will be deemed to be issued in the name of the Amalgamated Company for income tax purposes. The Amalgamated Company is expressly permitted to issue GST credit note, GST debit note, adjustment of GST paid on advance received for services of any transaction between Amalgamating Company and their customers/suppliers.
- 3.10.3 The Tax payments (including, without limitation income tax (including advance tax, self-assessment tax, dividend distribution tax, MAT, buyback tax), service tax, excise duty, central sales tax, customs duty, local body tax, entry tax, wealth tax, goods and services tax, applicable state value added tax and state excise duties, etc.) whether by way of TDS/TCS, foreign tax credit, advance tax, all earnest monies, security deposits, provisional payments, payment under protest, or otherwise howsoever, by the Amalgamating Company after the Amalgamation Appointed Date, shall be deemed to be paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Credit for such Taxes shall be allowed to the Amalgamated Company notwithstanding that certificates or challans for Taxes paid are in the name of the Amalgamating Company and not in the name of the Amalgamated Company.



- 3.10.4 The Amalgamated Company shall be entitled to claim credit for any TDS and deposited by either the Amalgamating Company or the Amalgamated Company in respect of any transactions undertaken between them with effect from the Amalgamation Appointed Date till the Effective Date. Credit for such Taxes deposited shall be allowed irrespective of the fact that the underlying transaction and the income or expense there-against is not reflected by the Amalgamated Company in its revised financial statements and in the returns filed under the relevant laws upon the Scheme becoming effective.
- 3.10.5 All benefits, entitlements, incentives, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of accounts, credits, registrations (including, without limitation income tax, MAT, TDS/TCS, Taxes withheld/paid in a foreign country, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, state excise duties, customs duty, goods and services tax, GST credit, CENVAT registrations, etc.) to which the Amalgamating Company is entitled to in terms of Applicable Laws, shall be available to and vest in the Amalgamated Company upon this Scheme coming into effect.
- 3.10.6 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and as per the provisions of Section 72A, Section 32(2) and other applicable provisions of the IT Act, the accumulated business losses and unabsorbed depreciation, if any, of the Amalgamating Company, as on and up to the Amalgamation Appointed Date, shall be transferred to the Amalgamated Company. It is expressly clarified that all such accumulated business losses and unabsorbed depreciation, as transferred to the Amalgamated Company, shall be eligible to be carried forward and set off in the hands of the Amalgamated Company in accordance with the provisions of Section 72A of the IT Act.
- 3.10.7 Without prejudice to the generality of the foregoing, on and from the Amalgamation Appointed Date, if any certificate for TDS/TCS or any other tax credit certificate relating to the Amalgamating Company is received in the name of Amalgamating Company, or any tax credit relating to the Amalgamating Company is reflected in the Form 26AS pertaining to the Amalgamating Company, it shall be deemed to have been received by and in the name of the Amalgamated Company, which alone shall be entitled to claim credit for such TDS/ TCS or Tax paid.
- 3.10.8 Upon the Scheme becoming effective, all Tax compliances under any Tax Laws by the Amalgamating Company on or after Amalgamation Appointed Date shall be deemed to have been made by the Amalgamated Company.
- 3.10.9 All deductions under the IT Act, otherwise admissible to the Amalgamating Company including deductions admissible only upon actual payment or upon deduction of appropriate Taxes or upon deposit of TDS (such as under Sections 40, 40A, 43B8 etc. of the IT Act) shall be available for deduction to the Amalgamated Company in the same manner as it would have been available to the Amalgamating Company. Further, disallowances in Tax assessments or offered in Tax returns as per provisions of law on the basis of non-crystallization of liability or actual payments not having been made, in respect of expenses, provisions etc., accounted for by the Amalgamating Company, shall be available for deduction to the Amalgamated Company once the Scheme becomes effective, upon actual crystallization / incurrence thereof or actual payment having been made there-against.
- 3.10.10 All the eligible expenses incurred by the Amalgamating Company and Amalgamated Company in relation to the amalgamation as per this Scheme, including stamp duty expenses, if any, shall be allowed as a deduction to the Amalgamated Company in accordance with the provisions of Section 35DD of the IT Act.



3.10.11 As and from the Effective Date, all Tax proceedings shall be continued and enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company. Further, all Tax proceedings shall not in any way be prejudicially affected by reason of the amalgamation of the Amalgamating Company with the Amalgamated Company or anything contained in the Scheme.

**3.11 CONSIDERATION BY THE AMALGAMATED COMPANY BY WAY OF ISSUE OF SHARES ON AMALGAMATION**

3.11.1 Upon coming into effect of the Scheme and in consideration for the amalgamation of Amalgamating Company with the Amalgamated Company, the Amalgamated Company shall, without any further application or deed, on the basis of the Valuation Report, issue and allot equity shares of face value of INR 1/- each to the members of Amalgamating Company whose names appear in the register of members as on the Record Date 1 or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, subject to the provisions of Clause 3.11.2 below, in the following manner:

*“For every 137 (One Hundred and Thirty Seven) equity shares of the Amalgamating Company of face value of INR 10 each held in the Amalgamating Company, every equity shareholder of the Amalgamating Company, shall without any application, act or deed, be entitled to receive 100 (One Hundred) equity shares of face value of INR 1 each of the Amalgamated Company, credited as fully paid”.*

3.11.2 The SSEL Promoter Shareholding shall get cancelled at the time of allotment of shares to the shareholders of the Amalgamating Company by the Amalgamated Company in terms of Clause 3.11.1 above. It is clarified that the above cancellation of the SSEL Promoter Shareholding shall not be considered as a reduction of share capital and the order of the NCLT sanctioning this Scheme shall be deemed to be an order in compliance with the provisions of the Act *inter-alia* including Section 66, if applicable and the said reduction would not involve either a diminution of liability in respect of unpaid share capital, if any or payment to any shareholder of any unpaid share capital.

3.11.3 The above-mentioned equity shares in the capital of Amalgamated Company to be issued to the shareholders of Amalgamating Company shall rank *pari passu* in all respects, with the existing equity shares in the Amalgamated Company.

3.11.4 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Company, the Board of Directors or any committee thereof of the Amalgamating Company shall be empowered in appropriate cases, even subsequent to the Record Date 1, as the case may be, to effectuate such a transfer in the Amalgamating Company, as if such changes in registered holder were operative as on the Record Date 1, in order to remove any difficulties arising to the Amalgamating Company or Amalgamated Company, of such shares.

3.11.5 The fractional entitlements under Clause 3.11.1, if any, shall be consolidated by the Board of the Amalgamated Company. The Board of the Amalgamated Company shall issue consolidated shares to a trustee nominated by the Board of the Amalgamated Company, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong and shall sell such shares in the market within a period of 90 days from the date of allotment of shares, at such price and to such persons as the trustee deems fit, subject to the provisions of the SEBI Circular, and shall distribute the net sale proceeds, after deductions of the applicable Taxes and expenses incurred, in proportion to their respective fractional entitlements.



- 3.11.6 Upon the Scheme becoming effective and subject to the above provisions, the equity shares to be issued by the Amalgamated Company shall be issued in dematerialized form to those shareholders who hold shares of the Amalgamating Company in dematerialized form, into the account in which shares of the Amalgamating Company are held or such other account as is intimated in writing by the shareholders to the Amalgamating Company and/ or its registrar provided such intimation has been received by the Amalgamating Company and/or its registrar at least 7 (seven) days before the Record Date 1. All those shareholders who hold shares of the Amalgamating Company in physical form shall also receive the equity shares to be issued by the Amalgamated Company, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Amalgamating Company and/ or its registrar provided such intimation has been received by the Amalgamating Company and/or its registrar at least 7 (seven) days before the Record Date 1. If no such intimation is received from any shareholder who holds shares of the Amalgamating Company in physical form 7 (seven) days before the Record Date 1, or if the details furnished by any shareholder do not permit electronic credit of the shares of the Amalgamated Company, then the Amalgamated Company shall open an escrow demat account with a depository participant to keep such shares in abeyance / in such escrow demat account and will credit the same to the respective demat account(s) of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing by the shareholders to the Amalgamated Company and/or its registrar.
- 3.11.7 The equity shares issued in terms of Clause 3.11.1 of this Scheme will be listed and/ or admitted to trading on the Stock Exchanges. The Amalgamated Company shall apply to the Stock Exchanges and SEBI for listing and admission to trading of all the equity shares pursuant to this Scheme in terms of the SEBI Circular read with any other Applicable Laws.
- 3.11.8 The Amalgamated Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the Applicable Laws for the Amalgamated Company to comply with the formalities and requirements of the said Stock Exchanges. The equity shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing and trading permission is given by the Stock Exchanges as mentioned above. There shall be no change in the shareholding pattern or control in the Amalgamated Company between the Record Date 1 in terms of the Scheme and the listing which may affect the status of approvals received from the Stock Exchanges.
- 3.11.9 Approval of this Scheme by the shareholders of Amalgamated Company shall be deemed to be the due compliance of the provisions of Section 62 and other provisions of the Act for the issue and allotment of shares by Amalgamated Company to the shareholders of Amalgamating Company, as provided in this Scheme.
- 3.11.10 The equity shares to be issued in terms of Clause 3.11 of this Scheme, in respect of any equity shares of the Amalgamating Company which are/may be held in abeyance under the Applicable Law (including under the provisions of section 126 of the Act) or otherwise shall, pending allotment or settlement of dispute by order of NCLT or any court or otherwise, be held in abeyance, or shall be dealt with as provided under the Applicable Law.
- 3.11.11 The equity shares to be issued in terms of Clause 3.11 of this Scheme, in respect of any equity shares of the Amalgamating Company which are held in the unclaimed suspense account shall be issued by the Amalgamated Company to a new unclaimed suspense account created for shareholders of the Amalgamating Company. The shares to be issued by the Amalgamated Company in lieu of the shares of the Amalgamating Company held in the Investor Education and Protection Fund shall be issued to Investor Education and Protection Fund in favour of such shareholders.



### 3.12 CHANGE IN AUTHORISED SHARE CAPITAL

- 3.12.1 Upon the coming into effect of this Scheme, the authorised share capital of the Amalgamating Company as on the Effective Date shall be reclassified/reorganised and combined with the authorised share capital of the Amalgamated Company and accordingly Clause V of the memorandum of association of the Amalgamated Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

*"V. The Authorised Share Capital of the Company is Rs. 90,00,00,000/- (Rupees Ninety Crores) divided into*

- (i) 70,00,00,000 (Seventy Crores) equity shares of Rs. 1/- (Rupee One) each; and  
(ii) 2,00,00,000 (Two Crores) preference shares of Rs. 10/- (Rupees Ten) each.

*The preference shares shall be entitled to such rate of dividend and on such terms and conditions as may be decided by the Board of Directors of the Company at the time of issue of such shares and shall rank in priority to the equity shares in the event of winding up of the Company but shall not be entitled to any participation in the profits or surplus assets of the Company.*

*The Company shall have the power to increase or reduce the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company and the provisions of the Companies Act, 2013.*

- 3.12.2 The fees or stamp duty, if any, paid by the Amalgamating Company on the authorized share capital shall be deemed to have been so paid by the Amalgamated Company on the combined authorized share capital, and the Amalgamated Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorised share capital of the Amalgamated Company will automatically stand increased to that effect by simply filing the requisite forms with the ROC and no separate procedure, act or instrument or deed shall be required to be followed/ undertaken by the Amalgamated Company.
- 3.12.3 The approval of this Scheme by the shareholders of the Amalgamated Company under Sections 230 to 232 of the Act, whether at a meeting or otherwise, or any dispensation of the same by the NCLT, shall be deemed to have been an approval under Section 13, Section 61 and Section 64 or any other applicable provisions under the Act and no further resolution(s) would be required to be separately passed in this regard.

### 3.13 ACCOUNTING TREATMENT

- 3.13.1 Upon the Scheme being effective, the Amalgamated Company shall account for the amalgamation, at carrying value in its books of accounts underlying the separate financial statements, in accordance with "Pooling of Interest Method" of accounting as laid down in Appendix C of Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, as under.



- 3.13.2 All assets and liabilities of the Amalgamating Company, shall be transferred to and vested in Amalgamated Company pursuant to the Scheme and shall be recorded by Amalgamated Company at their carrying values as appearing in the consolidated financial statements of the Amalgamated Company.
- 3.13.3 The identity of the reserves of the Amalgamating Company shall be preserved and the Amalgamated Company shall record the reserves of the Amalgamating Company, in the same form and at the carrying amount as appearing in the consolidated financial statements of the Amalgamated Company.
- 3.13.4 The Amalgamated Company shall credit to its share capital account, the aggregate face value of the equity shares issued by it to the shareholders of the Amalgamating Company in terms of Clause 3.11 of this Scheme.
- 3.13.5 The value of the investments in the shares of the Amalgamating Company held by the Amalgamated Company shall stand cancelled, without further act or deed.
- 3.13.6 The inter-company balances between the Amalgamated Company and the Amalgamating Company appearing in the books of accounts of either the Amalgamated Company or the Amalgamating Company, if any, shall stand cancelled.
- 3.13.7 The difference, if any, arising after taking the effect of Clause 3.13.2 to 3.13.5 shall be transferred to capital reserve in the financial statements of the Amalgamated Company.
- 3.13.8 In case of any differences in accounting policies between the Amalgamated Company and the Amalgamating Company, the accounting policies followed by the Amalgamated Company shall prevail and impact of the same shall be quantified and appropriately adjusted in accordance with the accounting policies followed by the Amalgamated Company to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- 3.13.9 Comparative financial information in the financial statements of the Amalgamated Company shall be restated for the accounting impact of the amalgamation, as stated above, as if the amalgamation had occurred from the beginning of the comparative period. However, if business combination had occurred after that date, the comparative period information shall be restated only from that date.
- 3.13.10 Notwithstanding anything contained hereinabove, the Board of Directors of the Amalgamated Company is authorized to account for any of the above mentioned transactions in accordance with the applicable accounting standards and generally accepted accounting principles.
- 3.13.11 Notwithstanding anything contained in any other Clause in the Scheme, upon the Scheme being effective, the Amalgamating Company shall stand dissolved, without following the procedure of winding up. Accordingly, there is no accounting treatment prescribed which would have any impact or need to be reflected in the books of the Amalgamating Company.



**3.14 SAVING OF CONCLUDED TRANSACTIONS**

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

**3.15 DISSOLUTION OF THE AMALGAMATING COMPANY**

Upon this Scheme becoming effective, the Amalgamating Company shall stand dissolved, without following the procedure of winding up and without any further act, instrument or deed.



## PART IV

### TRANSFER AND VESTING OF THE PTB UNDERTAKING OF THE DEMERGED COMPANY TO AND IN THE RESULTING COMPANY

#### 4 TRANSFER AND VESTING

4.1 Upon the Scheme becoming effective, and with effect from the Demerger Appointed Date, the PTB Undertaking, together with all its rights, benefits, interests and obligations therein, shall, in accordance with Section 2(19AA) of the IT Act and Sections 230 to 232 and other applicable provisions of the Act without any further act, instrument or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, as a going concern, and shall become the property of, and an integral part of, the Resulting Company. Without prejudice to the generality of the provisions of this Clause 4.1, the manner of transfer of the PTB Undertaking under this Scheme, is as follows:

#### 4.2 TRANSFER OF ASSETS

4.2.1 Upon this Scheme becoming effective, and with effect from the Demerger Appointed Date:

4.2.1.1 All the Assets of the PTB Undertaking that are movable in nature or incorporeal property or are otherwise capable of transfer by manual or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, shall stand vested in the Resulting Company and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual or constructive delivery or by endorsement and delivery or by vesting and recordal, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.

4.2.1.2 All the Assets of the PTB Undertaking that are movable properties other than those described under Clause 4.2.1.1 above, including but not limited to trade investment, investments in companies, associate companies, fellow subsidiaries, joint ventures and non-current investments, sundry debtors, actionable claims, earnest monies, 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 Governmental Authority, semi-Government Authority, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Resulting 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.

4.2.1.3 All the Assets of the PTB Undertaking that are immovable properties, including land together with the buildings and structures standing thereon, whether or not included in the books of the Demerged Company, whether freehold, leasehold, licensed or otherwise held by the Demerged Company, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in the Resulting Company, without any further act or deed done or being required to be done by the Demerged Company and/or the Resulting Company. The Resulting Company shall be entitled to and shall exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Resulting Company by the appropriate authorities, pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof.



- 4.2.1.4 Without prejudice to the generality of the foregoing, all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Demerged Company for or in relation to the PTB Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Resulting Company and shall, upon this Scheme becoming effective, 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 Resulting Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Resulting Company.
- 4.2.1.5 All the Intellectual Property currently being used, primarily or solely, by the PTB Undertaking, shall stand transferred to and be vested in the Resulting Company. The Demerged Company agrees to execute and deliver, at the request of the Resulting Company, all relevant documents and instruments required in respect of such Intellectual Property to vest such rights, title and interest in the name of the Resulting Company and in order to update the records of the concerned registries, wherever applicable, to reflect the name and address of the Resulting Company as the current owner of the Intellectual Property.
- 4.2.1.6 All the intellectual property other than those set out in sub-clause 4.2.1.5 above, shall continue to be owned by the Demerged Company.
- 4.2.1.7 The Resulting Company shall, at any time after the Effective Date and as the successor entity of the Demerged Company, in relation to the PTB Undertaking, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the PTB Undertaking, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Resulting Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Demerged Company in relation to the PTB Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company, *inter alia*, in its capacity as the successor-in-interest of the Demerged Company in relation to the PTB Undertaking.
- 4.2.1.8 The past track record of the Demerged Company relating to the PTB Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of the Resulting Company for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of the Resulting Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 4.2.1.9 All the Licenses of the PTB Undertaking, shall stand transferred to and vested in the Resulting Company. Any other permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, as are held at present by the Demerged Company, but relate to or benefitting at present the Residual Business and the PTB Undertaking, shall be deemed to constitute separate permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, and the necessary substitution/endorsement shall be made and duly recorded in the name of the Demerged Company and the Resulting Company by the relevant authorities pursuant to the sanction of this Scheme by the NCLT. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this sub-clause, the said third party or authority shall make and duly record



the necessary substitution/endorsement in the name of the Resulting Company pursuant to sanction of this Scheme by the NCLT. For this purpose, the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

#### 4.3 TRANSFER OF LIABILITIES

Upon this Scheme becoming effective, and with effect from the Demerger Appointed Date:

- (i) All Demerged Liabilities, whether or not provided in the books of the Demerged Company shall without any further act, instrument or deed, shall stand transferred to and become the liability of the Resulting Company and shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company, as the case may be, and the Resulting Company shall be liable to meet, discharge and satisfy the same in accordance with its terms. 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 sub-clause.
- (ii) The existing security (including guarantee) or charge, if any, in favor of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the PTB Undertaking from the Demerged Company to the Resulting Company. Restructuring of all such security or charge and reallocation of existing credit facilities granted by the secured creditors shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of the Demerged Company and the Resulting Company.

It is hereby clarified that if any existing security in respect of any part of the abovementioned Demerged Liabilities extends wholly or in part over the assets of the Residual Business, then the Resulting Company shall create adequate security in respect of such part of the abovementioned Demerged Liabilities over the assets of the PTB Undertaking to the satisfaction of the lenders and upon creation of such security, the assets of the Residual Business shall be released and discharged from such encumbrance. Further, if any security or charge exists on the assets comprising the PTB Undertaking in respect of the loans and liabilities which have not been transferred to the Resulting Company pursuant to this Scheme, the Demerged Company shall create adequate security over the assets of the Residual Business to the satisfaction of the lenders and upon creation of such security, the assets of the PTB Undertaking shall be released and discharged from such encumbrance.

- (iii) All cheques and other negotiable instruments, payment orders, and electronic fund transfers (like NEFT, RTGS, etc.) received in the name of the Demerged Company pertaining to the PTB Undertaking after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company.

#### 4.4 TRANSFER OF CONTRACTS

4.4.1 Upon this Scheme becoming effective, and with effect from the Demerger Appointed Date:

- 4.4.1.1 All the Contracts of the PTB Undertaking, including but not limited to contracts/ purchase orders with customers and vendors, and all contracts (including contracts pending for renewal), deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, associate/ joint venture companies, arrangements and other



instruments of whatsoever nature, to which the Demerged Company is 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 against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

4.4.1.2 Any contract of the Demerged Company relating to or benefiting at present the Residual Business and the PTB Undertaking, shall be deemed to constitute separate contracts, thereby relating to and/or benefiting the Demerged Company and the Resulting Company, respectively.

4.4.1.3 It is hereby clarified that if any Contracts in relation to the PTB Undertaking to which the Demerged Company is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company insofar as it is permissible so to do, till such time the transfer is effected.

4.4.2 The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Demerged Company will, if reasonably necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

#### 4.5 TRANSFER OF PTB EMPLOYEES

4.5.1 Upon this Scheme becoming effective, all the PTB Employees shall be deemed to be transferred to and engaged by the Resulting Company with effect from the Demerger Appointed Date, without any interruption of service and on the basis of continuity of service, and on such terms and conditions as are no less favorable than those on which they are currently engaged by the Demerged Company. The services of such PTB Employees with the Demerged Company up to the Effective Date shall be taken into account for the purposes of all benefits and continuity to which, if any, such Employees may be eligible under Applicable Law.

4.5.2 Upon this Scheme becoming effective and with effect from the Demerger Appointed Date, all contributions including any provisions created therefor, to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, or any other special scheme or, to Tax benefits (including medical, pension and leave travel allowance) or any other benefits created or existing exclusively for the benefit of the PTB Employees, if any, upon this Scheme becoming effective, shall be made by the Resulting Company in accordance with the provisions of such schemes or funds and Applicable Law.

4.5.3 The existing accumulations under provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits of the Demerged Company pertaining to the PTB Employees shall be transferred to, the provident fund, employees' state insurance corporation, gratuity fund, superannuation fund, staff welfare scheme,



etc., being maintained by the Resulting Company or as may be created by the Resulting Company for such purpose, in accordance with Applicable Law. In the event the Resulting Company does not have its own trusts/funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant trusts/funds created by the Demerged Company, until such time that the Resulting Company creates its own funds and the contributions pertaining to the PTB Employees shall be transferred to the trusts/funds created by the Resulting Company.

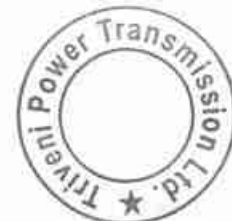
#### 4.6 CONTINUATION OF LEGAL PROCEEDINGS

- 4.6.1 Upon this Scheme becoming effective, and with effect from the Demerger Appointed Date, the Resulting Company shall be entitled to the benefits and shall bear the burdens of any legal or other proceedings to the extent specifically relating to the PTB Undertaking, initiated by or against the Demerged Company. If any suit, appeal or other proceedings to the extent specifically relating to the PTB Undertaking initiated by or against the Demerged Company is pending, the same shall not be abated, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, if this Scheme had not been effected.
- 4.6.2 All costs and expenses incurred, and payments made, by the Demerged Company in respect of any proceedings initiated by or against the Demerged Company after the Demerger Appointed Date to the extent relating to the PTB Undertaking shall be reimbursed by the Resulting Company upon submission by the Demerged Company to the Resulting Company of documents evidencing that the Demerged Company has, incurred such costs and expenses or made such payments. The Resulting Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to the PTB Undertaking.

#### 4.7 TAXATION MATTERS

Notwithstanding anything to the contrary contained in this Scheme, upon effectiveness of this Scheme:

- 4.7.1 The Scheme has been drawn up to comply with and fall within definition and conditions relating to demerger as specified under Section 2(19AA) and other applicable provisions of the IT Act. The demerger of the PTB Undertaking shall take place in accordance with the Scheme as per the provisions of Section 2(19AA) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act.
- 4.7.2 The Resulting Company shall be liable for any Tax payable to Governmental Authorities under Tax Laws and shall be entitled to any refunds of Tax from appropriate authorities under Tax Laws, which, in each case, arise exclusively from the operation or activities of the PTB Undertaking prior to the Demerger Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Demerged Company and regardless of whether such payments or receipts are due or realised on or after the Demerger Appointed Date.



- 4.7.3 The Resulting Company shall be liable for any tax payable to Governmental Authorities under Tax Laws and shall be entitled to refunds of any Tax from Governmental Authorities under Tax Laws, which, in each case, arise from the operation or activities of the PTB Undertaking on or after the Demerger Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Demerged Company and regardless of whether such payments or receipts are due or realised on, before or after the Demerger Appointed Date. Any unfulfilled obligation as on the Demerger Appointed Date, pertaining to Export Promotion Capital Goods / Advance Authorization schemes which had been availed in respect of PTB Undertaking, shall be transferred to the Resulting Company upon the Scheme becoming effective. The Resulting Company shall be responsible to satisfy any such unfulfilled obligation and obtain necessary Export Obligation Discharge Certificate / Redemption Certificate from the appropriate authorities. Further, the Resulting Company will be entitled to receive all refunds/incentives of foreign trade policy, benefit of export, Duty draw back etc. relating to the PTB Undertaking that have accrued up to the Demerger Appointed Date, regardless of whether these are provided or recorded in the books of the PTB Undertaking.
- 4.7.4 All Taxes paid or payable by the Demerged Company in respect of the operations and/or the profits of the PTB Undertaking on and from the Demerger Appointed Date, shall be on account of the Resulting Company. Upon effectiveness of this Scheme, the payment of any Tax whether by way of deduction or collection at source, advance tax, self-assessment tax, minimum alternate tax or otherwise howsoever, by the Demerged Company in respect of the activities or operations of the PTB Undertaking on and from the Demerger Appointed Date, shall be deemed to have been paid by the Resulting Company, and shall, in all proceedings, be dealt with accordingly.
- 4.7.5 Without prejudice to the generality of the foregoing, on and from the Demerger Appointed Date, if any certificate for TDS or TCS or any other tax credit certificate relating to the PTB Undertaking is received in the name of Demerged Company, or Tax credit relating to the PTB Undertaking is appearing in Form 26AS of the Demerged Company, it shall be deemed to have been received by and in the name of the Resulting Company which alone shall be entitled to claim credit for such TDS/TCS or Tax paid.
- 4.7.6 Resulting Company shall be entitled to claim deduction in respect of unpaid liabilities transferred to it as part of the PTB Undertaking, deduction in respect of which are available on actual payment basis or on the basis of deposit of appropriate TDS (including but not limited to deduction u/s 43B, u/s 40(a)) or allowable upon actual crystallization or incurrence of liability, to the extent not claimed by or allowed to the Demerged Company.
- 4.7.7 If the Demerged Company receives any refund under applicable Tax laws that the Resulting Company is entitled to receive, the Demerged Company shall promptly pay to the Resulting Company the amount of refund so received. If the Resulting Company receives any refund under applicable Tax laws that the Demerged Company is entitled to receive, the Resulting Company shall promptly pay to the Demerged Company the amount of refund so received.
- 4.7.8 Any Tax incentives, subsidies, exemptions, special status, Tax benefits (including but not limited to export incentives under any scheme of the Government, credits/ incentives in respect of income tax (including TDS and TCS credits), sales tax, value added tax, GST, turnover tax, excise duty, service tax etc.), duty drawbacks and other benefits, credits, exemptions or privileges enjoyed, granted by a Governmental Authority or availed of by the Demerged Company shall, without any further act or deed, in so far as they relate to or are available for the operation and activities of the PTB Undertaking on or before or after the Demerger Appointed Date, and to the extent permissible under the applicable Tax Laws, vest with and be available to Resulting Company on the same terms



and conditions, as if the same had been originally allotted and/ or granted and/ or sanctioned and/ or allowed to the Resulting Company. The Demerged Company and the Resulting Company shall take such actions as may be necessary under Applicable Law to give effect to such transfers.

- 4.7.9 Each of the Demerged Company and the Resulting Company shall have the right to revise their financial statements, Tax returns viz. income tax, withholding tax, TDS/TCS certificates, TDS/TCS returns, GST returns and any other statutory returns and filings under the Tax laws, along with prescribed forms, filings and annexures under the IT Act (even in a case where the due date to revise the income tax returns have expired under the provisions of the IT Act), and laws in relation to the GST, central sales tax, applicable state value added tax, entry tax, service tax, excise duty and other tax laws, and to claim refunds and/ or credit for taxes paid (including advance tax, self-assessment tax, TDS/TCS, MAT, foreign tax credit, dividend distribution tax, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 4.7.10 Any actions taken by the Demerged Company to comply with Tax Laws (including payment of taxes, maintenance of records, payments, returns, tax filings, etc.) in respect of the PTB Undertaking on and from the Demerger Appointed Date up to the Effective Date shall be considered as adequate compliance by the Demerged Company with such requirements under Tax Laws and such actions shall be deemed to constitute adequate compliance by the Resulting Company with the relevant obligations under such Tax Laws.
- 4.7.11 Any closing balances (including but not limited to GST credits, electronic cash balances/credit balances available at GST portal, GST TDS, GST TCS, TDS etc.) pertaining to the PTB Undertaking shall be transferred to the Resulting Company in accordance with Applicable Laws. The Demerged Company and Resulting Company shall take such actions as may be necessary under Applicable Law to give effect to such transfer. GST credits and liability in connection with GST pertaining to the activities or operations of the PTB Undertaking between the Demerger Appointed Date and the Effective Date shall be dealt with in accordance with Applicable Law.
- 4.7.12 If the Demerged Company makes any payment to discharge any liabilities under Tax laws that are the responsibility of the Resulting Company, the Resulting Company shall promptly pay or reimburse the Demerged Company for such payment. If the Resulting Company makes any payment to discharge any liabilities under Tax Laws that are the responsibility of the Demerged Company, the Demerged Company shall promptly pay or reimburse the Resulting Company for such payment.
- 4.7.13 Any benefits under incentive schemes and policies relating to the PTB Undertaking shall be transferred to and vested in the Resulting Company.

#### 4.8 ACCOUNTING TREATMENT

##### 4.8.1 Treatment in the books of the Demerged Company

- 4.8.1.1 Upon Part IV of this Scheme coming into effect on the Effective Date, and with effect from the Demerger Appointed Date, the Demerged Company shall account for the demerger and vesting of the PTB Undertaking with the Resulting Company in its books of accounts in accordance with the Indian Accounting Standards 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 accounted principles as under:
- 4.8.1.2 The book value of the assets and liabilities pertaining to the PTB Undertaking transferred by the Demerged Company to the Resulting Company shall be reduced from the book



values of the assets and liabilities appearing in books of accounts of the Demerged Company.

- 4.8.1.3 Specific reserves, if any, pertaining to the PTB Undertaking shall be transferred to the Resulting Company and accordingly reduced from the respective reserves in the books of the Demerged Company.
- 4.8.1.4 The book values of the assets, liabilities and specific reserves transferred pertaining to the PTB Undertaking, proportionate to the continued holding of the Demerged Company in the Resulting Company, shall be added to the carrying value of investment held by the Demerged Company in the Resulting Company.
- 4.8.1.5 The value of the net assets (assets minus liabilities) transferred (as stated in Clause 4.8.1.2) as reduced by the aggregate of the value of specific reserves transferred (as stated in Clause 4.8.1.3) and the amount added to carrying value of investment (as stated in Clause 4.8.1.4) shall be adjusted against reserves of the Demerged Company, in the following manner:
- (a) in case of unadjusted debits, the same shall first be adjusted against amalgamation reserve (to the extent available), thereafter against capital reserve (to the extent available) and thereafter against retained earnings; or
- (b) in case of unadjusted credits, the same shall be recognized as capital reserve.
- 4.8.1.6 If and to the extent there are loans, deposits or balances as between the Demerged Undertaking and other undertakings/offices of the Demerged Company, the obligations in respect thereof shall stand cancelled and there shall be no obligations/rights in that behalf.
- 4.8.1.7 The difference being the excess of book values of assets transferred over the book value of liabilities transferred after giving effect to the cancellation of inter-company transactions and balances pursuant to Clause 4.8.1.3 shall be adjusted against reserves of the Demerged Company.
- 4.8.1.8 Notwithstanding anything contained hereinabove, the Board of Directors of the Demerged Company is authorized to account for any of the above mentioned transactions in accordance with the applicable accounting standards and generally accepted accounting principles.

#### 4.8.2 Treatment in the books of the Resulting Company

- 4.8.2.1 Upon Part IV of this Scheme coming into effect on the Effective Date and with effect from the Demerger Appointed Date, the Resulting Company shall account for the PTB Undertaking in its books of accounts at carrying value, in accordance with "Pooling of Interest Method" of accounting as laid down in Appendix C of Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, as under:
- 4.8.2.2 Upon the coming into effect of this Scheme, the Resulting Company shall record all the assets and liabilities pertaining to the PTB Undertaking transferred to and vested in it pursuant to this Scheme, at their respective book values, as appearing in the books of accounts of the Demerged Company as on the Demerger Appointed Date.



- 4.8.2.3 The specific reserves pertaining to the PTB Undertaking transferred by the Demerged Company shall appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company.
- 4.8.2.4 The Resulting Company shall credit to their Equity Share Capital account, the aggregate face value of the New Equity Shares issued by them pursuant to Clause 4.11 of Part IV of the Scheme.
- 4.8.2.5 The difference between the net assets (assets less liabilities) transferred as stated in Clause 4.8.2.2 and the aggregate of the reserves accounted for in accordance with Clause 4.8.2.3 and the amount recorded as share capital issued as stated in Clause 4.8.2.4 above, shall be considered in capital reserve.
- 4.8.2.6 Comparative financial information in the financial statements of the Resulting Company shall be restated for the accounting impact of the demerger, as stated above, as if the demerger had occurred from the beginning of the comparative period. However, if the business combination had occurred after that date, the comparative period information shall be restated only from that date.
- 4.8.2.7 Notwithstanding anything contained hereinabove, the Board of Directors of the Resulting Company is authorized to account for any of the abovementioned transactions in accordance with the applicable accounting standards and generally accepted accounting principles.

#### 4.9 BENEFIT OF STATUTORY/CORPORATE APPROVALS

- 4.9.1 Without prejudice to the generality of the above and upon the Scheme becoming effective, the benefits of any and all corporate approvals, and/or statutory approvals as may have already been taken by the Demerged Company:
- (a) in relation to the PTB Undertaking, whether being in the nature of compliances or otherwise and any other approvals as obtained under the Act or SEBI LODR including but not limited to approvals under Sections 180, 185, 186, and 188 of the Act, shall stand transferred to the Resulting Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Resulting Company, by virtue of approval of this Scheme.
- (b) in relation to appointment and payment of remuneration to the directors, key managerial personnel or for the purpose of such related party transactions, which are being transferred to the Resulting Company as a part of PTB Undertaking, shall stand transferred to the Resulting Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Resulting Company, by virtue of approval of this Scheme.
- 4.9.2 Upon the Scheme becoming effective, all the fresh appointments of directors, key managerial personnel (those not covered under this Scheme) and new transaction(s) contemplated to be entered into by the Resulting Company with its related parties shall be done in accordance with the applicable provisions of the Act and other Applicable Laws.



4.9.3 Upon the Scheme becoming effective, all the incentives, subsidies, special status, and other benefits or privileges enjoyed, granted by any Governmental Authority, local authority, or by any other person, or availed by the Demerged Company, in relation to the PTB Undertaking, shall vest with and be available to the Resulting Company on the same terms and conditions.

#### 4.10 CONDUCT OF BUSINESS

4.10.1 Except as provided under this Scheme, from the date of the Scheme being approved by the Boards of the Demerged Company and the Resulting Company and up to the Effective Date, the Demerged Company will carry on the business of the PTB Undertaking as a going concern in the ordinary course of business and shall continue to operate, manage, and expand and grow the PTB, consistent with past practice in trust and good faith and in accordance with Applicable Law.

4.10.2 On and from the Effective Date, the Resulting Company shall commence and carry on and shall be authorized to carry on the PTB which was hitherto carried on by the Demerged Company.

4.10.3 Without prejudice to the provisions of Clause 3.9.2 above, in the event of any change in the capital structure of the Demerged Company at any time before the Record Date 2, an appropriate adjustment may be made (if required) to the share entitlement ratio to take into account the effect of such change and the same shall be subject to Applicable Laws and be approved by the Board of Directors of the Demerged Company and the Resulting Company.

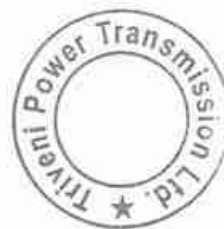
#### 4.11 CONSIDERATION BY THE RESULTING COMPANY BY WAY OF ISSUE OF SHARES ON DEMERGER

4.11.1 Upon the Scheme becoming effective, and in consideration of the transfer and vesting of the PTB Undertaking from the Demerged Company into the Resulting Company, the Resulting Company shall, without any further application or deed, on the basis of the Valuation Report, issue and allot the following equity shares ("**New Equity Shares**") to the shareholders of the Demerged Company whose name appears in the register of members of the Demerged Company as on the Record Date 2 (which for avoidance of any doubt, shall include the New Triveni Shareholders), and/or his/her heirs, executors, administrators or the successors in title, as the case may be, subject to the provisions of this Clause 4.11 below, in the following manner:

*"For every 3(three) equity shares of the Demerged Company of face value of INR 1 each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (One) equity share of face value INR 2 each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Demerged Company".*

4.11.2 The aforesaid issuance and allotment of the New Equity Shares by the Resulting Company to the shareholders of the Demerged Company whose name appears in the register of members of the Demerged Company as on the Record Date 2, shall be made in such a manner that Existing Equity Shares, shall continue to be held by the Demerged Company in the Resulting Company, without any requirement of any further act or deed on part of the Demerged Company.

4.11.3 The fractional entitlements under Clause 4.11.1, if any, shall be consolidated by the Board of the Resulting Company. The Board of the Resulting Company shall issue consolidated shares to a trustee nominated by the Board of the Resulting Company, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong and shall sell such shares in the market within a period of 90 days from the date of allotment



of shares, at such price and to such persons as the trustee deems fit, subject to the provisions of the SEBI Circular, and shall distribute the net sale proceeds, after deductions of the applicable Taxes and expenses incurred, in proportion to their respective fractional entitlements.

- 4.11.4 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, even subsequent to the Record Date 2, as the case may be, to effectuate such a transfer in the Demerged Company, as if such changes in registered holder were operative as on the Record Date 2, in order to remove any difficulties arising to the Demerged Company or the Resulting Company of such shares.
- 4.11.5 The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares, under this Scheme.
- 4.11.6 In terms of this Scheme, the New Equity Shares shall be issued in dematerialized form to those shareholders who hold shares of the Demerged Company in dematerialized form, into the account in which shares of the Demerged Company are held or such other account as is intimated in writing by the shareholders to the Demerged Company and/ or its registrar provided such intimation has been received by the Demerged Company and/ or its registrar at least 7 (seven) days before the Record Date 2. All those shareholders who hold shares of the Demerged Company in physical form shall also receive the equity shares to be issued by the Resulting Company, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Demerged Company and/ or its registrar provided such intimation has been received by the Demerged Company and/ or its registrar at least 7 (seven) days before the Record Date 2. If no such intimation is received from any shareholder who holds shares of the Demerged Company in physical form 7 (seven) days before the Record Date 2, or if the details furnished by any shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall open an escrow demat account with a depository participant to keep such shares in abeyance / in such escrow demat account and will credit the same to the respective demat account(s) of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing by the shareholders to the Resulting Company and/ or its registrar.
- 4.11.7 Approval of this Scheme by the shareholders of the Resulting Company shall be deemed to, (a) be the due compliance of the provision of Section 42 read with Section 62 of the Act 2013, and the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares, as provided in this Scheme; and (b) mean that the shareholders have also accorded all relevant consents under the Act for the issue and allotment of New Equity Shares.
- 4.11.8 The approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company under Section 230 to Section 232 of the Act, shall be deemed to have the approval under Sections 13, 14 and 186 of the Act and other applicable provisions of the Act and any other consents and approval required in this regard.
- 4.11.9 The New Equity Shares to be issued in terms of Clause 4.11 of this Scheme, in respect of any equity shares of the Demerged Company which are/may be held in abeyance under the Applicable Law (including under the provisions of section 126 of the Act) or otherwise shall, pending allotment or settlement of dispute by order of NCLT or any court or otherwise, be held in abeyance, or shall be dealt with as provided under the Applicable Law.



4.11.10 The New Equity Shares to be issued in terms of Clause 4.11 of this Scheme, in respect of any equity shares of the Demerged Company held in the unclaimed suspense account shall be issued by the Resulting Company to a new unclaimed suspense account created for shareholders of the Resulting Company. The shares to be issued by the Resulting Company in lieu of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be issued to Investor Education and Protection Fund in favour of such shareholders.

#### 4.12 LISTING OF THE EQUITY SHARES OF THE RESULTING COMPANY

4.12.1 The Total Equity Shares of the Resulting Company issued in terms of Clause 4.11.1, 4.11.2 and 4.11.3 of this Scheme, shall be listed and / or admitted to trading on the Stock Exchanges on the Effective Date. The Resulting Company shall apply to the Stock Exchanges and SEBI for listing and admission to trading of the Total Equity Shares of the Resulting Company, pursuant to this Scheme in terms of the SEBI Circular read with any other Applicable Laws. The Resulting Company shall enter into such arrangements and give such confirmations and/ or undertaking as may be necessary in accordance with the Applicable Laws for complying with the formalities of the said Stock Exchanges.

4.12.2 This Scheme is in conformity with the requirements as laid down in Rule 19(7) of Securities Contract (Regulation) Rules, 1957 read with the SEBI Circular and in terms of the said sub-rule in relation to the Total Equity Shares of the Resulting Company and on receipt of certified copy of order of the NCLT sanctioning the Scheme, Resulting Company shall take necessary steps for listing of the Total Equity Shares of the Resulting Company, simultaneously on the Stock Exchanges. The listing of the said shares is subject to the approval of the Stock Exchanges and SEBI.

4.12.3 The Resulting Company shall make application to SEBI in terms of Rule 19(7) of Securities Contract (Regulation) Rules, 1957 for the listing of the Total Equity Shares of the Resulting Company at the Stock Exchanges. The Resulting Company shall comply with the applicable provisions of the SEBI Circular.

4.12.4 The New Equity Shares shall be subject to the Scheme, the memorandum and articles of association of the Resulting Company and Applicable Law and shall rank *pari passu* with the Existing Equity Shares.

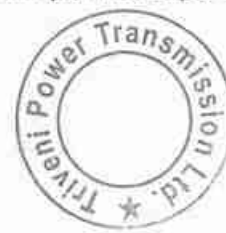
4.12.5 The New Equity Shares allotted pursuant to the Scheme, shall remain frozen in the depositories system till listing and trading permission is given by the designated Stock Exchanges.

4.12.6 Further, there shall be no change in the shareholding pattern or control of the Resulting Company between the Record Date 2 and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.

4.12.7 The Demerged Company being a listed company, this Scheme is subject to the compliances by the Demerged Company of all the requirements under the SEBI Circular and all statutory regulations/ directives of the SEBI insofar as they relate to sanction and implementation of the Scheme.

#### 4.13 SAVING OF CONCLUDED TRANSACTIONS

4.13.1 The transfer of properties and liabilities to, and the continuance of proceedings by or against the Resulting Company, shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Demerger Appointed Date, and after Demerger Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all



acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

4.13.2 Without prejudice to the other provisions of this Scheme, the Demerged Company and/or the Resulting Company, as the case may be, shall, at any time after this Scheme becomes effective in accordance with the provisions hereof, if so required under any Applicable 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, licenses and certificates which were held or enjoyed by the Demerged Company in relation to the PTB Undertaking. 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 Resulting Company upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

#### 4.14 RESIDUAL BUSINESS

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

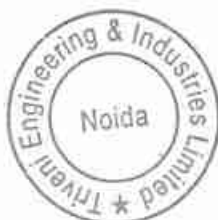
4.14.2 All legal, Tax or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company which relate to the Residual Business under any statute, whether pending on the Demerger Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Residual Business) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall in no event be responsible or liable in relation to any such legal, Tax or other proceeding against the Demerged Company, which relate to the Residual Business.

4.14.3 With effect from the Demerger Appointed Date and beyond the Effective Date, the Demerged Company:

4.14.3.1 shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Residual Business for and on its own behalf; and

4.14.3.2 all profits accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Residual Business, shall, for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company.

4.14.4 If in relation to any liabilities pertaining to the Residual Business, any lender/ creditor requires any assistance/ support (including provision of any guarantees) from the Resulting Company, the Board of Directors of the Demerged Company and the Resulting Company may mutually discuss and agree upon the assistance, support and cooperation as requested for by such lenders/ creditors of the Demerged Company.



## PART V

### GENERAL / RESIDUARY TERMS AND CONDITIONS

#### 5 DIVIDENDS

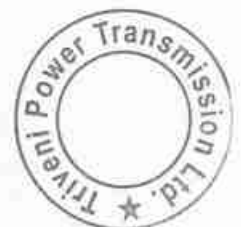
- 5.1 The Amalgamated Company, the Amalgamating Company and the Resulting Company shall be entitled to declare and make a distribution/ pay dividends, whether interim or final and/or issue bonus shares to their respective shareholders prior to the Effective Date, in accordance with Applicable Law. Any declaration of dividend or other distribution of capital or income by the Amalgamated Company, the Amalgamating Company and the Resulting Company shall be consistent with their respective dividend policies and past practices.
- 5.2 It is clarified that the aforesaid provisions in respect of the declaration of dividends (whether interim or final) are enabling provisions and shall not be deemed to confer any right on any shareholder of the Amalgamated Company, the Amalgamating Company and the Resulting Company, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Amalgamated Company, the Amalgamating Company and the Resulting Company, as the case may be, and subject to approval, if required, of the shareholders of the relevant company.

#### 6 APPLICATION TO NCLT

- 6.1 The Amalgamating Company, Amalgamated Company and the Resulting Company shall, with all reasonable dispatch, make respective applications to the NCLT and or applicable authority, under Sections 230 to 232 of the Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.
- 6.2 The Amalgamating Company, Amalgamated Company and the Resulting Company, as the case may be, shall be entitled, pending the sanction of this Scheme, to apply to the appropriate authorities, as required, under any Applicable Law for such consents and approvals which may be required to own/ transfer the assets and/or liabilities of the PTB Undertaking.
- 6.3 On approval of this Scheme by the members and creditors of the Amalgamated Company, Amalgamating Company and the Resulting Company, pursuant to Sections 230 to 232 of the Act, it shall be deemed that all consents required from the shareholders and/ or creditors, as the case may be, of the said companies under the provisions of the Act as may be applicable, have been accorded to.
- 6.4 Upon this Scheme becoming effective, the respective shareholders of the Amalgamated Company, Amalgamating Company and the Resulting 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 this Scheme.

#### 7 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:



- (a) The compliances of the applicable requirements under the SEBI LODR, SEBI Circular and all other statutory directives of SEBI, as applicable.
- (b) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Amalgamating Company, Amalgamated Company and the Resulting Company, as may be directed by the NCLT under Sections 230- 232 of the Act;

It is clarified that the Scheme shall be acted upon only if the number of votes cast by the public shareholders of the Amalgamating Company through e-voting in terms of paragraph 10 (a) and (b) of Part I of the SEBI Circular, in favour of this Scheme are more than the number of votes cast by the public shareholders of the Amalgamating Company against it;

- (c) The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
- (d) The filing of the certified copies of the orders of the NCLT with the ROC, Uttar Pradesh, by the respective companies, as the case may be; and
- (e) Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

## 8 MODIFICATION OR AMENDMENTS TO THE SCHEME

8.1 Each of the Amalgamating Company, Amalgamated Company and the Resulting Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this 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 this Scheme. Each of the Amalgamating Company, Amalgamated Company and the Resulting Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

8.2 If any part or Clause of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Company, Amalgamated Company and the Resulting Company, 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 this Scheme to become materially adverse to the Amalgamating Company and/or the Amalgamated Company and/or the Resulting Company, in which case the Amalgamating Company, Amalgamated Company and the Resulting Company, shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Company, Amalgamated Company and the Resulting Company, the benefits and obligations of the Scheme, including but not limited to such part.

## 9 WITHDRAWAL OF THE SCHEME

Subject to the approval of the NCLT or any other competent authority, if required, the Board of Directors of the Amalgamated Company, Amalgamating Company and the Resulting Company, shall be entitled to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if, (a) any of the conditions that may be imposed by the NCLT or other authorities which the



Amalgamating Company, Amalgamated Company and the Resulting Company, may find unacceptable for any reason; or (b) they are of view that the coming into effect of the Scheme could have adverse implications on the Amalgamated Company and/or the Amalgamating Company.

## 10 EFFECT OF NON-RECEIPT OF APPROVALS

10.1 In the event that, (a) the Scheme is not sanctioned by the NCLT; (b) subject to Clause 10.2 below, any consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with; (c) the Scheme is revoked, canceled or withdrawn in accordance with Clause 9 above; or (d) for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void.

10.2 The non-receipt of any sanctions or approvals for a particular asset or liability forming part of the PTB Undertaking getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Demerged Company and/or the Resulting Company so decide. In the event of non – receipt of approval of any lender / creditor for the transfer of any liability, then at the option of the Boards of Directors of the Demerged Company, it may issue a security / recognize a liability in favour of the Resulting Company on the same terms. The transfer of such asset or liability shall become effective from the Demerger Appointed Date as and when the said requisite approvals are received or aforesaid liability being recognized / security being issued and the provisions of the Scheme shall apply appropriately to the said transfer / issue / recognition.

## 11 COSTS, CHARGES & EXPENSES

11.1 The Boards of the Amalgamated Company, Amalgamating Company and the Resulting Company shall mutually decide on the manner of bearing the costs, charges, transfer fee, transfer premium and expenses payable in relation to or in connection with and incidental to the completion of the Scheme, to the extent applicable and payable.

11.2 The stamp duty in relation to Scheme shall be borne by the Amalgamated Company/Demerged Company.

## 12 COMPLIANCE WITH APPLICABLE LAWS

12.1 The Amalgamated Company, the Amalgamating Company and the Resulting Company undertake to comply with all the Applicable Laws (including all applicable compliances required by 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 appropriate authorities or any other statutory or regulatory authority (including without limitation, and if required, the Central Government, SEBI, Stock Exchanges), which by Applicable Law may be required for the implementation of this Scheme or which by Applicable Law may be required in relation to any matters connected with this Scheme. In accordance with the SEBI Circular, the Amalgamated Company and the Amalgamating Company shall provide e-voting facility for obtaining approval of the public shareholders and will disclose all material facts in the explanatory statement, to be sent to the shareholders for approval of this Scheme.

12.2 Since the Amalgamating Company and the Amalgamated Company are listed companies, this Scheme is subject to the compliances of the applicable requirements under the SEBI LODR, as amended from time to time, SEBI Circular and all other statutory directives of SEBI, as applicable.

