

## SCHEME OF ARRANGEMENT

*between*

**SAPPHIRE FOODS INDIA LIMITED**

*(Transferor Company)*

*And*

**DEVYANI INTERNATIONAL LIMITED**

*(Transferee Company)*

*And*

**THEIR RESPECTIVE SHAREHOLDERS**

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

### 1. PREAMBLE

This Scheme (*as defined hereinafter*), *inter-alia*, provides for (i) the amalgamation of the Transferor Company (*as defined hereinafter*) with and into the Transferee Company (*as defined hereinafter*), with effect from the Appointed Date (*as defined hereinafter*), and the consequent dissolution of the Transferor Company without being wound up, (ii) the issuance of New Equity Shares (*as defined hereinafter*) to the equity shareholders of the Transferor Company as on the Record Date in accordance with the Share Exchange Ratio (*as defined hereinafter*), pursuant to the provisions of Sections 230 to 232 and/or other applicable provisions of the Act (*as defined hereinafter*) and in accordance with Section 2(1B) of the Income Tax Act (*as defined hereinafter*), and (iii) re-classification of Promoters/Persons belonging to the Promoter Group/ Persons of the Transferee Company.

### 2. INTRODUCTION

- 2.1. Sapphire Foods India Limited (the “**Transferor Company**”) was incorporated on November 10, 2009, as Samarjit Advisors Private Limited, a private limited company, with the Registrar of Companies, Mumbai, under the provisions of the Companies Act, 1956. Its name was changed to Sapphire Foods India Private Limited on January 7, 2015. Subsequently, the Transferor Company changed its status to a public company and its name changed to Sapphire Foods India Limited with effect from July 8, 2021. The Corporate Identification Number of the Transferor Company is L55204MH2009PLC197005. The registered office of the Transferor Company as on the date its Board approves the Scheme is situated at 702, Prism Tower, A Wing, Mindspace, Link Road, Goregaon (West), Mumbai-400062, Maharashtra, India, but is in the process of shifting the same within the state of Haryana, subject to receipt of necessary approvals.

The equity shares of the Transferor Company are listed on the Stock Exchanges (*as defined hereinafter*).



- 2.2. Devyani International Limited (the “**Transferee Company**”) was incorporated on December 13, 1991, as Universal Ice Creams Private Limited, a private limited company, with the Registrar of Companies, Delhi, under the provisions of the Companies Act, 1956. Its name was changed to Devyani International Private Limited on June 7, 2000. Subsequently, the Transferee Company changed its status to a public company and its name changed to Devyani International Limited on May 9, 2005. The Corporate Identification Number of the Transferee Company is L15135DL1991PLC046758. The registered office of the Transferee Company as on the date the Board approves the Scheme is situated at F-2/7, Okhla Industrial Area, Phase-I, New Delhi, India-110020, but is in the process of shifting the same within the state of Haryana, subject to receipt of necessary approvals.

The equity shares of the Transferee Company Shares are listed on the Stock Exchanges (*as defined hereinafter*).

### **3. PURPOSE AND RATIONALE OF THE AMALGAMATION**

- 3.1. The Transferor Company is a franchisee of Yum! Brands operating quick service restaurants (“**QSR**”) under the globally recognized brands KFC, Pizza Hut and Taco Bell, primarily in southern and western parts of India and in Sri Lanka. The Transferee Company is the largest franchisee of Yum! Brands in India and is among the largest operators of chain QSR in India, on a non-exclusive basis, and operates in more than 280 cities in India, Nigeria, Nepal and Thailand. In addition, the Transferee Company is the sole franchisee for Costa Coffee, Tea Live, New York Fries and Sanook Kitchen in India. The Transferee Company also owns Biryani By Kilo, Goila Butter Chicken and Vaango brands, thereby contributing to customer diversification and margin enhancement.
- 3.2. The proposed amalgamation would be in the best interest of the Parties and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out, *inter alia*, below:
- (a) Consolidation of the QSR business under the brands KFC and Pizza Hut into a single entity, except the captive markets like airports and railway stations, resulting in economies of scale, unified strategy and consumer proposition for both brands enabling growth, reduction of overheads, harmonization of sales and service channels, enhanced operational efficiencies including productivity gains, and pooling of financial, managerial and technical resources, personnel capabilities, skills, expertise and logistical advantages, thereby strengthening the competitive position of the Transferee Company.
  - (b) Integration of the Transferor Company’s regional presence in southern and western India and in Sri Lanka with the Transferee Company’s pan-India operations and international presence in Nepal, Nigeria and Thailand, thereby creating a unified platform with an enlarged geographical footprint capable of serving customers across India and international territories with greater consistency, efficiency and quality of service.
  - (c) Opportunities to leverage the Transferor Company’s regional strength for the Transferee Company’s own brands (Biryani By Kilo, Goila Butter Chicken and Vaango) and its exclusive Costa Coffee, Tealive, New York Fries and Sanook Kitchen franchisee(s) in India, thereby broadening customer choice and diversifying the brand portfolio of the Transferee Company.
  - (d) Enhanced bargaining power with suppliers, landlords, technology providers and other stakeholders, leading to improved commercial terms, cost savings and higher profitability.

- (e) A single entity would benefit from increased scale, focus, innovations in technology and expanded reach with increased growth opportunities, higher cross selling opportunities to a larger base of customers, improvement in productivity and operational efficiencies leading to value creation for customers, lenders, employees, etc. and stronger cash flow generation.
  - (f) Expanded financial strength and scale, facilitating improved access to domestic and international capital markets, enabling fund raising on favorable terms, and supporting accelerated expansion, modernization and growth plans of the Transferee Company.
  - (g) A single entity will have a larger and more liquid equity base, improved market visibility, and wider investor participation, amongst others thereby creating value for shareholders.
- 3.3. The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the Scheme would be in the best interest of the shareholders, creditors, depositors and deposit trustee (if any), employees and other stakeholders of both the Companies and all concerned and the Scheme shall in no manner be prejudicial to the interest of concerned shareholders, directors or creditors or key managerial personnel or general public at large. Both the Companies are public listed entities and there is no material interest of any director and/ or key managerial personnel of both the Companies in the present Scheme.
- 3.4. In view of the aforesaid, the Boards of Directors of the Companies have considered and proposed the Scheme for the best interests of the stakeholders of both the Companies and will enhance the value of the shareholders. Accordingly, the Boards of the Companies have formulated this Scheme pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act (*as defined hereinafter*) and rules made thereunder.

#### 4. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

**Part A** deals with definitions used in the Scheme, interpretation, date of taking effect, and the share capital of the Companies.

**Part B**, *inter-alia*, deals with the transfer and vesting of assets, liabilities, encumbrances, permits, profits or losses, compliance with Income Tax Act, legal proceedings, inter-Company transactions, treatment of Taxes, employees, contracts, deeds, resolutions, saving of concluded transactions, consideration, accounting treatment, employee stock option plan, conduct of business till Effective Date, and the amalgamation of the Transferor Company with and into the Transferee Company.

**Part C** deals with re-classification of Promoters/ Persons belonging to the Promoter Group/ Persons in the Transferee Company.

**Part D** deals with the miscellaneous provisions applicable to this Scheme, including conditionalities in relation to the effectiveness of the Scheme.

## PART A

### DEFINITIONS, INTERPRETATION, DATE OF TAKING EFFECT AND SHARE CAPITAL

#### 5. DEFINITIONS

In this Scheme, unless inconsistent/ repugnant with the subject, context or meaning thereof, the following expressions shall have the meaning as set out herein below:

- 5.1. **“Accounting Standards”** means applicable Accounting Standard as notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, including any statutory modifications or re-enactments thereof.
- 5.2. **“Act”** means the Companies Act, 2013, the rules and regulations made there under as applicable, and shall include any and all statutory amendment(s), modification(s) or re-enactment thereof from time to time.
- 5.3. **“Amalgamation”** means amalgamation of the Transferor Company with and into the Transferee Company on a going concern basis in terms of the Scheme.
- 5.4. **“Applicable Laws”** means all applicable (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, codes, directives, rules, regulations, bye-laws, listing agreements, notifications, guidelines or policies of any applicable jurisdiction; (ii) administrative interpretation, writ, injunction, directions, directives, judgments, arbitral awards, decrees, orders or approvals required from the Governmental Authorities of, or agreements with, any Governmental Authority or recognized Stock Exchanges; and (iii) international treaties, conventions and protocols, as may be in force from time to time.
- 5.5. **“Appointed Date”** for the purpose of this Scheme means opening hours of April 1, 2026, or any other date as may be decided by the Appropriate Tribunal or any other competent court(s), judicial or quasi-judicial authority(ies) or any other competent authority(ies) having jurisdiction and powers to sanction the Scheme, as the case may be, and the Scheme shall be deemed to be effective from this date.
- 5.6. **“Appropriate Tribunal”** means the NCLT or NCLAT (as the case may be) that provides final sanction to the Scheme.
- 5.7. **“Arctic”** means Arctic International Private Limited, a company incorporated under the laws of Mauritius, a member of the promoter group of the Transferee Company.
- 5.8. **“Board of Directors” or “Board”** means and includes the respective Board of Directors of the Companies, or any committee constituted by such Board of Directors for the purposes of the Scheme.
- 5.9. **“Company”** means, individually, either the Transferor Company or the Transferee Company, as the case may be, and **“Companies”** means, collectively, the Transferor Company and the Transferee Company.
- 5.10. **“Contract”** means any contract, agreement, arrangement, tender, memorandum of understanding, term sheet, engagement, purchase order, license, guarantee, indenture, note, bond, loan, lease,

commitment other arrangement, understanding or undertaking, whether written or oral, of any nature whatsoever and by whatever name called.

- 5.11. **“Effective Date”** means the last of the dates on which all actions set out under Clause 27 of the Scheme have been completed. References in this Scheme to “upon the coming into effect of this Scheme” or “upon this Scheme becoming effective” or “effectiveness of this Scheme” or “Scheme coming into effect” shall mean the Effective Date.
- 5.12. **“Governmental Approval”** means any consent, approval, licence, permit, order, exemption, certificate, clearance or authorisation obtained or to be obtained from, or any registration, notification, declaration or filing made to or with, or to be made to or with, any Governmental Authority and shall include Required Governmental Filings.
- 5.13. **“Governmental Authority”** means any relevant Central, State, regional, city, municipal or local government, legislative body, regulatory or administrative authority and shall also include any court, tribunal, quasi-judicial body, regional director, registrar of companies, official liquidator, income Tax authority, competition commission of India, Stock Exchanges, SEBI and any other governmental/ semi-governmental authority having jurisdiction over the Companies.
- 5.14. **“Income Tax Act”** means the Income-tax Act, 1961 (including the rules and regulations made thereunder), and shall include any statutory modification(s), re-enactment or amendment(s) thereof from time to time.
- 5.15. **“Intellectual Property Rights” or “IPR”** means, whether registered or not in the name of or recognized under Applicable Laws as being intellectual property of the Transferor Company, or in the nature of common law rights of the Transferor Company, and includes all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress and all applications and registration for the foregoing, and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship, and copyrights therein, and registrations and applications therefore, if any, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Laws.
- 5.16. **“NCLT” or “The Tribunal”** means the National Company Law Tribunal constituted under the Companies Act, 2013, which has jurisdiction over the Transferor Company and the Transferee Company (and if the Transferor Company and Transferee Company are under the jurisdiction of different benches of the National Company law Tribunal, then “NCLT” or “The Tribunal” shall refer to each such bench).
- 5.17. **“NCLAT” or “The Appellate Tribunal”** means the National Company Law Appellate Tribunal having jurisdiction over appeals from the NCLT.
- 5.18. **“Promoters/ Persons belonging to the Promoter Group/ Persons related to the Promoters Seeking Reclassification”** means the persons more specifically set out in Schedule II.
- 5.19. **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company in consultation with the Board of Directors of the Transferor Company, after receiving the certified true

copy of the order approving the Scheme has been received from the Appropriate Tribunal, for the purpose of determining the equity shareholders of the Transferor Company, to whom the New Equity Shares will be allotted pursuant to this Scheme.

- 5.20. **“Registrar of Companies” or “ROC”** means the Registrar of Companies having jurisdiction over the Transferor Company and Transferee Company.
- 5.21. **“Required Governmental Filings”** means, collectively, the intimations/filings required to be made with the Stock Exchanges, Competition Commission of India, the Tribunal and the ROC, in connection with the present Scheme.
- 5.22. **“Scheme” or “the Scheme” or “this Scheme”** means this scheme of arrangement between the Companies and their respective shareholders, in its present form as submitted to the Tribunal or this Scheme with such modification(s) if any, as may be approved by the Companies in accordance with Clause 26 of this Scheme.
- 5.23. **“SEBI”** means the Securities and Exchange Board of India.
- 5.24. **“SEBI Act”** means the Securities and Exchange Board of India Act, 1992.
- 5.25. **“SEBI ICDR Regulations”** means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
- 5.26. **“SEBI LODR Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall include any statutory modification(s), amendment(s), and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines etc. that replaces such regulations.
- 5.27. **“SEBI Schemes Master Circular”** means Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, issued by SEBI titled “Scheme of Arrangement by Listed Entities and Relaxation of Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957”.
- 5.28. **“SFIL Secondary Sale”** means the sale of up to 5,94,55,837 (Five Crore Ninety Four Lakh Fifty Five Thousand Eight Hundred and Thirty Seven) Equity Shares of the Transferor Company (representing up to 18.5% (Eighteen Point Five Percent) of the fully paid up share capital of the Transferor Company as of December 31, 2025) in the aggregate, by SFML to Arctic and / or any other third party purchaser.
- 5.29. **“SFML”** means Sapphire Foods Mauritius Limited, a promoter of the Transferor Company.
- 5.30. **“Share Exchange Ratio”** shall have the meaning set forth in Clause 15.1 of this Scheme.
- 5.31. **“Stock Exchanges”** means collectively the BSE Limited (**“BSE”**) and the National Stock Exchange of India Limited (**“NSE”**).
- 5.32. **“Tax” or “Taxes”** means any and all taxes (direct or indirect), surcharges, fees, levies, cess, duties, tariffs, imposts and other charges of any kind, in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, central value added tax, central sales tax, sales tax, entry tax, tax

deducted at source, tax collected at source, self-assessment tax, advance tax, service tax, goods and services tax, compensation, cess, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, equalisation levy, dividend distribution tax, buy-back tax, securities transaction tax, taxes withheld or paid, and registration fees (attributable to or levied upon or recoverable from the Companies or their subsidiaries, together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto).

- 5.33. **“Transferee Company”** shall have the meaning as ascribed to it in Clause 2.2 of this Scheme.
- 5.34. **“Transferee Company Option Scheme”** means the existing stock option scheme of the Transferee Company, being Devyani International Limited Employees Stock Option Scheme 2021, or the Transferee Company Stock Option Plan, as the case may be.
- 5.35. **“Transferee Company Shares”** means fully paid up equity shares of the Transferee Company having face value INR 1 (Rupee One) each.
- 5.36. **“Transferee Company Stock Option”** means stock options issued pursuant to the Transferee Company Option Scheme.
- 5.37. **“Transferee Company Stock Option Plan”** has the meaning ascribed to such term in Clause 18.3(b).
- 5.38. **“Transferor Company”** shall have the meaning as ascribed to it in Clause 2.1 of this Scheme.
- 5.39. **“Transferor Company ESOP Plans”** means collectively, employees stock options schemes of the Transferor Company, titled ‘Sapphire Foods Employees Stock Option Scheme 2019 – Scheme III – Management other than CEO (“Scheme III”), Sapphire Foods Employees Stock Option Scheme 2019 – Scheme IV – CEO (“Scheme IV”), Sapphire Foods Employee Stock Option Scheme 2022 – Scheme IIIA – Management other than CEO (“Scheme IIIA”) and Sapphire Foods Employee Stock Option Scheme 2022 – Scheme IVA – CEO (“Scheme IVA”).
- 5.40. **“Transferor Company Stock Options”** means the employee stock options outstanding or granted under the Transferor Company ESOP Plans.

## **6. INTERPRETATION**

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and if not defined therein then under the relevant Applicable Laws. In this Scheme, unless the context otherwise requires:

- 6.1. references to a statutory provision include any subordinate legislation made from time to time under that provision;
- 6.2. references to the singular include the plural and vice versa and references to any gender includes the other gender;
- 6.3. references to any provision of law or legislation or regulation include: (a) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there

under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced; (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment;

- 6.4. reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;
- 6.5. headings are for convenience only and shall be ignored in construing or interpreting any provision of this Scheme;
- 6.6. the expression “this Clause” shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause (and not merely the sub-Clause, paragraph or other provision) in which the expression occurs;
- 6.7. references to Clauses are to Clauses of this Scheme;
- 6.8. references to any person shall include that person’s successors and permitted assigns or transferees;
- 6.9. references to the words “include” or “including” shall be construed without limitation;
- 6.10. references to the words “hereof”, “herein” and “hereunder” and words of similar import shall refer to this Scheme as a whole and not to any particular provision of this Scheme; and
- 6.11. where a wider construction is possible, the words “other” and “otherwise” shall not be construed ejusdem generis with any foregoing words.

## **7. EFFECTIVE DATE**

The Scheme set out herein in its present form, or with modification(s), if any, made in accordance with the provisions of the Scheme and/or the directions of the Appropriate Tribunal, shall be effective as of the Appointed Date but shall be operative from the Effective Date.

## **8. CAPITAL STRUCTURE**

- 8.1. The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on December 31, 2025 was as under:

<b>Particulars</b>	<b>AMOUNT (In Rs.)</b>
<b>Authorised share capital</b>	
2,33,50,60,000 equity shares of Rs.2/- each	4,67,01,20,000
<b>Total</b>	<b>4,67,01,20,000</b>



<b>Issued, subscribed and paid-up capital</b>	
32,13,82,905 equity shares of Rs. 2/- each fully paid-up <sup>#</sup>	64,27,65,810
<b>Total</b>	<b>64,27,65,810</b>

<sup>#</sup>Certain employee stock options granted to the employees of the Transferor Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid- up share capital of the Transferor Company.

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company until the date of approval of the Scheme by the Board of the Transferor Company.

- 8.2. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on December 31, 2025 was as under:

<b>Particulars</b>	<b>AMOUNT (In Rs.)</b>
<b>Authorised share capital</b>	
5,64,50,00,000 equity shares of Re. 1/- each	5,64,50,00,000
30,00,000 0.10% Redeemable, Non-Cumulative, Non-Convertible Preference Shares of Rs. 10/- each	3,00,00,000
<b>Total</b>	<b>5,67,50,00,000</b>
<b>Issued, Subscribed and paid-up share capital</b>	
1,23,28,72,291 equity shares of Re. 1/- each fully paid-up*	1,23,28,72,291
<b>Total</b>	<b>1,23,28,72,291</b>

\*Certain employee stock options granted to the employees of the Transferee Company which are vested may get exercised before the Effective Date and un-granted employee stock options, the grant and consequent exercise of which may result in an increase in the issued and paid- up share capital of the Transferee Company.

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company until the date of approval of the Scheme by the Board of the Transferee Company.

- 8.3. It is hereby clarified that unless otherwise agreed between the Companies (whether prior to or after the date their respective Boards approve the Scheme), nothing in this Scheme shall prevent the Companies to alter their authorised, issued, subscribed and paid-up share capital as per their business requirements during the pendency of this Scheme by way of issue of any further capital, declaration of dividend, convert any convertible debt instrument that is issued/ to be issued by the Companies to any person including but not limited to promoters or any other investors, raising of funds by issue of equity shares and/ or preference shares and/ or any convertible/ non-convertible securities/ instruments/ bonus shares/ rights offer or in any other manner subject to compliance of the Applicable Laws during pendency of this Scheme before any authority including the Appropriate Tribunal, as the case may be.

## **PART B**

### **TRANSFER AND VESTING OF ASSETS AND LIABILITIES, COMPLIANCE WITH INCOME TAX ACT, TREATMENT OF TAXES, SAVING OF CONCLUDED TRANSACTIONS, CONSIDERATION, ACCOUNTING TREATMENT, CANCELLATION OF INTER-SE TRANSACTIONS, EMPLOYEE STOCK OPTION PLAN, CONDUCT OF BUSINESS TILL EFFECTIVE DATE, CLUBBING AND RECLASSIFICATION OF AUTHORISED SHARE CAPITAL FOR THE AMALGAMATION OF THE TRANSFEROR COMPANY WITH AND INTO THE TRANSFeree COMPANY**

#### **9. TRANSFER AND VESTING OF ASSETS AND LIABILITIES**

With effect from the Appointed Date, pursuant to this Scheme becoming effective from the Effective Date, pursuant to the sanction of this Scheme by the Appropriate Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and the rules framed thereunder, the Transferor Company's assets, liabilities, contracts, employees, licenses, records, approvals, rights, powers, consents, permissions and obligations and its entire business and undertakings, including all of its properties, rights, benefits and interests therein, shall stand amalgamated with, transferred to and vested in, or shall be deemed to have been transferred to or vested in, the Transferee Company, as a going concern, and all of its assets, liabilities, contracts, employees, licenses, records, approvals, rights, powers, consents, permissions and obligations and its entire business and undertakings, shall become the assets, liabilities, contracts, employees, licenses, records, approvals, rights, powers, consents, permission, obligations, business and undertakings of the Transferee Company, without any further act, instrument or deed being required from the Transferor Company and / or the Transferee Company and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law, if any, and in accordance with the provisions contained herein by virtue of and in the manner provided in this Scheme.

#### **10. TRANSFER AND VESTING OF ASSETS**

10.1. Without prejudice to the generality of Clause 9 and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date, pursuant to this Scheme becoming effective from the Effective Date:

(a) Transfer and vesting of assets:

- (i) All assets of the Transferor Company that are movable in nature shall stand transferred and/or be deemed to be transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company, with effect from the Appointed Date, pursuant to this Scheme becoming effective from the Effective Date, pursuant to the provisions of the Companies Act or any Applicable Law without requiring any further act, deed or instrument of conveyance for transfer of the same and without any notice or other intimation to any third party, become the property of the Transferee Company, including the following:

- assets that are or represent investments and marketable securities of all kinds and in all forms including shares, scripts, bonds, debentures, stocks, units, or pass through certificates, security receipts or units of mutual funds that are

registered and/or held by the Transferor Company or where the beneficial interest therein is owned by the Transferor Company,

- incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal or by operation of law, of whatsoever nature, including equipment,
- stock of components, consumables, work in progress, finished goods stock and those forming part of fixed assets,
- sundry debtors, receivables, 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 government, quasi-government, local and other authorities and bodies, customers and other persons,
- all the rights, title and interest of the Transferor Company in any leasehold properties,

The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to Section 232 of the Act and the provisions of this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred to and vested in the Transferee Company accordingly;

- (ii) All immovable properties of the Transferor Company including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, by operation of law pursuant to sanctioning of the Scheme and with effect from the Appointed Date, pursuant to this Scheme becoming effective from the Effective Date, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. Such properties shall stand vested in the Transferee Company and shall be deemed to be and become the property as an integral part of the Transferee Company by operation of law. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties, if any, and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. To facilitate any transfer of immovable property of the Transferor Company, if any, to the Transferee Company, which requires any separate documents or deeds of transfer to be executed to effectuate such transfer, the Transferee Company and the Transferor Company shall take all the necessary steps including execution of such documents or deeds, as and when required. The mutation or substitution of the title to the immovable properties, if any, shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by NCLT and upon this Scheme becoming effective in accordance with the terms hereof, without any further act or deed to be done or executed by Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to engage in such correspondence and make such

representations, as may be necessary, for the purposes of the aforesaid transfer, mutation and/or substitution

- (iii) All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company with effect from the Appointed Date, pursuant to this Scheme becoming effective from the Effective Date, or from the date of their acquisition (after the Appointed Date but before the Effective Date) as the case may be, pursuant to the provisions of Sections 230 to 232 of the Act.
- (iv) All bank accounts and demat accounts operated or entitled to be operated by the Transferor Company shall be deemed to have been transferred and shall stand transferred to the Transferee Company and name of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records and the Transferee Company shall be entitled to operate all the bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company in so far as may be necessary, until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company.
- (v) All Taxes (including but not limited to advance tax, self-assessment tax, regular tax, modified value added Tax, central value added Tax, securities transaction tax, deferred tax assets/liabilities, foreign tax credit, tax deductible or collectible at source, accumulated losses under Income Tax Act (if any), allowance for unabsorbed depreciation under Income Tax Act (if any), service tax, GST, compensation, cess, etc., including any interest, penalty, surcharge and cess, if any, paid by or refunded / refundable to the Transferor Company, including all or any refunds or claims or credits thereof, shall be treated as the Tax paid by the Transferee Company, or as the case may be, refunds/claims/credits, of the Transferee Company, and any tax incentives (including Tax holiday benefits, exemptions, minimum alternative Tax credit, input Tax credit, advantages, privileges, accumulated losses (if any) under Income Tax Act, allowance for unabsorbed depreciation under Income Tax Act, , exemptions, credits, deductions / holidays, remissions, reductions, fiscal incentives, etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. Clause 13 of this Scheme sets out the provisions with respect to treatment of Taxes in further detail.

(b) Transfer of Contracts:

- (i) All Contracts, including purchase orders, deeds, bonds, agreements, memorandum of undertakings, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any arrangements, confirmations or novation, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by Transferor Company, shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company;
- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed; and
- (iii) With effect from the Appointed Date, pursuant to this Scheme becoming effective from the Effective Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

(c) Transfer of legal and other proceedings:

Any pending suits/appeals, legal, taxation or other proceedings before any statutory or quasi-judicial authority or tribunal or court or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Company, but the proceedings shall continue and any prosecution shall be enforced

by or against the Transferee Company after the Effective Date. The Transferee Company shall, after the Effective Date, be replaced as party to such proceedings and shall prosecute or defend such proceedings in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.

(d) Transfer of employees

- (i) All the employees of the Transferor Company who are on its payrolls immediately before the Effective Date, shall become the employees of the Transferee Company on and from the Effective Date, without any break or interruption in their services, on the same terms and conditions which shall not be less favourable than those on which they are engaged with the Transferor Company immediately before the Effective Date. For the purpose of payment of any retirement benefit / compensation, the past services of the employees with the Transferor Company, shall be taken into account as uninterrupted continuous services with the Transferee Company.
- (ii) With regard to any provident fund, gratuity fund, superannuation fund or other special fund created or existing for the benefit of the employees (“**Funds**”) of the Transferor Company, it is the aim and intent of the Scheme that upon the Scheme becoming effective, all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. All benefits accrued to the employees of the Transferor Company which are covered under the Funds set up by the Transferor Company, shall be transferred to the similar funds/schemes set up by the Transferee Company for the benefit of its own employees. For the avoidance of doubt, it is clarified that any Funds of the Transferor Company for its employees shall be continued for the benefit of such employees until such time that they are transferred to the relevant funds of the Transferee Company and the services of all employees of the Transferor Company shall be treated as having been continuous for the purpose of the aforesaid Funds.
- (iii) Save as expressly provided for in this Scheme, any benefits in addition to those that the employees of the Transferor Company are entitled to immediately before the Effective Date, shall be extended to such employees solely as per the terms and conditions applicable to such additional benefits and as determined by the Transferee Company. Provided further that, in the event of variation in the employment policies of the Transferor Company and the Transferee Company, the Transferee Company is entitled to modify, alter such employment policies of the Transferor Company to align them with the employment policies of the Transferee Company and the employees shall be bound by such modified policies till the time it is not less favourable than the terms and conditions applicable to these employees immediately prior to this Scheme becoming effective. The Transferee Company undertakes to continue to abide by any agreement / settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any employee of the Transferor Company.
- (iv) In relation to those employees for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc., such that all obligations of the Transferor

Company in relation to such schemes/ funds shall become those of the Transferee Company.

- (v) Upon this Scheme becoming effective, the Transferor Company will transfer/ handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts and documents reflecting changes in an employee's position, compensation or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness or fitness for work examinations), disciplinary records, supervisory files and all forms, notifications, orders and contributions/identity cards issued by the concerned authorities relating to benefits transferred.
  - (vi) Upon this Scheme becoming effective, any prosecution or disciplinary action, or any other proceedings initiated, pending or contemplated against and any penalty imposed in this regard on any employee of the Transferor Company shall not abate, be discontinued or in any way prejudicially affected by reason of the Scheme. Any such proceeding or disciplinary action shall be continued to operate against the relevant employee and the Transferee Company shall be entitled to take any relevant action or sanction, in the same manner and to the same extent as would or might have been continued, prosecuted and, or, enforced, without any further act, instrument or deed undertaken by the Transferor Company or the Transferee Company. All committees constituted by the Transferor Company in respect of the employees such as the disciplinary committee, internal committee, etc. shall be deemed to have become the committees of the Transferee Company and shall continue to handle any disputes or cases ongoing as on the date of this Scheme coming into effect until conclusion of such disputes or cases.
  - (vii) No employee of the Transferor Company who becomes the employee of the Transferee Company on the date of this Scheme becoming effective shall be entitled to hold any additional positions or enjoy any additional privileges in the Transferee Company by virtue of him/ her having held any such positions or enjoyed any such privileges in the Transferor Company. The provisions of the Scheme do not grant contract-based employees/workers or the contract workers engaged through third party contractors, by the Transferor Company, a right to seek permanency/regularization in the Transferee Company.
  - (viii) Notwithstanding the above, it is hereby clarified that the directors of the Transferor Company, whether in employment or otherwise, shall not get any vested right to be the directors on the Board of the Transferee Company upon the Scheme becoming effective.
- (e) Transfer of intellectual property

All goodwill, trademarks, trade names, service marks, domain names, copyrights, patents, logos, corporate names, brand names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information and IPR shall stand transferred to and vested in the Transferee Company without any further act, instrument or deed, upon the sanction of this Scheme by Appropriate Tribunal.

(f) Transfer of licenses and approvals

- (i) All approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, subsidies, rehabilitation schemes, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisations, prequalifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Appropriate Tribunal, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes;
- (ii) All statutory licenses, no objection certificates, consents, permissions, approvals, licenses, certificates, clearances, authorities, powers of attorney, given by, issued to or executed in favour of the Transferor Company or any applications made for the same by the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company; and
- (iii) Benefits of all corporate approvals as may have already been taken by the Transferor Company shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/ complied with by the Transferee Company. If any such resolutions have any monetary limits approved subject to the provisions of the Companies Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

10.2. The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by the Appropriate Tribunal, under and in accordance with Sections 230 to 232 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realise the same stands extinguished.



## 11. TRANSFER AND VESTING OF LIABILITIES

11.1. Without prejudice to the generality of Clause 9, and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date, pursuant to this Scheme becoming effective from the Effective Date:

- (a) Upon this Scheme coming into effect on the Effective Date, all debts, borrowings, liabilities, contingent liabilities, duties and obligations of every kind, nature and description, whether present or future, secured or unsecured, relating to the Transferor Company, whether provided for or not in the books of account of the Transferor Company or disclosed in the balance sheet of the Transferor Company, shall stand transferred to and vested in the Transferee Company, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date and become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description whether present or future, of the Transferee Company, by operation of law pursuant to the order of Appropriate Tribunal sanctioning this Scheme, without any further act, instrument or deed, and the Transferee Company undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions. 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. Further, necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Company, if any;
- (b) All the existing securities, mortgages, charges, encumbrances or liens (the “**Encumbrances**”), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Transferor Company transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company and/ or its subsidiaries, the same shall, after the approval of the Scheme by the Appropriate Tribunal, continue to relate and attach to such assets to which they are related or attached prior to the approval of the Scheme by the Appropriate Tribunal and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.
- (c) The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company and/ or its subsidiaries, prior to the approval of the Scheme by the Appropriate Tribunal shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- (d) All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall upon the coming into effect of this Scheme, pursuant to the provisions of the Act and all other applicable provisions of the Applicable Laws, without any further act, instrument or deed shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same;

- (e) The Transferee Company undertakes to pay all outstanding amounts including interest, penalties, Taxes, statutory dues, damages and costs which the Transferor Company may be called upon to pay or secure in respect of any liability or obligation relating to the Transferor Company from the period starting on the Appointed Date up to the Effective Date, upon submission of necessary evidence to the Transferee Company for making such payments;
  - (f) Where any of the debts, liabilities, duties and obligations of the Transferor Company on the Appointed Date have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme; and
  - (g) All loans, advances and other obligations (including any bank guarantees, performance guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of account and records of the Transferee Company.
- 11.2. The borrowing limits, if any, of the Transferee Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of liabilities of the Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme and the Transferee Company shall not be required to pass any separate resolution(s) or comply with any provisions of the Act, in this regard.
- 11.3. The Transferee Company, wherever required at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that the Transferee Company shall assume sole responsibility for repayment of borrowings.
- 11.4. Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities.
- 11.5. It is expressly provided that, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 11.6. The provisions of this Clause shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instruments, deeds or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/ or superseded by the foregoing provisions.
- 11.7. The Scheme, is in no manner, a Scheme of compromise or arrangement with the creditors as the creditors of the Transferor Company and the Transferee Company will be paid in full as and when its amounts fall due in the usual course and therefore, the Scheme will never be affecting the rights of the creditors in any manner, because the aggregate of assets of the Transferor Company and the Transferee Company will be sufficient to meet the liabilities of the creditors of the Transferor Company and the Transferee Company in full. The present Scheme is not a Scheme of Corporate Debt Restructuring as envisaged under Section 230(2)(c) of the Act.

## **12. COMPLIANCE WITH INCOME TAX ACT**

This Scheme complies with the conditions relating to “amalgamation” as specified under Section 2(1B) and all other relevant provisions of the Income Tax Act. If any terms and provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of the Applicable Laws or for any other reason whatsoever, then the provisions of such amended Section(s) of the Income Tax Act or any other Applicable Laws shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in Section 2(1B) of the Income Tax Act or any other Applicable Laws, as may be amended from time to time. Such modification shall, however, not affect other parts of this Scheme.

## **13. TREATMENT OF TAXES**

13.1. Upon this Scheme becoming effective and with effect from the Appointed Date, all Taxes paid/ payable, received/receivable by or on behalf of the Transferor Company including any interest, penalty, surcharge and cess, if any, paid /payable by or refunded / refundable to the Transferor Company, including all or any refunds or claims or credits thereof, shall be treated as the Tax paid / payable, received/receivable by the Transferee Company, or as the case may be, refunds/claims/credits, of the Transferee Company, and any tax incentives (including Tax holiday benefits, exemptions, minimum alternative Tax credit, input Tax credit, advantages, privileges, exemptions, credits, deductions / holidays, remissions, reductions, fiscal incentives, etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.

13.2. Upon the Scheme becoming effective:

- (a) To the extent required, the Transferor and Transferee Company shall be permitted to revise and file their respective financial statements, returns including but not limiting to Income tax Return, TDS return, TCS Return, sales tax/value added tax returns, central sales tax return , entry tax return, service tax returns, GST returns and all other relevant Tax returns filed with the Governmental Authorities under Applicable Law for the period either prior to the Appointed Date and/or period commencing on and from the Appointed Date, if required to give effect to the provisions of the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired; and
- (b) The Transferee Company shall be entitled to: (i) claim deduction with respect to items such as provisions, expenses, and related items disallowed in earlier years in the hands of the Transferor Company, which may be allowable (such as under Sections 40, 40A, 43B etc. of the IT Act) in accordance with the provisions of the Income Tax Act on or after the Appointed Date; and (ii) exclude items such as provisions, reversals, and related items made by the Transferor Company and offered by it for dis-allowance in the year in which it was created or for which no deduction or Tax benefit has been claimed by the Transferor Company prior to the Appointed Date.

13.3. Upon the Scheme becoming effective and with effect from Appointed date, all accumulated business tax losses and unabsorbed tax depreciation of the Transferor Company as on the Appointed Date, shall for all the purposes, be treated as accumulated business tax losses and unabsorbed tax depreciation of the Transferee Company. For this purpose, each of the Transferor Company and the Transferee Company shall comply with the stipulated conditions as prescribed for the respective

companies under Section 72A of the Income Tax Act and other applicable provisions of the Income Tax Act.

- 13.4. All the expenses incurred by the Transferor Company and the Transferee Company Companies in relation to the Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income Tax Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 13.5. Without prejudice to the generality of aforesaid, any concessional or statutory forms under applicable tax laws, or local levies issued or received by the Transferor Company, if any, in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company.
- 13.6. All tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as at the Appointed Date, shall be continued and/or enforced until the Effective Date by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in this Scheme.

#### **14. SAVING OF CONCLUDED TRANSACTIONS**

Without prejudice to anything mentioned above or anything contained in this Scheme and unless otherwise agreed between the Companies, transfer and vesting of all employees, Contracts, legal proceedings etc. of the Transferor Company as per this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things made, done and executed by the Transferor Company as acts, deeds, matters and things made, done and executed by or on behalf of the Transferee Company.

#### **15. CONSIDERATION**

- 15.1. Upon coming into effect of the Scheme, and in consideration for Amalgamation of the Transferor Company with and into the Transferee Company, the Transferee Company shall, without any further act or deed and without any further payment, issue and allot Transferee Company Shares (i) to each equity shareholder of the Transferor Company whose name is recorded in the register of members of the Transferor Company as on Record Date, and in respect of the equity shares of the Transferor Company held in dematerialised mode, to the members whose names are furnished by the depositories as beneficial owners as on the Record Date, or (ii) to heirs, executors or administrators to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Transferor Company, fully paid up Transferee Company Shares in the following manner :

*177 (One Hundred Seventy Seven) equity shares of the face value of Re. 1 (rupee one) each fully paid-up of the Transferee Company credited for every 100 (One Hundred) equity shares of the face value of Rs. 2 (rupees two) each fully paid-up held by such member in the Transferor Company ("Share Exchange Ratio").*

The Transferee Company Shares issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 15.1 shall be hereinafter referred to as “**New Equity Shares**”. Subject to the Applicable Laws, the New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. For the purpose of this Scheme, the fair value of the New Equity Shares will be computed using the opening market price of equity shares of the Transferee Company as on the Appointed Date on the NSE.

- 15.2. For arriving at the Share Exchange Ratio as outlined above, the Transferor Company and Transferee Company have considered the Joint valuation report dated December 31, 2025 issued by Shilpi Gupta (IBBI Registration No. IBBI/RV/11/2022/149), and Radhika Bansal (IBBI Registration No. IBBI/RV/11/2022/14683) being the registered valuers. The aforesaid Share Exchange Ratio has been duly considered by the Boards of the Transferor Company and the Transferee Company.
- 15.3. No equity share shall be issued in respect of fractional entitlements, if any, by the Transferee Company at the time of issue and allotment of New Equity Shares. If any equity shareholder of the Transferor Company becomes entitled to any fractional share, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 15.1, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next integer and issue consolidated New Equity Shares to a trustee nominated by the Transferee Company (the “**Trustee**”), who shall hold such New Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such New Equity Shares in the market at such price or prices and on such time or times within ninety (90) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable Taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding Tax, if any, distribute such sale proceeds to the concerned equity shareholders of the Transferor Company in proportion to their respective fractional entitlements.
- 15.4. The New Equity Shares shall be subject to the provisions of Memorandum of Association and Articles of Association of the Transferee Company and shall rank pari-passu for dividend, voting rights and for all other benefits and in all other respects.
- 15.5. In the event that the Transferor Company or the Transferee Company restructure their equity share capital by way of share split /consolidation/ issue of bonus shares during the pendency of the Scheme, the number of New Equity Shares to be issued to the shareholders of the Transferor Company shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 15.6. The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the Stock Exchanges, for the issue and allotment by the Transferee Company of the New Equity Shares to the members of the Transferor Company pursuant to the Scheme. Immediately upon receipt of the required listing approval, the Transferee Company shall take all necessary steps to obtain trading approval for the New Equity Shares and shall ensure that the steps for listing and commencement of trading of the New Equity Shares are completed within the time period prescribed under the Applicable Laws. The New Equity Shares allotted pursuant to this Scheme shall remain frozen in the depository system until the Stock Exchanges issue the relevant directions regarding listing and trading of the New Equity Shares.
- 15.7. The issue and allotment of New Equity Shares, pursuant to Clause 15.1, is an integral part of the Scheme. The approval of this Scheme by the members of the Transferee Company shall be deemed

to be the due compliance with the provisions of Section 42 and 62 and other applicable provisions of the Act.

- 15.8. The promoters and persons belonging to the promoter group of the Transferor Company have no intention to become/be categorized as the promoters of the Transferee Company.

## **16. ACCOUNTING TREATMENT**

- 16.1. Transferee Company accounting treatment: Pursuant to the Scheme coming into effect, the Transferee Company shall account for the transfer of the Transferor Company in accordance with acquisition method prescribed under Indian Accounting Standard (IND AS) 103, Business Combinations, notified under Section 133 of the Act, as notified under the Companies (Indian Accounting Standards) Rules, 2015, and generally accepted accounting principles as may be amended from time to time read with MCA General Circular No. 09/2019 dated August 21, 2019, in its books of account with effect from Appointed Date such that:

- (i) The Transferee Company shall record all the assets and liabilities of the Transferor Company as at the Appointed Date, transferred to and vested in it pursuant to this Scheme (including assets and liabilities not specifically recognized by the Transferor Company in its financial statements), at their respective fair values.
- (ii) The Transferee Company shall credit its share capital account with the face value of New Equity Shares issued in accordance with Clause 15.1 of this Scheme. The difference between the fair value of the consideration and face value of such New Equity Shares issued by the Transferee Company will be credited to the security premium account of the Transferee Company.
- (iii) The surplus/deficit between the fair value of Net Assets (“Net Assets” means excess of fair value of assets over the fair value of liabilities recognized as per Clause 16.1(i) above) pertaining to the Transferor Company and the fair value of the New Equity Shares to be issued as consideration as recognized as per Clause 16.1(ii) shall be credited to capital reserve/debited to goodwill, as the case may be.
- (iv) Any matter not dealt with in clauses hereinabove shall be dealt with in accordance with applicable Accounting Standards.

- 16.2. Transferor Company accounting treatment: Upon the Scheme becoming effective, as the Transferor Company will be amalgamated into the Transferee Company and will stand dissolved without being wound up, thus ceasing to exist as a separate legal entity, there will be no accounting treatment of this Scheme in the books of the Transferor Company.

## **17. CANCELLATION OF INTER-SE TRANSACTIONS**

Without prejudice to the above provisions, upon the Scheme becoming effective and with effect from the Appointed Date, all inter-company transactions and Contracts between the Transferor Company and the Transferee Company, including but not limited to:

- a) any loans, advances, payables and other obligations (*including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent*

*liability in whatever form*) which are due or outstanding or which may become due at any time in future; and

- b) any Contracts executed amongst the aforesaid Companies which are due or outstanding or which may become due at any time in future,

shall stand cancelled as on the Effective Date and shall be of no effect and the Transferor Company and the Transferee Company shall have no further obligation outstanding in that behalf.

## **18. EMPLOYEE STOCK OPTION PLAN**

18.1. In respect of the Transferor Company Stock Options granted by the Transferor Company under the Transferor Company ESOP Plans, upon the receipt of the certified true copy of the order by the Hon'ble NCLT and subject to the Applicable Laws, the following provisions will apply ("**ESOP Special Provisions**"):

- (a) The vesting of all the Transferor Company Stock Options shall be accelerated in the manner deemed appropriate by the Board of the Transferor Company ("**Transferor ESOP Accelerated Vesting**"). It is clarified that if the last date of vesting period of Transferor Company Stock Options falls before the receipt of the order of the Appropriate Tribunal sanctioning the Scheme, then the vesting period of the Transferor Company Stock Options shall be extended in such manner as may be deemed appropriate by the Board of the Transferor Company subject to compliance of the Applicable Law.
- (b) In connection with the foregoing, the Transferor Company may at its discretion accelerate and / or extend the time period for exercise of all vested Transferor Company Stock Options.

18.2. The ESOP Special Provisions under Clause 18.1 is an integral part of the Scheme and the receipt of requisite Governmental Approvals and approvals from the shareholders of the Transferor Company to the Scheme shall be deemed to be their consent in relation to all matters pertaining to the ESOP Special Provisions, including under the Act and SEBI LODR Regulations, as required. No further approval of the shareholders of the Transferor Company would be required to give effect to the ESOP Special Provisions.

18.3. Vested Transferor Company Stock Options Not Exercised:

- (a) In respect to the holders of vested Transferor Company Stock Options who have not exercised their respective options to subscribe to the equity shares of the Transferor Company prior to the Record Date, the Transferee Company shall: (a) issue Transferee Company Stock Options to all such holders of Transferor Company Stock Options taking into account the Share Exchange Ratio; and (b) ensure that all such Transferee Company Stock Options issued pursuant to this Clause 18.3(a) are exercisable immediately by the holders thereof and up to the period prescribed under the Transferee Company Stock Option Plan (*as defined below*).
- (b) The Transferee Company Stock Options to be issued pursuant to Clause 18.3(a) above may be issued by the Transferee Company either under the Transferee Company Option Scheme or otherwise under revised or newly formulated stock option plans (together, "**Transferee Company Stock Option Plan**"), on the terms and conditions which are no less favourable than the terms set out in the Transferor Company ESOP Plans, subject to Applicable Laws. Further, fractional entitlements, if any, arising pursuant to the applicability of the Share

Exchange Ratio as set out in Clause 18.3(a) above shall be rounded off to the nearest higher integer.

- (c) The issue of Transferee Company Stock Options pursuant to this Clause 18.3 shall be effected as an integral part of the Scheme and the approval of relevant Governmental Authorities and the shareholders of the Transferee Company to the Scheme shall be deemed to be their consent in relation to all matters pertaining to the Transferee Company Stock Option Plan, including without limitation, for the purposes of creating the Transferee Company Stock Option Plan and/ or modifying the Transferee Company Stock Option Plan (including increasing the maximum number of equity shares that can be issued consequent to the exercise of the Transferee Company Stock Options issued under the Transferee Company Stock Option Plan, and/ or modifying the exercise price of the Transferee Company Stock Options under the Transferee Company Stock Option Plan) in relation to vested Transferor Company Stock Options), and all related matters. No further approval of the shareholders of the Transferee Company would be required in this connection under Applicable Law.
- 18.4. Upon sanction of the Scheme by the Appropriate Tribunal, the Transferor Company may at its sole discretion and in such manner (and subject to such conditions) as it deems fit, institute and pay a onetime continuity bonus to such employees as identified by the Transferor Company (including key managerial personnel and directors if so identified), in a gross amount not exceeding INR 55,00,00,000 (Indian Rupees Fifty Five Crore) in the aggregate, for the purpose of incentivizing the continuity of employment and retention of talent. This payment shall be effected as an integral part of the Scheme and the approval of relevant Governmental Authorities and the shareholders of the Transferor Company to the Scheme shall be deemed to be their consent in relation to all matters pertaining to this payout, including under the Act and SEBI LODR Regulations, as required. No further approval of the shareholders of the Transferor Company would be required to give effect to the provisions of this Clause 18.4.
- 18.5. The Board of the Transferor Company and the Transferee Company or any of the committee(s) thereof, including the nomination and remuneration committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the above provisions.

## **19. CONDUCT OF BUSINESS TILL EFFECTIVE DATE**

- 19.1. The Transferor Company with effect from the Appointed Date and up to and including the Effective Date:
- (a) shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Transferee Company;
  - (b) All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure of the Transferee Company.
  - (c) all loans raised and all liabilities and obligations incurred by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company



shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company; and

- (d) any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.
- 19.2. The Transferor Company with effect from the date of approval of the Scheme by Board of the Companies and until the Effective Date, shall carry on its business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and other than as agreed between the Companies, shall not undertake any additional financial commitments of any nature, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective 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, as on the date of filing of this Scheme with the Tribunal; or
  - (c) as agreed between the Companies.
- 19.3. From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company.
- 19.4. For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Appropriate Tribunal, the Transferee Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act, and make any other applications or submissions required to any Governmental Authority. The Transferee Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc. as may be required to remove any difficulties, obtain any consents or licenses, and carry out any formalities or compliances as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Appropriate Tribunal.

## **20. CLUBBING AND RECLASSIFICATION OF AUTHORISED SHARE CAPITAL**

- 20.1. As an integral part of the Scheme, upon coming into effect of this Scheme, the amount of authorised share capital of the Transferor Company, as on the Effective Date, shall stand clubbed, consolidated and be added to the amount of authorised share capital of the Transferee Company, as on the Effective Date, without any further act or deed. The fees or stamp duty, if any, paid by the Transferor Company before the Effective date on its authorised share capital shall be set-off against any fee or stamp duty, payable by the Transferee Company on increase in authorised share capital consequent upon coming into effect of this Scheme. It is hereby clarified that the Transferee Company will pay the balance

fees or stamp duty, if any, on the aforesaid increase in the authorised share capital after deducting the aggregate fees or stamp duty paid by the Transferor Company on the pre-amalgamation authorised share capital.

- 20.2. Upon the Scheme becoming effective, the Board of the Transferee Company shall reclassify the clubbed and consolidated amount of the authorized share capital of the Transferee Company into such number of equity shares and/or preference shares with or without separate class, if required, as they deem fit and proper and shall accordingly amend the Memorandum and Articles of Association of the Transferee Company without any further act or deed.
- 20.3. The approval and consent of this Scheme by the shareholders of the Transferor Company and Transferee Company shall be deemed to be the approval of shareholders under Sections 13, 61 and other applicable provisions of the Act for clubbing, consolidation, re-classification and division of its amount of authorised share capital in equity and / or preference share capital, as may be required, and shall be deemed to be sufficient for the purpose of effecting the amendments in the Memorandum of Association of the Transferee Company in accordance with provisions of the Act. The sanction of this Scheme by the Appropriate Tribunal shall be deemed to be complying with the provisions of the Act for the purpose of effecting such re-classification and clubbing of the amount of authorized share capital of the Transferor Company with the amount of authorized share capital of the Transferee Company in equity and/ or preference, as the case may be, and no further resolution(s) would be required to be separately passed.
- 20.4. Pursuant to this Scheme, the Transferee Company shall file the requisite forms/ documents with the ROC, if any, for alteration of its authorized share capital along with the revised Memorandum and Articles of Association of the Transferee Company.

## **21. EXEMPTION UNDER THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVER) REGULATIONS, 2011**

- 21.1. For avoidance of doubt, it is clarified that pursuant to Amalgamation of the Transferor Company into and with the Transferee Company, the issuance of New Equity Shares as consideration for Amalgamation of the Transferor Company into and with the Transferee Company in terms of the Scheme, is exempt under the provisions of the Regulation 10(1)(d)(ii) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**SEBI SAST Regulations**”) and therefore, the requirement to make an "open offer" shall not be triggered in terms of provisions of the SEBI SAST Regulations.

## **22. POWER TO GIVE EFFECT TO AMALGAMATION**

- 22.1. The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- 22.2. Upon coming into effect of the Scheme, the Transferee Company and/or the Transferor Company shall, with reasonable dispatch apply for transition of all licenses and statutory registrations of the Transferor Company including but not limited to manufacturing licenses, product permissions, certificates, market authorizations, filings, dossiers (including experience and pre-qualification

submissions), industrial licenses, municipal permissions, approvals, consent, permits, quotas, registration with Governmental Authorities, incentives and subsidies. The period between the Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as “**Transitory Period**”.

- 22.3. During the Transitory Period, it is expressly stated that the inventory of all products, packaging and laminating material lying with the Transferor Company, including but not limited to packing material, art work, label goods, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, publicity materials in the name and form/format of the Transferor Company will be allowed to be utilized by the Transferee Company until such inventory is exhausted by the Transferee Company, as may be agreed between the Board of Directors in its ordinary course of business, with a view to avoid any disruption of business, to ensure continuity of operations and uninterrupted supply.

### **PART C**

#### **23. RECLASSIFICATION OF PERSONS FROM ‘PROMOTER AND PROMOTER GROUP’ CATEGORY TO ‘PUBLIC’ CATEGORY IN THE TRANSFEE COMPANY**

- 23.1. Pursuant to the Scheme becoming effective, the Promoters/ Persons belonging to the Promoter Group of the Transferor Company, as per the details set-out in Schedule I to the Scheme, who shall be allotted New Equity Shares by the Transferee Company, in lieu of their shareholding in the Transferor Company as on the Record Date, have no intention to become and shall not be categorized as the Promoters/ Promoter Group of the Transferee Company.
- 23.2. The Persons belonging to the Promoter Group of the Transferee Company, as per the details set-out in Schedule II to the Scheme, intend to be reclassified in the ‘Public’ category in the Transferee Company as they do not exercise, nor do they intend to exercise, any control or influence over the management or affairs of the Transferee Company and qualify to be re-classified as non- promoters in terms of the provisions of Regulation 31A of the SEBI LODR Regulations.
- 23.3. Without prejudice to the above, the Promoters/ Persons belonging to the Promoter Group/ Persons related to the Promoters Seeking Reclassification, as per the details set-out in Schedule II to the Scheme: (a) do not exercise control over the affairs of the Transferee Company either directly or indirectly; (b) do not have any special rights with respect to the Transferee Company through any formal or informal arrangements including through any shareholder agreements; (c) are not represented on the Board of Directors of the Transferee Company including a nominee director; (d) do not act as a key managerial personnel in the Transferee Company; (e) have not been declared ‘wilful defaulter’ as per the guidelines issued by the Reserve Bank of India; and (f) are not fugitive economic offenders. Pursuant to the effectiveness of the Scheme, the Promoters/ Persons belonging to the Promoter Group/ Persons related to the Promoters Seeking Reclassification shall collectively also not hold more than 10% (ten percent) of the total voting rights in the Transferee Company. Accordingly, the Promoters/ Persons belonging to the Promoter Group/ Persons of the Transferee Company related to the Promoters Seeking Reclassification, as per the details set-out in Schedule II to the Scheme, shall satisfy the conditions set out in Regulation 31 A(3)(b) of the SEBI LODR Regulations.
- 23.4. On approval of the Scheme by the Board and the equity shareholders of the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Act, the SEBI Schemes Master Circular and the SEBI LODR Regulations, it shall be deemed that the Board and equity shareholders of the Transferee Company have accorded their consent for such reclassification under the applicable

provisions of the Act, the SEBI ICDR Regulations, the SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws, for effecting the aforesaid reclassification of the Promoters/ Persons belonging to the Promoter Group/ Persons related to the Promoters Seeking Reclassification from ‘Promoter and Promoter Group’ category to ‘Public’ category in the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under the applicable provisions of the Act, the SEBI ICDR Regulations, the SEBI LODR Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws. Upon the coming into effect of this Scheme, the Transferee Company shall, if required, file all necessary documents/ intimations and make payment of any necessary fees as per the provisions of the SEBI ICDR Regulations, the SEBI LODR Regulations or any other applicable regulations notified under the SEBI Act and other Applicable Laws.

## **PART D**

### **MISCELLANEOUS PROVISIONS APPLICABLE TO PART A, PART B AND PART C OF THIS SCHEME**

#### **24. DISSOLUTION OF THE TRANSFEROR COMPANY**

Pursuant to the Scheme becoming effective, the Transferor Company shall, without any further act or deed, stand dissolved without following the process of winding up. Upon the dissolution of the Transferor Company, in the event there are any further acts, deeds or instruments to be executed to make the Scheme effective, then the Transferee Company shall be able to execute such acts, deeds or instruments without any further act, deed or instrument required from either the Transferee Company and/or the Transferor Company.

#### **25. APPLICATION TO THE TRIBUNAL OR SUCH OTHER COMPETENT AUTHORITY**

The Companies shall with all reasonable dispatch, make all necessary applications and/ or petitions under Sections 230 to 232 and other applicable provisions of the Act (as may be necessary) and the SEBI LODR Regulations and the SEBI Schemes Master Circular to the Tribunal, for sanctioning the Scheme and for dissolution of the Transferor Company without winding up under the provisions of Law and obtain all approvals as may be required under the Applicable Laws.

#### **26. MODIFICATION OR AMENDMENTS TO THE SCHEME**

- 26.1. The Board of each of the Companies may assent to any modifications/ amendments including withdrawal/ termination of the Scheme or to any other conditions or limitations that the Tribunal or any Governmental Authority or shareholders or Board of the Companies or any other committee specifically set-up for the Scheme, if any, may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Boards. Each of the Companies shall authorize their respective Boards to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of the Tribunal or any Governmental Authority or any other competent authority or otherwise howsoever arising out of or by virtue of the Scheme and/or to give effect to and to implement the Scheme, in part or in whole, and/or any matter concerned or connected therewith.
- 26.2. Further, it is clarified that the initial consent of the shareholders and creditors (*both secured and unsecured*) of the Companies to this Scheme shall in itself be deemed to be sufficient to authorize

the operation of the abovementioned clause of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

## **27. CONDITIONALITY OF THE SCHEME**

27.1. This Scheme is and shall be conditional upon and subject to the following:

- (a) the requisite Stock Exchanges Approval having been obtained by the Companies in relation to the Scheme;
- (b) the requisite approvals under the Competition Act, 2002 (including any statutory modification(s), amendment(s) or re-enactment thereof), if required;
- (c) the Scheme being approved by the respective requisite majorities of the classes of members and creditors (where applicable) of the Companies in accordance with the Act or dispensation having been received from the Tribunal in relation to obtaining such approvals from the shareholders and/or creditors or any Law permitting the respective Companies not to convene the meetings of its shareholders and/or creditors – with all public shareholders being provided the facility of e-voting after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution as required under the SEBI Schemes Master Circular;
- (d) the Scheme being sanctioned by the Tribunal or the Appellate Tribunal, either on terms as originally approved by the Companies, or subject to such modifications approved by the Tribunal or the Appellate Tribunal, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;
- (e) certified copies of the sanction / confirmation orders of the Tribunal or the Appellate Tribunal confirming/sanctioning the Scheme being filed with the ROC by the respective Companies;
- (f) receipt of such other sanctions and approvals including sanction of any other Governmental Authority or Stock Exchange(s) as may be required by the Applicable Laws in respect of the Scheme; and
- (g) any other conditions including any other necessary consents, approval or permission, as may be proposed by the Companies and mutually agreed between the Companies, prior or after the date of filing of the Scheme with the Tribunal, as conditions precedent to the effectiveness of the Scheme.

### **27.2. SFIL Secondary Sale:**

Notwithstanding anything otherwise provided in the Scheme, the Record Date to be fixed by the Board of Directors of the Transferee Company in consultation with the Board of Directors of the Transferor Company will be a date occurring after (and in no event prior) to the SFIL Secondary Sale having been concluded. It is clarified that the effectiveness of the Scheme is subject to the SFIL Secondary Sale having been consummated.

## **28. EFFECT OF NON-RECEIPT OF APPROVAL**

- 28.1. In the event that (i) the said sanctions and approvals referred in the Scheme (including the sanction of the Scheme by the Appropriate Tribunal and approvals pursuant to the Required Governmental Filings) have not been obtained or received, or the conditions thereof have not been satisfied, or (ii) the Scheme is revoked for any reason whatsoever, then the Companies shall proceed in the manner mutually agreed between them, whether so agreed prior to or after the approval of the Scheme by their respective Boards.
- 28.2. The Board of Directors of Companies shall be entitled to withdraw this Scheme prior to the Effective Date in the manner agreed between the Companies, whether so agreed prior to or after the approval of the Scheme by their respective Boards.

## **29. CONFLICT**

This Scheme shall have effect notwithstanding anything to the contrary contained in the Memorandum of Association and Articles of Association, bye laws, contracts, deeds, instruments, arrangements, resolutions or any other documents whatsoever of the Companies, except for any Contract to which both Companies are party. To the extent of any inconsistency between this Scheme and any of the foregoing (except for any Contract to which both Companies are party), this Scheme shall prevail and be binding.

## **30. SEVERABILITY**

- 30.1 If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future Law, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Companies, then in such case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme, including but not limited to such part.
- 30.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.

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

All costs, charges, Taxes, stamp duty payable on the orders passed by the respective Tribunal / Appellate Tribunal (as the case may be) sanctioning the Scheme and all other stamp duty costs in relation to the amalgamation of the Transferor Company with the Transferee Company, including with respect to assignment/ novation of any contracts and properties that are executed after the Effective Date, levies and all other expenses, if any (*save as expressly provided*) of the Companies arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same, unless agreed (whether so agreed prior to or after the approval of the Scheme by the Boards of the Companies).

## SCHEDULE I

### SHAREHOLDING OF THE PROMOTERS/ PERSONS BELONGING TO THE PROMOTER GROUP OF THE TRANSFEROR COMPANY AND WHO WILL NOT BE PART OF THE PROMOTERS/ PERSONS BELONGING TO THE PROMOTER GROUP OF THE TRANSFeree COMPANY AFTER THE EFFECTIVE DATE

Sr. No.	Name of the Shareholder	Promoter / Public Category	As on the date of board approval		Transfer pursuant to SFIL Secondary Sale	After the Scheme becoming effective (shareholding in the Transferee Company considering share exchange ratio)	
			No. of Shares	Shareholding (%)		No. of Shares	Shareholding (%)
1.	Sagista Realty Advisors Private Limited (Trustee of QSR Management Trust)	Promoter in Transferor Company, Public category in Transferee Company at Effective Date	72,43,375	2.25	0	1,28,20,774	0.71
2.	Sapphire Foods Mauritius Limited	Promoter in Transferor Company, Public category in Transferee Company at Effective Date	7,65,34,850	23.81	(5,94,55,837)	3,02,29,853	1.68

## SCHEDULE II

### SHAREHOLDING OF THE PERSONS BELONGING TO THE PROMOTER GROUP OF THE TRANSFEREE COMPANY SEEKING RECLASSIFICATION AS ON THE DATE OF APPROVAL OF THE SCHEME BY THE BOARD OF DIRECTORS OF THE TRANSFEROR COMPANY AND TRANSFEREE COMPANY

Sr. No.	Name of the Shareholder	Re-classification to Public Category	As on the date of board approval		After the Scheme becoming effective (shareholding in the Transferee Company considering share exchange ratio)	
			No. of Shares	Shareholding (%)	No. of Shares	Shareholding (%)
1.	Lotus Holdings	Promoter Group	500	0	500	0
2.	Marison Finvest Private Limited	Promoter Group	3,500	0	3,500	0
3.	SFT Technologies Private Limited	Promoter Group	0	0	0	0
4.	SFT Syscon Private Limited	Promoter Group	0	0	0	0
5.	Sara Ferrous Private Limited	Promoter Group	0	0	0	0
6.	Manog Securities Private Limited	Promoter Group	0	0	0	0
7.	Gee Kay Builders and Development Services Private Limited	Promoter Group	0	0	0	0
8.	Chanda Exports Private Limited	Promoter Group	0	0	0	0
9.	Sylvan Realty Private Limited	Promoter Group	0	0	0	0
10.	Madhav H Mariwala	Promoter Group	1,500	0	1,500	0
11.	Vivek Gupta	Promoter Group	35,000	0	35,000	0
12.	Vivek Gupta HUF	Promoter Group	0	0	0	0
13.	Madhav Mariwala HUF	Promoter Group	0	0	0	0
14.	Aishwarya M Mariwala	Promoter Group	0	0	0	0
15.	Nandini M Mariwala	Promoter Group	0	0	0	0
16.	Madhu Rajendra Jindal	Promoter Group	0	0	0	0
17.	Bela Jyotikumar Saha	Promoter Group	0	0	0	0
			<b>40,500</b>	<b>0</b>	<b>40,500</b>	<b>0</b>