

SCHEME OF AMALGAMATION
AMONGST
SKY GATE HOSPITALITY PRIVATE LIMITED
(TRANSFEROR COMPANY NO.1)
AND
BLACKVELVET HOSPITALITY PRIVATE LIMITED
(TRANSFEROR COMPANY NO. 2)
AND
SAY CHEFS EATERY PRIVATE LIMITED
(TRANSFEROR COMPANY NO. 3)
AND
DEVYANI INTERNATIONAL LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE MEMBERS
(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013)

PREAMBLE

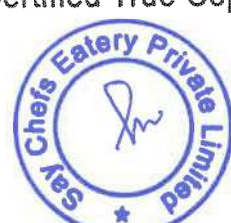
This scheme of amalgamation (*hereinafter referred to as "Scheme" and more particularly defined hereinafter*) is presented under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (*hereinafter referred to as "Act" and more particularly defined hereinafter*) read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (*hereinafter referred to as "CAA Rules"*) including any amendments, modifications, alterations, etc., thereto from time to time, if any, and in accordance with Section 2(1B) of the Income Tax Act, 1961 (*as defined hereinafter*), for the amalgamation of Sky Gate Hospitality Private Limited (*hereinafter referred to as "Transferor Company No. 1" and more particularly defined hereinafter*), Blackvelvet Hospitality Private Limited (*hereinafter referred to as "Transferor Company No. 2" and more particularly defined hereinafter*), Say Chefs Eatery Private Limited (*hereinafter referred to as "Transferor Company No. 3" and more particularly defined hereinafter*) with and into Devyani International Limited (*hereinafter referred to as "Transferee Company" and more particularly defined hereinafter*) [Transferor Company No. 1, Transferor Company No. 2 and Transferor Company No. 3 are hereinafter collectively referred as "**Transferor Companies**"] and their respective shareholders with effect from the Appointed Date (*more particular defined hereinafter*) and the consequent dissolution of the Transferor Companies without winding up.

(For the sake of convenience, the Transferor Companies and the Transferee Company are hereinafter collectively referred as "Companies".)

1. BACKGROUND AND DESCRIPTION OF COMPANIES

1.1 Devyani International Limited (*hereinafter referred to as 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

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and subsequently the name has been changed to Devyani International Limited on May 9, 2005. The Corporate Identification Number (“CIN”) of the Transferee Company is L15135DL1991PLC046758. The Regional Director (Northern Region-II) vide its order dated March 20, 2026 has approved the shifting of registered office of the Transferee Company from F-2/7, Okhla Industrial Area, Phase-I, New Delhi-110020, India to Plot No. 18, Sector 35, Gurgaon, Haryana 122004. The Transferee Company has filed the requisite e-forms INC 28 and INC-22 vide SRN AC2737452 and AC2762353 respectively with jurisdictional Registrar of Companies and thus, has given due effect to the shifting of registered office to Gurgaon, Haryana. However, master data of the Transferee Company as maintained by jurisdictional Registrar of Companies is yet to be updated.

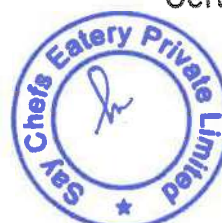
The equity shares of the Transferee Company are listed on the Stock Exchanges (*as defined hereinafter*).

- 1.2 Sky Gate Hospitality Private Limited (*hereinafter referred to as the “Transferor Company No. 1”*) a private limited company incorporated under the provisions of Companies Act, 2013, on July 28, 2015, bearing CIN U15122HR2015PTC056192, having its registered office situated at Plot No. 18, Sector-35, Industrial Estate, Gurugram-122004, Haryana. The Transferor Company No. 1 is a wholly-owned subsidiary of the Transferee Company.
- 1.3 Blackvelvet Hospitality Private Limited (*hereinafter referred to as the “Transferor Company No. 2”*) a private limited company incorporated under the provisions of Companies Act, 2013, on October 31, 2018, bearing CIN U55101MH2018PTC317509. The Transferor Company No. 2 is a direct wholly-owned subsidiary of the Transferor Company No. 1 and indirect wholly-owned subsidiary of the Transferee Company. The Transferor Company No. 2 has filed an application before Regional Director (Western Region-II) seeking shifting of its registered office from Opp Satyam Industrial Estate, Govandi Station Road, Next to Welcome Wafers, Mumbai-400088 to Plot No. 18, Sector 35, Gurgaon, Haryana 122004. However, final approval is awaited.
- 1.4 Say Chefs Eatery Private Limited (*hereinafter referred to as the “Transferor Company No. 3”*) a private limited company incorporated under the provisions of Companies Act, 2013, on January 28, 2016, bearing CIN U74999MH2016PTC272434. The Transferor Company No. 3 is a direct wholly-owned subsidiary of the Transferor Company No. 1 and indirect wholly-owned subsidiary of the Transferee Company. The Regional Director (Western Region-II) vide its order dated March 30, 2026 has approved the shifting of registered office of the Transferor Company No. 3 from Opp Satyam Industrial Estate, Govandi Station Road, Next to Welcome Wafers, Mumbai-400088 to Plot No. 18, Sector 35, Gurgaon, Haryana 122004. The Transferor Company No. 3 has filed the requisite e-forms INC 28 and INC-22 vide SRN AC2831339 and AC2834992 with jurisdictional Registrar of Companies and thus, has given due effect to the shifting of registered office to Gurgaon, Haryana. However, master data of the Transferor Company No. 3 as maintained by jurisdictional Registrar of Companies is yet to be updated.

2. PURPOSE AND RATIONALE OF THE AMALGAMATION

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 Vaango brand, thereby contributing to customer

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diversification and margin enhancement. Whereas, the Transferor Company No. 1 along with Transferor Company No. 2 and Transferor Company No. 3 own Biryani by Kilo, Goila Butter Chicken and The Bhojan, thereby contributing towards similar objectives. Considering that the Transferor Companies are the direct and/or indirect wholly-owned subsidiaries of the Transferee Company, the Board of Directors of the respective Companies have deemed it appropriate to consolidate the businesses under a single and larger entity. Accordingly, the Board of Directors of the respective Companies have resolved to amalgamate the Transferor Companies with and into the Transferee Company pursuant to the Scheme.

The proposed amalgamation would be in the best interest of the Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out, *inter alia*, below:

- i. The amalgamation will result into consolidation of the business of the Transferor Companies with the Transferee Company with greater integration and greater financial strength and flexibility for the amalgamated entity and will improve the competitive position of the combined entity.
- ii. The amalgamation will result in better, efficient and economical management, cost savings, pooling of resources, reduction of corporate tiers, creating better synergy, optimum utilization of resources, rationalization of administrative expenses/ services, control and running of businesses and further development and growth of the business of all the Companies.
- iii. The amalgamation will enable the Companies to pool their financial, commercial and other resources and considerable synergy of operations would be achieved from business and administrative point of view and conserve administrative resources and cost overheads.
- iv. The Transferee Company will have better financial and business prospects. The Scheme would be beneficial to and in the best interest of the shareholders, creditors and all other concerned stakeholders of the Transferor Companies and the Transferee Company.
- v. With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility and strength and will be able to compete more effectively as a combined entity.
- vi. The amalgamation will enable the companies to achieve optimal capital structure and achieve efficiency in terms of operations of the merged entity under the combined entity.

Further, there is no adverse effect of this Scheme on the directors, key management personnel, promoters, non-promoter members, creditors, and employees of the Companies and the same would be in the best interest of all stakeholders.

In view of the aforesaid, the Board of Directors of the Companies have considered and proposed the Amalgamation (*as defined hereinafter*) of the Transferor Companies with and into the Transferee Company in order to benefit the stakeholders of all the Companies.

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Accordingly, the Board of Directors 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*).

3. 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 sets out the share capital of the Transferor Companies and the Transferee Company.

Part B, *inter-alia*, deals with 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, conduct of business till Effective Date, and the amalgamation of the Transferor Companies with and into the Transferee Company.

Part C deals with the consideration for the amalgamation, accounting treatment and clubbing and reclassification of authorised share capital.

Part D deals with the miscellaneous provisions applicable to this Scheme.

PART-A

DEFINITIONS, INTERPRETATION, DATE OF TAKING EFFECT AND SHARE CAPITAL

4. 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:

- 4.1 “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.
- 4.2 “Act” or “the 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.
- 4.3 “Amalgamation”** means amalgamation of the Transferor Companies with and into the Transferee Company on a going concern basis in terms of the Scheme (*as defined hereinafter*) in its present form or with any modification(s) as approved by the Appropriate Tribunal (*as defined hereinafter*) or any other competent authority.
- 4.4 “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

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agreements with, any Governmental Authority or recognised Stock Exchanges; and (iii) international treaties, conventions and protocols, as may be in force from time to time.

- 4.5 **“Appointed Date”** for the purpose of this Scheme means opening hours of April 1, 2025, 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.
- 4.6 **“Appropriate Tribunal”** means the NCLT or NCLAT (as the case may be) that provides final sanction to the Scheme.
- 4.7 **“Board of Directors” or “Board”** means and includes the respective Board of Directors of the Transferor Companies and the Transferee Company, or any committee constituted by such Board of Directors for the purposes of the Scheme.
- 4.8 **“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.
- 4.9 **“Effective Date”** means the last of the dates on which certified copies of the order of Tribunal (*as defined hereinafter*) under Sections 230 to 232 of the Act, sanctioning this Scheme, is filed by the respective Companies with their respective jurisdictional Registrar of Companies (*as defined hereinafter*).
- Provided that any reference in this Scheme to the date of “upon coming into effect of the Scheme“ or “upon the scheme becoming effective“ or “effectiveness of the Scheme“ shall mean the Effective Date.
- 4.10 **“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.
- 4.11 **“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.
- 4.12 **“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.
- 4.13 **“Intellectual Property Rights” or “IPR”** means, whether registered or not in the name of or recognised under the Applicable Laws as being intellectual property of the Transferor Companies, or in the nature of common law rights of the Transferor Companies, 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

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the foregoing, and all goodwill associated with the foregoing and symbolised 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.

4.14 “NCLT” or “The Tribunal” means the National Company Law Tribunal constituted under the Act, which has jurisdiction over the Transferor Companies and the Transferee Company.

4.15 “NCLAT” or “The Appellate Tribunal” means the National Company Law Appellate Tribunal having jurisdiction over appeals from the NCLT.

4.16 “Registrar of Companies,” or “ROC” means the Registrar of Companies having jurisdiction over the Transferor Companies and the Transferee Company.

4.17 “Required Governmental Filings” means, collectively, the intimations/ filings required to be made with the Tribunal and the ROC, in connection with the present Scheme.

4.18 “Scheme” or “the Scheme” or “this Scheme” means this Scheme of Amalgamation amongst the Transferor Companies and/ or the Transferee Company 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 22 of this Scheme.

4.19 “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).

4.20 “Transferee Company” shall have the meaning as ascribed to it in Clause 1.1 of this Scheme.

4.21 “Transferor Company No. 1” shall have the meaning as ascribed to it in Clause 1.2 of this Scheme.

4.22 “Transferor Company No. 2” shall have the meaning as ascribed to it in Clause 1.3 of this Scheme.

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4.23 “Transferor Company No. 3” shall have the meaning as ascribed to it in Clause 1.4 of this Scheme.

5. 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:

- 5.1 references to “persons“ shall include individuals, body corporates (wherever incorporated), unincorporated associations and partnerships;
- 5.2 heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme;
- 5.3 the term “Clause” refers to the specified clause of this Scheme;
- 5.4 references to one gender includes all genders;
- 5.5 any phrase introduced by the terms “including”, “include“, “in particular“ or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- 5.6 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;
- 5.7 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
- 5.8 where a wider construction is possible, the words “other“ and “otherwise“ shall not be construed ejusdem generis with any foregoing words.
- 5.9 words in the singular shall include the plural and vice-versa; and
- 5.10 reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision.

6. 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.

7. CAPITAL STRUCTURE

- 7.1. The share capital of the Transferor Companies as on March 30, 2026, is as under:

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Company	Authorised Share Capital	Issued, Subscribed and Paid-up Share Capital
Sky Gate Hospitality Private Limited (Transferor Company No.1)	Rs. 70,00,000 divided into 5,00,000 equity shares of Rs. 10/- each and 2,00,000 Compulsorily Convertible Preference Shares of Rs. 10/- each	Issued and Subscribed Share Capital Rs. 24,50,740 divided into 2,45,074 equity shares of Rs. 10/- each Paid-up Share Capital Rs. 23,35,940 divided into 2,16,374 equity shares of Rs. 10/- each and 28,700 Partly Paid-up equity shares of Rs. 6/- each
Blackvelvet Hospitality Private Limited (Transferor Company No. 2)	Rs. 1,50,00,000 divided into 15,00,000 equity shares of Rs. 10/- each	Rs. 1,48,68,730 divided into 14,86,873 equity shares of Rs. 10/- each
Say Chefs Eatery Private Limited (Transferor Company No. 3)	Rs. 1,00,000/- divided into 10,000 equity shares of Rs. 10/- each	Rs. 1,00,000/- divided into 10,000 equity shares of Rs. 10/- each

7.2. The share capital of the Transferee Company as on March 30, 2026 is as under:

Particulars	AMOUNT (in Rs.)
Authorised share capital	
4,67,50,00,000 equity shares of Re. 1/- each	4,67,50,00,000
10,00,000 Preference Shares of Rs. 1,000/- each	1,00,00,00,000
Total	5,67,50,00,000
Issued, Subscribed and paid-up share capital	
1,23,29,39,791 equity shares of Re. 1/- each fully paid-up*	1,23,29,39,791
3,00,000 Non-convertible Redeemable Preference Shares of Rs. 1,000/- each fully paid-up	30,00,00,000
Total	1,53,29,39,791

**The employee stock options granted to the employees of the Transferee Company which are vested and 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.*

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

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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 THE ASSETS AND LIABILITIES, COMPLIANCE WITH INCOME TAX ACT, TREATMENT OF TAXES, CANCELLATION OF INTER-SE TRANSACTIONS, CONDUCT OF BUSINESS TILL EFFECTIVE DATE, SAVING OF CONCLUDED TRANSACTIONS FOR THE AMALGAMATION OF THE TRANSFEROR COMPANIES WITH AND INTO THE TRANSFEREE COMPANY

8. 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 Companies 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 Companies 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 Income Tax 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.

9. TRANSFER AND VESTING OF ASSETS

9.1. Without prejudice to the generality of Clause 8 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 Companies 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 Act or any Applicable Laws 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 Companies or

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where the beneficial interest therein is owned by the Transferor Companies,

- 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 Companies 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 Companies including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Companies, 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 Companies 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 Companies, 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 Companies 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 the 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 the Transferor Companies 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

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- (iii) All assets, rights, title, interest, investments and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the Transferor Companies, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Companies 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 Companies shall be deemed to have been transferred and shall stand transferred to the Transferee Company and name of the Transferor Companies 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 Companies in so far as may be necessary, until the transfer of the rights and obligations of the Transferor Companies 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 Companies 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 Companies 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 Companies.
- (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 Companies, 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 Companies, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. Clause 12 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

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governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Companies, 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 Companies, or to the benefit of which, the Transferor Companies 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 Companies, 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 Companies 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 Companies, shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Companies;

- (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 Companies are 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 Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies 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 Companies 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 Companies, whether by or against the Transferor Companies, shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies, 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 Companies, as if this Scheme had not been implemented.

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(d) Transfer of employees:

- (i) All the employees of the Transferor Companies 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 Companies immediately before the Effective Date. For the purpose of payment of any retirement benefit/ compensation, the past services of the employees with the Transferor Companies, 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 Companies, 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 Companies in relation to such Funds shall become those of the Transferee Company. All benefits accrued to the employees of the Transferor Companies which are covered under the Funds set up by the Transferor Companies, 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 Companies 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 Companies 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 Companies 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 Companies and the Transferee Company, the Transferee Company is entitled to modify, alter such employment policies of the Transferor Companies 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 Companies with any employee of the Transferor Companies.
- (iv) In relation to those employees for whom the Transferor Companies are making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Companies, 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 Companies in relation to such schemes/ funds shall become those of the Transferee Company.
- (v) Upon this Scheme becoming effective, the Transferor Companies 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

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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 Companies 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 Companies or the Transferee Company. All committees constituted by the Transferor Companies 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 Companies 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 Companies. The provisions of the Scheme do not grant contract-based employees/workers or the contract workers engaged through third party contractors, by the Transferor Companies, a right to seek permanency/ regularization in the Transferee Company.
- (viii) Notwithstanding the above, it is hereby clarified that the directors of the Transferor Companies, 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 Companies, or to the benefit of which the Transferor Companies 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 Companies, the Transferee Company had been a party or beneficiary or obligor thereto. If

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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 Companies or any applications made for the same by the Transferor Companies 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 Companies 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 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.

9.2. The Transferor Companies shall, if so required, also give notice in such form as they 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 Companies and the right of the Transferor Companies to recover or realise the same stands extinguished.

10. TRANSFER AND VESTING OF LIABILITIES

10.1. Without prejudice to the generality of Clause 8, 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 Companies, whether provided for or not in the books of account of the Transferor Companies or disclosed in the balance sheet of the Transferor Companies, 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

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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 Companies, 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 Companies after the Appointed Date, over the assets comprised in the Transferor Companies 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 Companies, 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 Companies 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 Companies 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 Companies may be called upon to pay or secure in respect of any liability or obligation relating to the Transferor Companies 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 Companies on the Appointed Date have been discharged by the Transferor Companies 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 Companies 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.

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- 10.2. 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 Companies 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.
- 10.3. 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.
- 10.4. Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities.
- 10.5. 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.
- 10.6. 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.
- 10.7. The Scheme, is in no manner, a Scheme of compromise or arrangement with the creditors as the creditors of the Transferor Companies 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 Companies and the Transferee Company will be sufficient to meet the liabilities of the creditors of the Transferor Companies 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.

11. 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.

12. TREATMENT OF TAXES

- 12.1. 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 Companies including any interest, penalty, surcharge and cess, if any, paid/ payable by or refunded/ refundable to the Transferor Companies, including all or any refunds or claims or credits thereof, shall be

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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 Companies, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.

12.2. Upon the Scheme becoming effective:

- a) To the extent required, the Transferor Companies 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 the Applicable Laws 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 Companies, which may be allowable (such as under Sections 40, 40A, 43B etc. of the Income Tax 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 Companies 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 Companies prior to the Appointed Date.

12.3. Upon coming into effect of this Scheme and as per the provisions of Section 72A and other applicable provisions of the Income Tax Act, all accumulated business and tax losses and unabsorbed depreciation of the Transferor Companies shall for all the purposes, be treated as accumulated business and tax losses and unabsorbed tax depreciation of the Transferee Company. It is expressly clarified that all the accumulated business and tax losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Transferee Company.

12.4. 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 Companies, 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 Transferor Companies.

12.5. The Transferee Company shall file the relevant intimations, if required under the Applicable Laws, at its own cost, for the record of concerned Governmental and Registration Authorities who shall take them on file. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Companies in order to carry out or perform all such formalities or compliances referred to above on part of Transferor Companies.

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12.6. All the expenses incurred by the Transferor Companies and the Transferee Company 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.

12.7. All tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Companies, 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 Companies. 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 Companies with the Transferee Company or anything contained in this Scheme.

13. 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 Companies 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 Companies and the Transferee Company shall have no further obligation outstanding in that behalf.

14. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

14.1. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Companies shall be deemed to carry on all their businesses and other incidental matters for and on account of and in trust for the Transferee Company with reasonable diligence and due business prudence in the same manner as carried before and shall not without the prior written consent of the Transferee Company, 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, encumber or otherwise deal with or dispose of any of such said Assets or such said Rights and Interests or IPR and their business undertaking(s) or any part thereof, save and except in each case:

- a) If it is in the ordinary course of business of Transferor Companies; or
- b) If the same is expressly permitted by this Scheme.

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- 14.2. All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any thereon), by the Transferor Companies shall for all purposes, be treated as the profits/ cash, taxes or losses of the Transferee Company.
- 14.3. All loans raised and all liabilities and obligations incurred by the Transferor Companies 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.
- 14.4. Any of the rights, powers, authorities, privileges exercised by the Transferor Companies shall be deemed to have been exercised by the Transferor Companies 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 Companies shall be deemed to have been undertaken for and on behalf of the Transferee Company.
- 14.5. The Transferor Companies shall not vary or alter, except in the ordinary course of their businesses or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of Transferor Companies, the terms and conditions of employment of any of their employees, nor shall they conclude settlement with any union or their employees except with the written consent of the Transferee Company.
- 14.6. From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Companies.
- 14.7. 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 Companies, 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.

15. SAVING OF CONCLUDED TRANSACTIONS

- 15.1. Where any of the Said Liabilities of Transferor Companies, as on the Appointed Date, transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 15.2. 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 Companies as per this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and

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intent that the Transferee Company accepts and adopts all acts, deeds, matters and things made, done and executed by the Transferor Companies as acts, deeds, matters and things made, done and executed by or on behalf of the Transferee Company.

PART C
CONSIDERATION, ACCOUNTING TREATMENT, CLUBBING AND
RECLASSIFICATION OF AUTHORISED SHARE CAPITAL

16. CONSIDERATION

Since, the Transferor Companies are direct and/or indirect wholly-owned subsidiaries of the Transferee Company, accordingly, upon the Scheme becoming effective, all the shares as held by the Transferee Company in the Transferor Companies either by itself or through its subsidiaries/ nominees shall stand cancelled and extinguished. Therefore, there will be no issue and allotment of shares as consideration by the Transferee Company to the shareholders of the Transferor Companies upon coming into effect of the Scheme. The investments in the shares/ securities of the Transferor Companies, appearing in the books of account of Transferee Company shall, without any further act or deed, stand cancelled.

17. ACCOUNTING TREATMENT

17.1. The Transferee Company accounting treatment: Pursuant to the Scheme coming into effect, the Transferee Company shall account for the transfer of the Transferor Companies 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:

- a) The Transferee Company shall record all the assets and liabilities of the Transferor Companies as at the Appointed Date, transferred to and vested in it pursuant to this Scheme (including assets and liabilities not specifically recognised by the Transferor Companies in its financial statements), at their respective fair values.
- b) 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 recognised as per Clause 17.1(a) above pertaining to the Transferor Companies and the fair value of the purchase consideration paid by the Company as per Ind AS 103 (in form of cash, issuance of equity shares and redeemable preference shares) shall be credited to capital reserve/debited to goodwill, as the case may be.
- c) Any matter not dealt with in clauses hereinabove shall be dealt with in accordance with applicable Ind AS.
- d) **Transferor Company No. 1 accounting treatment:** Upon the Scheme becoming effective, as the Transferor Company No. 1 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 No.1.

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- e) **Transferor Company No. 2 accounting treatment:** Upon the Scheme becoming effective, as the Transferor Company No. 2 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 No. 2.
- f) **Transferor Company No. 3 accounting treatment:** Upon the Scheme becoming effective, as the Transferor Company No. 3 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 No. 3.

18. CLUBBING AND RECLASSIFICATION OF AUTHORISED SHARE CAPITAL

- 18.1. As an integral part of the Scheme, upon coming into effect of this Scheme, the authorised share capital of Transferor Companies, as on the Effective Date, shall stand clubbed, consolidated and be added to the authorised share capital of the Transferee Company and reclassified, as on the Effective Date, without any further act or deed. The fee or stamp duty, if any, paid by the Transferor Companies before the Effective date on their respective 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 Companies on the pre-amalgamation authorised share capital.
- 18.2. It is hereby clarified that the consent of the members of the Transferee Company to the Scheme shall be sufficient for purposes of effecting this amendment in the Memorandum of Association and Articles of Association of the Transferee Company and that no further approvals or resolutions under Sections 13 and 61 or any other applicable provisions of the Act, would be required to be separately passed. 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 authorised share capital of the Transferor Companies with the amount of authorised 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.
- 18.3. Pursuant to this Scheme, the Transferee Company shall file the requisite forms/ documents with the ROC, if any, for alteration of its authorised share capital along with the revised Memorandum and Articles of Association of the Transferee Company.
- 18.4. For the avoidance of doubt, it is hereby clarified that if the authorised share capital of the Transferor Companies or the Transferee Company undergoes any change, either as a consequence of any corporate action or otherwise, then the authorised share capital to be specified in Clause V of the Memorandum of Association of the Transferee Company with effect from the Effective Date shall automatically stand modified to take into account the effect of the change.

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PART D
MISCELLANEOUS PROVISIONS APPLICABLE TO THIS SCHEME

19. POWER TO GIVE EFFECT TO AMALGAMATION

- 19.1. 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 Companies 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 Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.
- 19.2. Upon coming into effect of the Scheme, the Transferee Company and/or the Transferor Companies shall, with reasonable dispatch apply for transition of all licenses and statutory registrations of the Transferor Companies 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**”.

During the Transitory Period, it is expressly stated that the inventory of all products, packaging and laminating material lying with the Transferor Companies, 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 Companies will be allowed to be utilised 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.

20. DISSOLUTION OF TRANSFEROR COMPANIES

- 20.1. Pursuant to the Scheme becoming effective, the Transferor Companies shall, without any further act or deed, stand dissolved without following the process of winding up. Upon the dissolution of the Transferor Companies, 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 Companies.

21. APPLICATION TO THE TRIBUNAL OR SUCH OTHER COMPETENT AUTHORITY

- 21.1. The Transferor Companies and the Transferee Company 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) to the Tribunal, for sanctioning the Scheme and for dissolution of the Transferor Companies without winding up under the provisions of Law and obtain all approvals as may be required under the Applicable Laws.

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22. MODIFICATION OR AMENDMENTS TO THE SCHEME

22.1. 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 Transferor Companies or the Transferee Company 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 authorise 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 of 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.

22.2. 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 above-mentioned clause of this Scheme and any subsequent alteration would not require a fresh note of consent from such shareholders and creditors.

23. CONDITIONALITY OF THE SCHEME

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

- a. the Scheme being approved by the respective requisite majorities of the classes of members and/ or creditors (where applicable) of the Transferor Companies and the Transferee Company 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;
- b. the Scheme being sanctioned by the Appropriate Tribunal, either on terms as originally approved by the Companies, or subject to such modifications approved by the Appropriate Tribunal, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;
- c. the certified or authenticated copies of the sanction/ confirmation orders of the Appropriate Tribunal confirming/ sanctioning the Scheme being filed with the ROC by the respective Companies;
- d. 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
- e. 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.

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24. EFFECT OF NON-RECEIPT OF APPROVAL

- 24.1. In the event of any of the said sanctions and approvals referred in the Scheme not being obtained and/or complied with and/or satisfied, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- 24.2. In the event of revocation of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.
- 24.3. The Board of Directors of the Transferor Companies and the Transferee Company 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.

25. COSTS, CHARGES AND EXPENSES

- 25.1. All costs, charges, Taxes, stamp duty payable on the orders passed by the Appropriate Tribunal sanctioning the Scheme and all other stamp duty costs in relation to the amalgamation of the Transferor Companies 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 Transferor Companies and the Transferee Company 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).

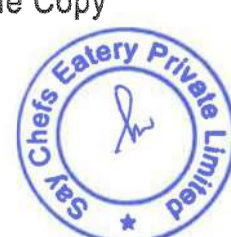
26. CONFLICT

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 the Transferor Companies and Transferee Company are party(ies). To the extent of any inconsistency between this Scheme and any of the foregoing (except for any Contract to which the Transferor Companies and Transferee Company are party(ies)), this Scheme shall prevail and be binding.

27. SEVERABILITY

- 27.1. 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

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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.

27.2. 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.



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