

**COMPOSITE SCHEME OF ARRANGEMENT**

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

**AMONGST**

**DEEP ENERGY RESOURCES LIMITED  
("TRANSFEROR COMPANY 1")**

**AND**

**SAVLA OIL AND GAS PRIVATE LIMITED  
("TRANSFEROR COMPANY 2")**

**AND**

**PRABHA ENERGY PRIVATE LIMITED  
("TRANSFeree COMPANY")**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**



## INTRODUCTION

### A. PREAMBLE

This Composite Scheme of Arrangement is presented under the provisions of Sections 230 to 232 and other relevant provisions of the Act (*as defined below*) and rules made thereunder and the relevant provisions of the SEBI Circular (*as defined below*), and the relevant provisions of the Listing Regulations (*as defined below*), for:

- (i) amalgamation of the Transferor Company 1 (*as defined below*) and Transferor Company 2 (*as defined below*) with and into the Transferee Company in accordance with Section 2(1B) of the IT Act (*as defined below*);
- (ii) issuance and allotment of PEPL Bonus Shares (*as defined below*) by way of a bonus issue by the Transferee Company and sub-division of the Equity Shares of the Transferee Company (*as defined below*);
- (iii) conversion of the Transferee Company into public company; and
- (iv) reclassification of Promoters Seeking Reclassification (*as defined below*) from 'Promoter and Promoter Group' category to 'Public' category in the Transferee Company (*as defined below*).

In addition, this Scheme (*as defined below*) also provides for various other matters consequential or otherwise integrally connected herewith.

### B. DESCRIPTION OF THE COMPANIES

- (i) **DEEP ENERGY RESOURCES LIMITED** (hereinafter referred to as the "Transferor Company 1" or "DERL"), is a listed public company incorporated under the Companies Act, 1956 with the Registrar of Companies, Gujarat on January 01, 1991 under the provisions of the Companies Act, 1956 bearing with corporate identification number L63090GJ1991PLC014833 and having its registered office at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058, under the name and style of Deep Roadways Private Limited. Subsequently, the name was changed to Deep Industries Private Limited and thereafter the word Private was deleted by the virtue of the company being a Deemed Public Limited Company under the provisions of section 43A(IB) of the Companies Act, 1956 on 6th February, 1997. The company became a Public Limited Company with effect from 2nd May, 2002 and a fresh certificate of incorporation, consequent to change of name, was issued in the name of Deep Industries Limited on 2nd May, 2002. Pursuant to the scheme of demerger, the name was changed to Deep Energy Resources Limited. The Transferor Company 1 is engaged in the business of conventional and unconventional oil and/or gas and/or



CBM and/or shale and/or hydrocarbons comprising of any or all of exploration, production, development, marketing and transportation operations.

- (ii) **SAVLA OIL AND GAS PRIVATE LIMITED** (hereinafter referred to as the “**Transferor Company 2**” or “**SOGPL**”), is a private limited company incorporated under the Companies Act, 1956 with the Registrar of Companies, Gujarat on October 07, 2009 under the provisions of the Companies Act, 1956 bearing with corporate identification number U11200GJ2009PTC058263 and having its registered office at 14, Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058. The Transferor Company 2 is, *inter alia*, engaged in the business of exploration, exploitation, development, production, processing, refining, marketing, distribution, retailing, transportation and trading of crude oil, associated gas, coal bed methane, coal mine methane, shale gas and natural gas and all other petroleum / hydrocarbon products including those resulting from the manufacture and treatment of the same.
- (iii) **PRABHA ENERGY PRIVATE LIMITED** (hereinafter referred to as the “**Transferee Company**” or “**PEPL**”), is a private limited company incorporated under the Companies Act, 1956 with the Registrar of Companies, Gujarat on August 05, 2009 under the provisions of the Companies Act, 1956 bearing with corporate identification number U40102GJ2009PTC057716 and having its registered office at 12A, Abhishree Corporate Park, Opp. Swagat BTRS Bus Stop, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058. The Transferee Company is, *inter alia*, engaged in the business of activities of oil and gas, coal bed methane, shale, hydrocarbon, on shore and off shore business services. PEPL is subsidiary company of DERL.

### C. RATIONALE FOR THE SCHEME

- (a) The proposed Scheme, *inter alia*, would result in business and operational synergies as mentioned herein under:
- (i) The amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company and simplification of the group structure to result into:



- a. Creating enhanced value for the shareholders through potential unlocking of value through listing of businesses of all the Parties.
  - b. Efficiency in management, control and running of businesses of the companies concerned and create a financially strong amalgamated company;
  - c. Pooling of financial and other resources of both the companies for optimum utilization of resources in the businesses and increased bargaining power;
  - d. Rationalization, standardization and simplification of business processes and systems;
  - e. Minimisation of compliances, compliance cost and elimination of duplication and rationalization of administrative cost of legal entities;
  - f. Provide opportunity to the public shareholders of the Transferor Company 1 to directly participate in the business of the Transferee Company, and increase long term value of all the stakeholders, by creating a standalone listed entity; and
  - g. Ability to pursue inorganic growth with consolidated financials and better operational control.
- (ii) The rationale for reclassification of Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public' category in the Transferor Company 1 and upon this Scheme coming into effect, in the Transferee Company is that the Promoters Seeking Reclassification:
- a. are not engaged in the business, management, control or day-to-day affairs of the Transferor Companies (*as defined below*) and the Transferee Company;
  - b. do not have any right either to appoint any Director of the Transferor Companies and the Transferee Company; and
  - c. does not have an ability to control the management or policy decisions of the Transferor Companies and the Transferee Company in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the Transferor Companies and the Transferee Company.



- (b) The Scheme is in the best interests of shareholders, employees and creditors of all the Parties. The Scheme does not have any adverse effect on either of the shareholders, the employees or the creditors of any of the Parties.
- (c) The Board of all the Parties believe that the Scheme would ensure benefit to all the stakeholders and will enhance the value for all shareholders.
- (d) In view of the aforesaid advantages, the Board of all the Parties have considered and proposed this Scheme under the provisions of Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, the SEBI Circular, the Listing Regulations and other Applicable Laws.

**D. PARTS OF THE SCHEME**

The Scheme is divided into the following sections:

(i) **SECTION I  
DEFINITIONS AND SHARE CAPITAL**

**Part A** deals with the definitions of capitalized terms used in this Scheme.

**Part B** deals with the details of share capital of the Transferor Company 1, the Transferor Company 2 and Transferee Company.

(ii) **SECTION II  
AMALGAMATION OF THE TRANSFEROR COMPANY 1, TRANSFEROR  
COMPANY 2 WITH AND INTO THE TRANSFEE COMPANY**

**Part A** deals with the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company, in accordance with the Section 2(1B) of the IT Act and Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, and the relevant provisions of the SEBI Circular and the Listing Regulations.

**Part B** deals with the discharge of consideration for amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company.



**Part C** deals with the conduct of the business by the Transferor Companies (*as defined below*), accounting treatment in the books of the Transferee Company and dissolution without winding up of the Transferor Company 1 and the Transferor Company 2.

(iii) **SECTION III  
BONUS ISSUANCE BY THE TRANSFEE COMPANY AND SUB-DIVISION OF SHARE CAPITAL OF THE TRANSFEE COMPANY**

Section III deals with the Bonus Issuance by the Transferee Company and the sub-division of the Equity Shares of the Transferee Company.

(iv) **SECTION IV  
CONVERSION OF THE TRANSFEE COMPANY INTO PUBLIC COMPANY**

Section IV deals with conversion of the Transferee Company into a public company.

(v) **SECTION V  
RECLASSIFICATION OF PROMOTERS SEEKING RECLASSIFICATION IN THE TRANSFEE COMPANY**

Section V deals with the reclassification of Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public' category in the Transferee Company.

(vi) **SECTION VI  
GENERAL TERMS AND CONDITIONS**

Section VI deals with the general terms and conditions applicable to the Scheme including, *inter alia*, transfer of the authorised share capital of the Transferor Company 1 and the Transferor Company 2 to the Transferee Company and listing of Equity Shares of the Transferee Company.



**E. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Tribunal (*as defined below*) or made as per the Scheme, shall come in legal operation from the Appointed Date (*as defined below*), but shall be operative from the Effective Date (*as defined below*), except for Section IV and Section V of the Scheme, which shall be effective and operative from the Effective Date only.

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## SECTION I

### 1. DEFINITIONS

1.1. For the purposes of the Scheme, the following expressions shall have the meanings mentioned herein below:

- (a) “**Act**” means the Companies Act, 2013, and the Companies Act, 1956, to the extent of its provisions in force, together with all rules, regulations, circulars, notifications, clarifications and orders issued thereunder by any Governmental Authority, as amended, modified, replaced or supplemented from time to time and to the extent in force.
- (b) “**Applicable Law(s)**” means to the extent applicable, all laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees or other requirements or official directives of any Governmental Authority or person acting under the authority of any Governmental Authority.
- (c) “**Application Letter**” means the application letter dated September 14, 2022 submitted by the Promoters Seeking Reclassification to the Board of the Transferor Company 1 requesting to reclassify the Promoters Seeking Reclassification from ‘Promoter and Promoter Group’ category to ‘Public’ category in the Transferor Company 1.
- (d) “**Appointed Date**” shall mean April 01, 2022 or such other date as may be approved by the Tribunal and agreed to by the Board of the Parties.
- (e) “**Articles**” means the articles of association of the Transferee Company.
- (f) “**Board**” means the board of Directors of the Transferor Company 1, Transferor Company 2 and the Transferee Company, as may be applicable, and shall include a committee of directors or any person authorized by such board of Directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto.





- (g) **“Bonus Issuance”** issuance and allotment of PEPL Bonus Shares by way of a bonus issue by the Transferee Company.
- (h) **“Director(s)”** means a member of the Board of the Transferor Company 1, Transferor Company 2 and the Transferee Company, as may be applicable.
- (i) **“Effective Date”** means the date on which the certified copy of the order sanctioning this Scheme, passed by the Tribunal, as and when applicable is filed with ROC. Any references in this Scheme to **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“upon the Scheme becoming effective”** or **“upon this Scheme becoming effective”** or **“upon the Scheme coming into effect”** shall mean the Effective Date.
- (j) **“Equity Share(s)”**, with respect to a company, means the fully paid-up equity shares of such company.
- (k) **“Family Arrangement Agreement”** means the Memorandum of Agreement entered and executed between certain promoters of the Transferor Company 1.
- (l) **“Governmental Authority(ies)”** means (i) any international, supra-national, national, state, city or local governmental, regulatory or statutory authority; (ii) any commission, organisation, agency, department, ministry, board, bureau or instrumentality of any of the foregoing (and includes any entity owned or controlled by any of such foregoing authorities); (iii) any stock exchange or similar self-regulatory or quasi-governmental agency or private body exercising any regulatory or administrative functions of or relating to the government; (iv) any arbitrator, arbitral body, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction over any of the Parties; and (v) any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- (m) **“Indian Rupees”** or **“INR”** means the lawful currency of the Republic of India.
- (n) **“Intangible Assets”** means and includes all intellectual property rights and licenses of every kind and description throughout the world (including distribution licenses, and approvals / licenses from any Governmental Authority), in each case, whether registered or unregistered, and including any applications for registration of any



intellectual property, including without limitation, inventions (whether patentable or not), patents, databases, including user manuals and training materials, related to any of the foregoing; copyrights and copyrightable subject matter; trademarks, service marks, trade names, domain names, logos, slogans, trade dress, design rights together with the goodwill symbolized by any of the foregoing; know-how, confidential and proprietary information, trade secrets, moral rights; any rights or forms of protection of a similar nature or having equivalent or similar effect to any of the foregoing which subsist anywhere in the world; and goodwill, whether or not covered in the foregoing, in connection with the business of the Transferor Company 1 or the Transferor Company 2, as applicable, together with the exclusive right of the Transferee Company and its assignees to represent themselves as carrying on the business in succession to the Transferor Company 1 or the Transferor Company 2, respectively.

- (o) “**IT Act**” means the Income-tax Act, 1961, together with all rules, regulations, circulars and notifications issued thereunder by any Governmental Authority, as amended, modified, replaced or supplemented from time to time and to the extent in force.
- (p) “**Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.
- (q) “**MOA**” means the memorandum of association of the Transferee Company.
- (r) “**NCRPS**” means the fully paid-up 10% non-convertible redeemable preference shares issued by the Transferee Company and subscribed by the Transferor Company 2.
- (s) “**Parties**” means the Transferor Company 1, the Transferor Company 2 and the Transferee Company, collectively, and “**Party**” shall mean each of them individually.



- (t) **“PEPL Bonus Shares”** shall mean 1,78,06,090 (One Crore Seventy Eight Lakh Six Thousand and Ninety) Equity Shares of the Transferee Company having face value of INR 10 (Indian Rupees Ten) each to be issued by way of a bonus issue by the Transferee Company of 10 (Ten) Equity Shares for 1 (One) Equity Share held by the shareholders of the Transferee Company.
- (u) **“PEPL Bonus Issuance Record Date”** means the date to be fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferee Company that are to be offered shares of the Transferee Company, pursuant to Section III of this Scheme.
- (v) **“PEPL Shareholder(s)”** means the equity shareholders of the Transferee Company as on the PEPL Bonus Issuance Record Date.
- (w) **“Preference Share(s)”**, with respect to a company, means the fully paid-up preference shares of such company.
- (x) **“Persons Related to the Promoters Seeking Reclassification”** means the persons related to the Promoters Seeking Reclassification in terms of sub-clause (ii) clause (pp) of sub-regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and holding Equity Shares in the Transferor Company 1, more specifically as set out in **Schedule A**.
- (y) **“Promoters Seeking Reclassification”** means Dharen Shantilal Savla, Avani Dharen Savla, Shantilal Murjibhai Savla, Prabhaven Shantilal Savla and Dharen Savla Family Trust.
- (z) **“Record Date”** means the date to be fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferor Company 1 and the Transferor Company 2 to whom the shares of the Transferee Company are to be issued in accordance with this Scheme.
- (aa) **“ROC”** means the Registrar of Companies, Gujarat.



- (bb) “**Scheme**” means this composite scheme of arrangement amongst the Transferor Company 1, Transferor Company 2 and Transferee Company and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, and rules made thereunder.
- (cc) “**SEBI**” means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- (dd) “**SEBI Act**” means the Securities and Exchange Board of India Act, 1992.
- (ee) “**SEBI Circular**” means the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and includes any substitution, modification or reissuance thereof from time to time.
- (ff) “**Stock Exchanges**” means the stock exchanges where the equity shares of the Transferor Company 1 are listed and are admitted to trading, viz., the BSE Limited and the National Stock Exchange of India Limited.
- (gg) “**Takeover Code**” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be amended from time to time.
- (hh) “**Transferee Company**” has the meaning assigned to such term in clause (iii) of part B of the Introduction of this Scheme.
- (ii) “**Transferor Company 1**” has the meaning assigned to such term in clause (i) of part B of the Introduction of this Scheme and includes, without limitation:
- (i) all assets located in India or elsewhere, whether moveable or immovable, whether tangible or intangible, whether leasehold or freehold, equipment, including without limitation all rights, title, interests, claims, covenants and undertakings of the Transferor Company 1 in such assets;
- (ii) all investments, receivables, loans, security deposits and advances extended, including without limitation accrued interest thereon, of the Transferor Company 1;



- (iii) all debts, borrowings and liabilities, whether present or future or contractual, whether secured or unsecured, if any, availed by the Transferor Company 1;
- (iv) all permits, rights, entitlements, licenses, approvals (including licenses and approvals from any Governmental Authority), grants, allotments, recommendations, clearances and tenancies of the Transferor Company 1;
- (v) all taxes, tax deferrals and benefits, subsidies, concessions, privilege, refund of any tax, duty, cess, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts, and credits in respect of income tax, such as carry forward tax losses and unabsorbed depreciation), tax deducted at source, tax collected at source, foreign tax credit, equalization levy, customs duty, central value added tax, value added tax, turnover tax, goods and services tax, minimum alternate tax credit, central sales tax and excise duty of the Transferor Company 1, and all rights to any claim not preferred or made by the Transferor Company 1 in respect of (a) any refund of tax, duty, cess or other charge (including any erroneous or excess payment thereof made by the Transferor Company 1) and any interest thereon, and (b) any set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under Applicable Law;
- (vi) all Intangible Assets including the assets under the development (whether registered or not) and/or inventories of every kind and description whatsoever, of the Transferor Company 1;
- (vii) all privileges and benefits of, or under, all contracts, agreements, purchase and sale orders, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, commitments, undertakings, deeds, bonds, arrangements of any kind and other instruments of whatsoever nature and description, whether written, oral or otherwise, and all other rights including without limitation lease rights, licenses and facilities of every kind and description whatsoever, of the Transferor Company 1;



- (viii) insurance covers and / or any of its' claims to which the Transferor Company 1 is a party, or to the benefit of which the Transferor Company 1 is eligible;
  - (ix) all employees of the Transferor Company 1;
  - (x) all advance payments, earnest monies, security deposits, advance rentals, payment against warrants, if any, or other rights or entitlements of the Transferor Company 1;
  - (xi) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company 1; and
  - (xii) all books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, in connection with or relating to the Transferor Company 1.
- (j) **“Transferor Company 2”** has the meaning assigned to such term in clause (ii) of part B of the Introduction of this Scheme and includes, without limitation:
- (i) all assets, whether moveable or immovable, whether tangible or intangible, whether leasehold or freehold, equipment, including without limitation all rights, title, interests, claims, covenants and undertakings of the Transferor Company 2 in such assets;
  - (ii) all investments, receivables, loans, security deposits and advances extended, including without limitation accrued interest thereon, of the Transferor Company 2;
  - (iii) all debts, borrowings and liabilities, whether present or future, whether secured or unsecured, if any, availed by the Transferor Company 2;



- (iv) all permits, rights, entitlements, licenses, approvals (including licenses and approvals from any Governmental Authority), grants, allotments, recommendations, clearances and tenancies of the Transferor Company 2;
- (v) all taxes, tax deferrals and benefits, subsidies, concessions, refund of any tax, duty, cess, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts, and credits in respect of income tax, such as carry forward tax losses and unabsorbed depreciation), tax deducted at source, tax collected at source, foreign tax credit, equalization levy, customs duty, central value added tax, value added tax, turnover tax, goods and services tax, minimum alternate tax credit, central sales tax and excise duty of the Transferor Company 2, and all rights to any claim not preferred or made by the Transferor Company 2 in respect of (a) any refund of tax, duty, cess or other charge (including any erroneous or excess payment thereof made by the Transferor Company 2) and any interest thereon, and (b) any set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under Applicable Law;
- (vi) all Intangible Assets and inventory of every kind and description whatsoever, of the Transferor Company 2;
- (vii) all privileges and benefits of, or under, all contracts, agreements, purchase and sale orders, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, commitments, undertakings, deeds, bonds, arrangements of any kind and other instruments of whatsoever nature and description, whether written, oral or otherwise, and all other rights including without limitation lease rights, licenses and facilities of every kind and description whatsoever, of the Transferor Company 2;
- (viii) insurance covers and claims to which the Transferor Company 2 is a party, or to the benefit of which the Transferor Company 2 is eligible;
- (ix) all employees of the Transferor Company 2;



- (x) all advance payments, earnest monies, security deposits, advance rentals, payment against warrants, if any, or other rights or entitlements of the Transferor Company 2;
  - (xi) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company 2; and
  - (xii) all books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, in connection with or relating to the Transferor Company 2.
- (kk) “**Transferor Companies**” means the Transferor Company 1 and the Transferor Company 2 collectively.
- (ll) “**Tribunal**” means the Ahmedabad bench of the National Company Law Tribunal having jurisdiction over the Parties.

## 2. INTERPRETATIONS

2.1. In this Scheme, unless the context requires otherwise:

- (a) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (b) words in the singular shall include the plural and vice versa;
- (c) the terms “hereof”, “herein”, or similar expressions used in this Scheme mean and refer to this Scheme and not to any particular clause of this Scheme;
- (d) wherever the word “include”, “includes”, or “including” is used in this Scheme, it shall be deemed to be followed by the words “without limitation”;





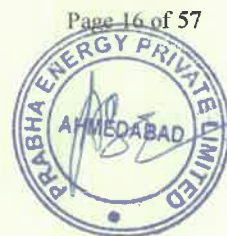
- (e) any reference to any enactment, rule, regulation, notification, circular or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;
- (f) any reference to an “agreement” or “document” shall be construed as a reference to such agreement or document as amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document; and
- (g) where a wider construction is possible, the words “other” and “otherwise” shall not be construed *ejusdem generis* with any foregoing words.

### 3. SHARE CAPITAL

#### SHARE CAPITAL OF THE TRANSFEROR COMPANY 1

3.1. The Share Capital of the Transferor Company 1 as on August 31, 2022 is as under:

Authorised Share Capital	Amount (INR)
3,20,00,000 (Three Crore Twenty Lakh) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	32,00,00,000 (Indian Rupees Thirty Two Crore)
<b>Total Authorised Share Capital</b>	<b>32,00,00,000</b> <b>(Indian Rupees Thirty Two Crore)</b>
Issued, Subscribed and Paid-up Share Capital	Amount (INR)
3,20,00,000 (Three Crore Twenty Lakh) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	32,00,00,000 (Indian Rupees Thirty Two Crore)
<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>32,00,00,000</b> <b>(Indian Rupees Thirty Two Crore)</b>



As on the date of this Scheme being approved by the Board of all the Parties, there has been no change in its authorized, issued, subscribed and paid-up share capital of the Transferor Company 1.

The Equity Shares of the Transferor Company 1 are listed on Stock Exchanges.

## SHARE CAPITAL OF THE TRANSFEROR COMPANY 2

3.2. The Share Capital of the Transferor Company 2 as on August 31, 2022 is as under:

Authorised Share Capital	Amount (INR)
72,28,100 (Seventy Two Lakh Twenty Eight Thousand One Hundred) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	7,22,81,000 (Indian Rupees Seven Crore Twenty Two Lakh and Eighty One Thousand)
15,00,000 (Fifteen Lakh) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	1,50,00,000 (Indian Rupees One Crore and Fifty Lakh)
<b>Total Authorised Share Capital</b>	<b>8,72,81,000</b> <b>(Indian Rupees Eight Crore Seventy Two Lakh and Eighty One Thousand)</b>
Issued, Subscribed and Paid-up Share Capital	Amount (INR)
65,42,643 (Sixty Five Lakh Forty Two Thousand Six Hundred and Forty Three) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	6,54,26,430 (Indian Rupees Six Crore Fifty Four Lakh Twenty Six Thousand Four Hundred and Thirty)
<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>6,54,26,430</b> <b>(Indian Rupees Six Crore Fifty Four Lakh Twenty Six Thousand Four Hundred and Thirty)</b>



As on the date of this Scheme being approved by the Board of all the Parties, there has been no change in its authorized, issued, subscribed and paid-up share capital of the Transferor Company 2.

#### SHARE CAPITAL OF THE TRANSFEREE COMPANY

3.3. The Share Capital of the Transferee Company as on August 31, 2022 is as under:

<b>Authorised Share Capital</b>	<b>Amount (INR)</b>
17,80,610 (Seventeen Lakh Eighty Thousand Six Hundred and Ten) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	1,78,06,100 (Indian Rupees One Crore Seventy Eight Lakh Six Thousand and One Hundred)
37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	3,76,00,600 (Indian Rupees Three Crore Seventy Lakh and Six Hundred)
<b>Total Authorised Share Capital</b>	<b>5,54,06,700</b> <b>(Indian Rupees Five Crore Fifty Four Lakh Six Thousand and Seven Hundred)</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (INR)</b>
17,80,609 (Seventeen Lakh Eighty Thousand Six Hundred and Nine) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	1,78,06,090 (Indian Rupees One Crore Seventy Eight Lakh Six Thousand and Ninety)
15,93,000 (Fifteen Lakh Ninety Three Thousand) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	1,59,30,000 (Indian Rupees One Crore Fifty Nine Lakh and Thirty Thousand)



<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>3,37,36,090</b> <b>(Indian Rupees Three Crore Thirty Seven Lakh Thirty Six Thousand and Ninety)</b>
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As on the date of this Scheme being approved by the Board of all the Parties, there has been no change in its authorized, issued, subscribed and paid-up share capital of the Transferee Company.

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## SECTION II

### AMALGAMATION OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 WITH AND INTO THE TRANSFEREE COMPANY

#### PART A

#### 4. AMALGAMATION OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 WITH AND INTO THE TRANSFEREE COMPANY

4.1. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferor Company 1 and the Transferor Company 2, together with all its present and future properties, assets, investments, borrowings, approvals, intellectual property rights, insurance covers or claims, records, licenses, brands, rights, benefits, interests, employees, contracts, obligations, proceedings and liabilities, of every nature and description, shall amalgamate with the Transferee Company, as a going concern, and all presents and future properties, assets, investments, borrowings, approvals, intellectual property rights, trademarks, copy rights, quotas, lease rights, tenancy rights, tenders, bids, insurance covers or claims, records, licenses, brands, rights, benefits, track-record, experience, goodwill and all other rights, title, interests, certificates, registrations under various legislations, consent, employees, contracts, deeds, agreements, arrangements, obligations, proceedings and liabilities of the Transferor Company 1 and the Transferor Company 2 shall stand transferred to and vested in and shall become the property of and an integral part of the Transferee Company, subject to the existing charges and encumbrances, if any, (to the extent such charges or encumbrances are outstanding on the Effective Date), by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by either of the Transferor Company 1, Transferor Company 2 or the Transferee Company. Without prejudice to the generality of the above, in particular, upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferor Company 1 and the Transferor Company 2 shall stand amalgamated with and into the Transferee Company, in the manner described in sub-paragraphs (a) to (p) below:

- (a) All immovable property (including land, buildings and any other immovable property) of the Transferor Companies, if any, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall stand vested in or be deemed to be vested in the Transferee Company, by operation of law pursuant to the vesting order



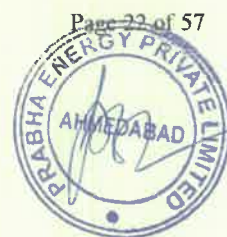
of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes, rent and charges, and fulfill all obligations, in relation to or applicable to such immovable properties, if any, and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease / license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance / prepaid lease / license fee, if any, to the Transferee Company. The title to the immovable properties of the Transferor Companies, if any, shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing of the vesting order of the Tribunal sanctioning the Scheme with the appropriate registrar and sub-registrar of assurances shall suffice as record of the Transferee Company's title to such immovable properties pursuant to the Scheme coming into effect on the Effective Date with effect from the Appointed Date and shall constitute a deemed mutation and substitution thereof. The Transferee Company shall in pursuance of the vesting order of the Tribunal be entitled to the delivery and possession of all documents of title in respect of such immovable property, if any, in this regard. Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Companies in the nature of land and buildings situated in states other than the state of Gujarat, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the respective Parties, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined in accordance with the Applicable Laws. The transfer of such immovable properties shall form an integral part of this Scheme.

- (b) All assets of the Transferor Companies as are movable in nature or are otherwise capable of being transferred by physical or constructive delivery and / or, by endorsement and delivery, or by vesting and recordal, including but not limited to property, assets, estate, rights, title, interests, equipment, furniture, fixtures, books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations,

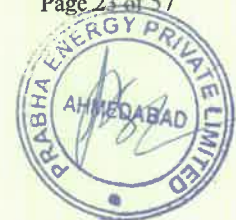


websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company. 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, as appropriate to the property being vested and the title to such property shall be deemed to have been transferred accordingly to the Transferee Company.

- (c) Any and all other movable property including but not limited to investments in shares and any other securities, all sundry debts and receivables, outstanding loans and advances, incorporeal or Intangible Assets and inventory, if any, relating to the Transferor Companies, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any with Governmental Authorities, semi-Governmental Authorities, local and other authorities and bodies, customers and other persons, cheques on hand, shall, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, become the property of the Transferee Company. Without prejudice to the foregoing, the Transferee Company shall be entitled to deposit at any time after the Effective Date and with effect from the Appointed Date, cheques received in the name of the Transferor Company 1, Transferor Company 2, as may be applicable, to enable the Transferee Company to receive the amounts thereunder. The investments held in dematerialized form by the Transferor Company 1 and / or the Transferor Company 2 will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant with whom the Transferor Company have an account. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realize the same is in substitution of the right of the Transferor Company 1 or Transferor Company 2, as may be applicable, and that appropriate entry should be passed in their respective books to record the said changes.



- (d) All debts, borrowings, liabilities, contingent liabilities, duties and obligations, secured or unsecured, relating to the Transferor Companies, whether provided for or not in the books of accounts of the Transferor Companies or disclosed in the balance sheet of such Transferor Companies or not, shall stand transferred to and vested in the Transferee Company, and the same shall be assumed to the extent they are outstanding on the Effective Date and with effect from the Appointed Date and become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of, and shall be discharged by, the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Companies or the Transferee Company.
- (e) The transfer and vesting as aforesaid in this Clause shall be subject to the existing charges, hypothecation or mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which the Transferor Company 1, or the Transferor Company 2, as may be applicable, are a party wherein the assets of the Transferor Company 1, or the Transferor Company 2, as may be applicable, have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor Company 1, or the Transferor Company 2, as may be applicable, and vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company. The Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company 1, or the Transferor Company 2, as may be applicable, which shall vest in Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise. The transfer and vesting of the properties and assets of the Transferor Company 1, or the Transferor Company 2, as may be applicable, as aforesaid shall be subject to the existing charges, hypothecation or mortgages over or in respect of the properties, assets or any part thereof of the Transferor Company 1, or the Transferor Company 2, as may be applicable.
- (f) All letters of intent, contracts, deeds, memorandum of understanding, tenders, bonds, agreements, insurance policies, capital investment, subsidies, guarantees and indemnities, schemes, arrangements and other instruments of whatsoever nature in





relation to the Transferor Companies to which it is a party or to the benefit of which it may be entitled or eligible, shall be in full force and effect against or in favour of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, and may be enforced as fully and effectually as if, instead of the Transferor Company 1, Transferor Company 2 or the Transferee Company had been a party or beneficiary or oblige thereto. Without prejudice to the generality of the foregoing, bank guarantees, performance guarantees, letters of credit, agreements with any Governmental Authority, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Companies or to the benefit of which the Transferor Companies may be eligible and which are subsisting or have effect immediately before the Appointed Date, including without limitation all rights and benefits (including without limitation benefits of any deposit, advances, receivables or claims) arising or accruing there from, shall, upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, be deemed to be bank guarantees, performance guarantees, letters of credit, agreements, deeds, documents, and arrangements, as the case may be, of the Transferee Company, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company and shall be appropriately transferred or assigned by the concerned parties / Governmental Authority in favour of the Transferee Company.

- (g) Any and all development rights, permissions, consents, statutory licenses or other licenses (including the licenses granted to the Transferor Companies by any Governmental Authority for the purpose of carrying on its business or in connection therewith), no-objection certificates, permissions, registrations, approvals, consents, permits, quotas, easements, goodwill, entitlements, allotments, concessions, exemptions, advantages, or rights required to carry on the operations of the Transferor Companies or granted to the Transferor Companies shall stand vested in or transferred to the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, and shall be appropriately transferred or assigned by the concerned parties or Governmental Authorities in favour of the Transferee Company upon amalgamation



of the Transferor Companies with and into the Transferee Company pursuant to the Scheme, subject to the provisions of Applicable Laws. The benefit of all statutory and regulatory permissions, approvals and consents including without limitation statutory licenses, permissions, approvals or consents required to carry on the operations of the Transferor Companies shall vest in and become available to the Transferee Company by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.

- (h) The Transferee Company shall bear the burden and the benefits of any legal or other proceedings (including tax proceedings) initiated by or against the Transferor Companies. If any notice, dispute, suit, appeal, complaint, claim or other proceeding of whatsoever nature by or against the Transferor Companies, including (but not limited to) those before any Governmental Authority, be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies with and into the Transferee Company, or of anything contained in this Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.
- (i) All persons who were employed in the Transferor Companies immediately before such date shall become employees of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, on terms and conditions which are overall no less favorable than those that were applicable to such employees immediately prior to such amalgamation, with the benefit of continuity of service and without any break or interruption in service. It is clarified that such employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall be governed by the terms of employment of the Transferee Company (including in connection with provident fund, gratuity fund, superannuation fund or any other special fund or obligation), provided that such terms of employment of the Transferee



Company are overall no less favorable than those that were applicable to such employees immediately before such amalgamation. In addition, with regard to provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, [a] all contributions made to such funds by the Transferor Companies on behalf of such employees shall be deemed to have been made on behalf of the Transferee Company, and shall be transferred to the Transferee Company, the relevant authorities or the funds (if any) established by the Transferee Company, as the case may be, and [b] all contributions made by such employees, including interests / investments (which are referable and allocable to the employees transferred) shall be transferred to the Transferee Company, the relevant authorities or the funds (if any) established by the Transferee Company, as the case may be. Where applicable and required, in connection with provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, the Transferee Company shall stand substituted for the Transferor Companies, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, for all purposes whatsoever relating to the obligations to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such schemes or funds shall become those of the Transferee Company. In addition, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee forming part of the Transferor Companies shall be continued / continue to operate against the relevant employee and the Transferee Company shall be entitled to take any relevant action or sanction, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.

- (j) The Transferee Company shall, for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Companies, take into account the past services of such employees with the Transferor Companies, as may be applicable.



(k) All direct and indirect taxes of any nature, duties and cess or any other like payments, including (but not limited to) income tax, security transaction tax, dividend distribution tax, foreign tax credit, equalization levy, value added tax, central sales tax, excise duty, customs duty, central value added tax, minimum alternate tax, advance tax, goods and services tax, tax deducted at source or tax collected at source, professional tax or any other like payments made by the Transferor Companies to any statutory authorities, or other collections made by the Transferor Companies and relating to the period up to the Effective Date, shall be deemed to have been on account of, or on behalf of, or paid by, or made by the Transferee Company, and the Transferee Company would be eligible to claim credits, claims or refunds, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company. In addition, all deductions and exemptions otherwise admissible to the Transferor Companies including without limitation payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (including, but not limited to, under Section 43B, Section 40 and Section 40A of the IT Act) shall be eligible for deduction to the Transferee Company upon fulfilment of the applicable conditions under the IT Act. In addition, the Transferee Company shall be entitled to claim credit and refunds for taxes deducted at source / taxes collected at source / paid against tax liabilities / duty liabilities / minimum alternate tax, advance tax, goods and services tax, central value added tax, value added tax liability and any other credits etc., notwithstanding the certificates / challans or other documents for payment of such taxes / duties, as the case may be, are in the name of the Transferor Companies.

(l) All taxes payable by or refundable to or being the entitlement of the Transferor Companies, including without limitation all or any refunds or claims shall be treated as the tax liability or refunds / credits / claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, entitlements (including, but not limited to, credits in respect of income tax, carry forward tax losses, unabsorbed depreciation, closing balance of CENVAT, value added tax, central sales tax, excise duty, turnover tax, goods and services tax, security transaction tax, minimum alternate tax and duty entitlement credit certificates), holidays, remissions, reductions, as would have been available to the Transferor Company 1 and the Transferor Company 2, shall be available to the Transferee Company, subject to the provisions of Applicable Laws, and losses and unabsorbed



depreciation of the Transferor Companies be carried forward and set off against tax on future taxable income of the Transferee Company in accordance with the provisions of, and subject to the satisfaction of the conditions set out in, Section 72A of the IT Act. The Transferee Company shall undertake all necessary compliances prescribed under Applicable Laws to, and the Transferor Companies shall, prior to the Effective Date, extend its cooperation to the Transferee Company to, effectuate transfer of all credits including advance tax, goods and services tax of the Transferor Companies to the Transferee Company. The Transferee Company shall have the right to file and / or revise the financial statements, income tax returns, forms and statements, tax deducted at source certificates, tax collection at source certificates, excise returns, goods and services tax returns and forms, and other statutory returns, forms, statements and filings, if required, even if the relevant due dates set out under Applicable Laws may have expired.

- (m) Any tax deduction at source certificates or any tax collection at source certificates issued by the any of the Party to, or for the benefit of, any other Party with respect to the inter-se transactions would be available to the Transferee Company to seek refund from the tax authorities in compliance with Applicable Laws. Further, upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, tax deduction at source deposited, tax collection at source deposited, tax deduction at source certificates issued, tax collection at source certificates issued or tax deduction at source deposited returns filed, or tax collection at source returns filed by the Transferor Company 1 or the Transferor Company 2 on transactions other than inter-se transactions during the period between the Appointed Date and the Effective Date shall continue to hold good as if such deposit of tax, issuance of certificates, filing of tax returns were made by the Transferee Company; and any tax deducted at source or tax collected at source by, or on behalf of, the Transferor Company 1 or the Transferor Company 2 on inter-se transactions will be treated as tax deposited by the Transferee Company.
- (n) The Transferee Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT credit, goods and services tax credit, value added tax credit, credit of tax deducted at source or tax collected at source in respect of nullifying of any transaction between the Parties inter-se.



- (o) All compliances under any Applicable Laws by the Transferor Companies on or after Appointed Date shall be deemed to be made by the Transferee Company.
- (p) All estates, assets, rights, title, interests and authorities accrued to and / or, acquired by the Transferor Companies shall be deemed to have been accrued to and / or, acquired for and on behalf of the Transferee Company, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company and shall stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.
- 4.2. Upon this Scheme coming into effect on the Effective Date and the consequent amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company, the secured creditors of the Transferee Company, if any, shall only continue to be entitled to security over such properties and assets forming part of the Transferee Company, as they had existing immediately prior to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company and the secured creditors of the Transferor Companies, if any, shall continue to be entitled to security only over such properties, assets, rights, benefits and interest of and in the Transferor Companies, as they had existing immediately prior to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company.
- 4.3. The Transferee Company, the Transferor Company 1 and the Transferor Company 2 shall take such actions as may be necessary and permissible in order to give formal effect to the provisions of this Clause, including, without limitation, making appropriate filings with any person (including the relevant Governmental Authorities), and such person (including the relevant Governmental Authorities) shall take the same on record, and shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company upon this Scheme coming into effect on the Effective Date in accordance with the terms hereof.
- 4.4. The Transferee Company shall, at any time after this Scheme coming into effect on the Effective Date in accordance with the provisions hereof, if so required under Applicable Laws, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights,



entitlements, licenses and certificates which were held or enjoyed by the Transferor Companies, including in connection with the transfer of properties of the Transferor Company 1 and the Transferor Company 2 to the Transferee Company. For the avoidance of doubt, it is clarified that if the consent of either a third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall, subject to the provisions of Applicable Laws, provide such consent and 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 Tribunal, and upon this Scheme coming into effect on the Effective Date. The Transferee Company shall file appropriate applications / documents and make appropriate filings with the relevant authorities concerned for information and record purposes and the Transferee Company shall, 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 acts, formalities or compliances referred to above on behalf of the Transferor Companies, *inter alia*, in its capacity as the successor entity of the Transferor Companies.

- 4.5. This Scheme has been drawn up to comply with the conditions relating to “amalgamation” as defined in Section 2(1B) and other relevant provisions of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions of the IT Act at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the IT Act shall prevail and the Scheme shall stand modified to the extent required to comply with Section 2(1B) and other relevant provisions of the IT Act.

## PART B

### 5. CONSIDERATION

- 5.1. Upon this Scheme coming into effect on the Effective Date and upon amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in terms of this Scheme,
- (a) the Transferee Company shall, issue and allot Equity Shares, credited as fully paid-up, to the extent indicated below, to the shareholders of the Transferor Company 1, holding fully paid-up Equity Shares of the Transferor Company 1 and whose names appear in the



register of members of the Transferor Company 1 as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Transferor Company 1 / Transferee Company, without any further act, instrument or deed and after taking into effect Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company, in the following proportion:

*“11 (Eleven) fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 1 for every 8 (Eight) Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 1, as on the Record Date.”*

- (b) the Transferee Company shall, issue and allot Equity Shares, credited as fully paid-up, to the extent indicated below, to the shareholders of the Transferor Company 2, holding fully paid-up Equity Shares of the Transferor Company 2 and whose names appear in the register of members of the Transferor Company 2 as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Transferor Company 2 / Transferee Company, without any further act, instrument or deed and after taking into effect Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company, in the following proportion:

*“71 (Seventy One) fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 2 for every 5 (Five) Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 2, as on the Record Date.”*

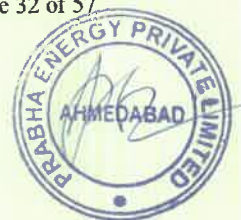
- 5.2. The share exchange ratio stated in Clause 5.1 above has been taken on record and approved by the Board of the Parties after taking into consideration the valuation report obtained for determination of the share exchange ratio.
- 5.3. The said Equity Shares in the Transferee Company to be issued to the equity shareholders of the Transferor Company 1 and the Transferor Company 2 pursuant to this Clause 5 shall be subject to MOA and Articles, and shall rank *pari passu* in all respects with the existing Equity





Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company.

- 5.4. Upon this Scheme coming into effect on the and upon amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in terms of this Scheme, the Equity Shares of the Transferee Company as held by the Transferor Company 1 and the Transferor Company 2 and the NCRPS as held by the Transferor Company 2 shall stand cancelled and extinguished by operation of law. Further, considering the issuance and allotment of Equity Shares to the shareholders of the Transferor Company 1 and the Transferor Company 2 towards the consideration in terms of this Clause 5, there shall not be any net reduction of the share capital of the Transferee Company, and in view of the same, the provisions of Section 66 of the Act shall not be attracted.
- 5.5. If any equity shareholder of the Transferor Company 1 becomes entitled to a fractional Equity Share to be issued by the Transferee Company pursuant to Clause 5.1 of this Scheme, the Transferee Company shall not issue such fractional Equity Share to such equity shareholder of the Transferor Company 1 or Transferor Company 2, as may be applicable, but shall consolidate all such fractional entitlements of all equity shareholders of the Transferor Company 1 and Transferor Company 2 and the Board of the Transferee Company shall, without any further act, instrument or deed, issue and allot such Equity Shares that represent the consolidated fractional entitlements to a trust nominated by the Board of the Transferee Company and such trust shall hold such Equity Shares, with all additions or accretions thereto, in trust for the benefit of the equity shareholders of the Transferor Company 1 and Transferor Company 2 who are entitled to the fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such Equity Shares in the market within a period of 90 (ninety) days from the date of allotment of Equity Shares, and on such sale, distribute to the equity shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Equity Shares (after deduction of applicable taxes and costs incurred and subject to withholding tax, if any). It is clarified that any such distribution shall take place only after the sale of all the Equity Shares of the Transferee Company that were issued and allotted to the trustee pursuant to this Clause 5.5. In case the number of such new Equity Shares to be allotted to the trust by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in Transferee Company to such trust.



- 5.6. The Transferee Company shall take necessary steps to increase or alter or re-classify, if necessary, its authorized share capital to enable it to issue and allot the Equity Shares as set forth in Clause 5.1 above.
- 5.7. The Equity Shares to be issued and allotted by the Transferee Company as set forth in Clause 5.1 above to the shareholders of the Transferor Company 1 and the Transferor Company 2 shall be issued in dematerialized form or physical form to the shareholders as per Applicable Laws.
- 5.8. The Equity Shares of the Transferee Company issued in terms of Clause 5.1 above shall, subject to receipt of necessary approval, be listed and / or admitted to trading on the Stock Exchanges pursuant to this Scheme and in compliance with the Listing Regulations, SEBI Circular and other applicable regulations and Applicable Laws. The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of Listing Regulations, SEBI Circular and other applicable regulations notified under the SEBI Act and Applicable Laws and take all steps to procure the listing of the Equity Shares issued by it.
- 5.9. The Equity Shares issued by the Transferee Company, pursuant to this Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges.
- 5.10. There shall be no change in the shareholding pattern or control in the Transferee Company between Record Date and the listing of the equity shares on the Stock Exchanges.
- 5.11. On the approval of the Scheme by the Board and members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, if applicable, it shall be deemed that the Board and members of each of the Parties have also accorded their consent under Sections 42, 62 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Articles, as may be applicable, for the aforesaid issuance of the Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company 1 and the Transferor Company 2, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 42, 62 and / or any other applicable provisions of the Act and rules made thereunder. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations as per the provisions of Act and rules made thereunder with ROC or any other



applicable Governmental Authority to record the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company, issuance of the Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company 1 and the Transferor Company 2 and dissolution of the Transferor Company 1 and the Transferor Company 2, in the manner set out in this Clause 5.

#### PART D

### 6. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANIES

- 6.1. With effect from the Appointed Date and up to and including the Effective Date,
- (a) The Transferor Companies 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 all its properties and assets pertaining to the business and undertaking of the Transferor Companies for and on account of and in trust for the Transferee Company. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.
  - (b) The Transferor Companies shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company, dispose of any property or asset of the Transferor Companies or part thereof.
  - (c) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies shall, for all the purposes be treated and be deemed to be accrued as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
  - (d) The Transferor Companies shall not vary the terms and conditions of employment of any of the employees except in ordinary course of business or without prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Companies as the case may be, prior to the Effective Date.



- (e) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Governmental Authority, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require pursuant to this Scheme.

## 7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

7.1. Upon to the Scheme coming into effect on the Effective Date, and after giving effect of the accounting treatment specified at sub-clause (f) of Clause 9.1, the Transferee Company shall account for amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company in its books of accounts in accordance with the Indian Accounting Standard 103 'Business Combinations' prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India and any other relevant or related requirement under the Act, as applicable on the Effective Date, such that:

- (a) The Transferee Company shall record the assets and liabilities relating to the Transferor Company 1 and the Transferor Company 2 vested in it pursuant to this Scheme, at their respective carrying amounts.
- (b) The identity of the reserves shall be preserved and the Transferee Company shall record the reserves of the Transferor Company 1 and the Transferor Company 2 in the same form and at the carrying amount as appearing in the financial statements of the Transferor Company 1 and the Transferor Company 2, as may be applicable.
- (c) Pursuant to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company 1 and the Transferor Company 2, if any, appearing in the books of the Transferee Company, Transferor Company 1 and Transferor Company 2 shall stand cancelled.
- (d) All inter-company investments in the share capital of the Transferee Company, Transferor Company 1 and Transferor Company 2 shall stand cancelled.
- (e) All inter-company transactions entered between the Transferor Company 1 and the Transferor Company 2 and Transferee Company shall stand cancelled.



(f) The face value of the Equity Shares of the Transferee Company issued to the shareholders of the Transferor Company 1 and the Transferor Company 2 pursuant to Clause 5.1 shall be credited to the equity share capital account in the books of the Transferee Company.

(g) The surplus / deficit, if any arising after taking the effect of sub-clauses (a) to (f) of Clause 7.1 above, shall be adjusted in 'Capital Reserve' in the financial statements of the Transferee Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

(h) In case of any differences in accounting policies between the Transferor Company 1 and the Transferor Company 2 and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

## **8. DISSOLUTION OF THE TRANSFEROR COMPANY 1 AND THE TRANSFEROR COMPANY 2**

8.1. Upon the Scheme coming into effect from the Effective Date, the Transferor Company 1 and the Transferor Company 2 shall, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, stand dissolved without winding up pursuant to the order of the Tribunal sanctioning the Scheme.

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### SECTION III

#### 9. BONUS ISSUANCE BY THE TRANSFEREE COMPANY AND THE SUB-DIVISION OF THE EQUITY SHARES OF THE TRANSFEREE COMPANY

9.1. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, and in accordance with Clause 15 of this Scheme:

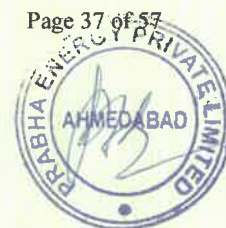
(a) The Transferee Company shall, without any further act, instrument or deed, issue and allot the PEPL Bonus Shares by way of a bonus issue to the PEPL Shareholder(s) in proportion to their shareholding in the Transferee Company as on the PEPL Bonus Issuance Record Date.

(b) Upon completion of the actions set forth in sub-clause (a) above, the Transferee Company shall, without any further act, instrument or deed, sub-divide each Equity Share of the Transferee Company having a face value of INR 10 (Indian Rupees Ten) into 10 (Ten) Equity Shares of the Transferee Company having a face value of INR 1 (One) each.

(c) After taking into effect the Bonus Issuance by the Transferee Company as contemplated in sub-clause (a) above and sub-division of the Equity Shares of the Transferee Company as contemplated in sub-clause (b) above, the authorised share capital clause at Clause V of the MOA shall stand modified and read as follows:

*“The Authorised Share Capital of the Company is INR 23,34,67,700 (Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seven Thousand and Seven Hundred only) divided into 19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred only) equity shares of face value of INR 1 (Indian Rupee One only) each and 37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty only) preference shares of face value of INR 10 (Indian Rupees Ten only) each.”*

(d) Pursuant to the Bonus Issuance as set out in sub-clause (a) above and sub-division of the Equity Shares of the Transferee Company as set out in sub-clause (b) above, the authorised share capital and issued, subscribed and paid-up share capital of the Transferee Company shall be as follows:



<b>Authorised Share Capital</b>	<b>Amount (INR)</b>
19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred) Equity Shares having face value of INR 1 (Indian Rupee One) each	19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred)
37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	3,76,00,600 (Indian Rupees Three Crore Seventy Lakh and Six Hundred)
<b>Total Authorised Share Capital</b>	<b>23,34,67,700</b> <b>(Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seventy Thousand and Seven Hundred)</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (INR)</b>
19,58,66,990 (Nineteen Crore Fifty Eight Lakh Sixty Six Thousand Nine Hundred and Ninety) Equity Shares having face value of INR 1 (Indian Rupee One) each	19,58,66,990 (Nineteen Crore Fifty Eight Lakh Sixty Six Thousand Nine Hundred and Ninety)
15,93,000 (Fifteen Lakh Ninety Three Thousand) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	1,59,30,000 (Indian Rupees One Crore Fifty Nine Lakh and Thirty Thousand)
<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>21,17,96,990</b> <b>(Indian Rupees Twenty One Crore Seventeen Lakh Ninety Six Thousand Nine Hundred and Ninety)</b>



- (e) The Equity Shares issued by the Transferee Company in terms of this Clause 9 of the Scheme shall be issued in dematerialized form and the register of members and / or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of such Equity Shares by the Transferee Company in terms of this Scheme.
- (f) The Transferee Company shall in its books of accounts in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India and any other relevant or related requirement under the Act, as may be applicable, transfer the balance of INR 17,80,60,900 (Indian Rupees Seventeen Crore Eighty Lakh Sixty Thousand and Nine Hundred) from the securities premium account to share capital account.
- (g) On the approval of the Scheme by the Board and members of each of the Parties pursuant to Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, if applicable, it shall be deemed that the Board and members of the Transferee Company have also accorded their consent under Sections 13, 61, 62, 63 and 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Articles, as may be applicable for the aforesaid increase in authorised share capital, issuance of the PEPL Bonus Shares, sub-division of the Equity Shares, amendment of the MOA of 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 Sections 13, 61, 62, 63 or 64 of the Act and/ or any other applicable provisions of the Act and rules made thereunder. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents/ intimations as per the provisions of Act and rules made thereunder with ROC or any other applicable authority to record the aforesaid sub-division of its Equity Shares, amendment of its MOA and issuance of the PEPL Bonus Shares, in the manner set out in this Clause 9 of this Scheme.
- (h) The increase in authorised share capital, issuance and allotment of the PEPL Bonus Shares, sub-division of the Equity Shares and amendment of the MOA of the Transferee Company shall be undertaken as an integral part of the Scheme and in accordance with





Clause 15 of this Scheme. The PEPL Bonus Shares to be issued to the PEPL Shareholder(s) pursuant to Section III of this Scheme shall rank *pari passu* in all respects with the existing Equity Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company.

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## SECTION IV

### 10. CONVERSION OF THE TRANSFEREE COMPANY INTO A PUBLIC COMPANY

- 10.1. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the Transferee Company shall stand converted into a 'public company' in terms of the Sections 13, 18 and other applicable provisions of the Act and rules made thereunder. As the conversion of the Transferee Company into a 'public company' is an integral part of the Scheme, it shall be deemed that the Board and members of the Transferee Company have accorded their consent for such conversion as required under the Act and rules made thereunder, including in terms of Sections 13 and 18 and any other applicable provisions of the Act and rules made thereunder, and provisions of the Articles.
- 10.2. The MOA shall be amended (to the extent required) to reflect the conversion contemplated in Clause 10.1 above as required in terms of the Act and rules made thereunder. Upon the Scheme coming into effect on the Effective Date, the Transferee Company's name shall stand changed to remove the word 'Private' from its name or be adopted to such other name as may be mutually agreed between the Board of the Transferee Company, Transferor Company 1 and Transferor Company 2, and approved by the ROC.
- 10.3. The Articles of the Transferee Company shall be amended and restated to reflect the conversion contemplated in Clause 10.1 above.
- 10.4. On approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and the members of the Transferee Company have also accorded their consent under Sections 13, 14 and 18 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations, as may be applicable for effecting the aforesaid conversion of the Transferee Company into a public company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 13, 14 or 18 of the Act and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations and make



payment of any necessary fees as per the provisions of Act and rules made thereunder with ROC or any other applicable Governmental Authority in respect of the aforesaid conversion of the Transferee Company into a public company, in the manner set out in this Clause 10 of the Scheme. The ROC will issue a fresh certificate of incorporation to the Transferee Company in accordance with the provisions of the Act and rules made thereunder.

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## SECTION V

### 11. RECLASSIFICATION OF PERSONS SEEKING RECLASSIFICATION FROM 'PROMOTER AND PROMOTER GROUP' CATEGORY TO 'PUBLIC' CATEGORY IN THE TRANSFEREE COMPANY

- 11.1. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the Promoters Seeking Reclassification shall be reclassified from 'Promoter and Promoter Group' category to 'Public category' in the Transferee Company in terms of the applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws. As the reclassification of the Promoters Seeking Reclassification shall be reclassified from 'Promoter and Promoter Group' category to 'Public category' in the Transferee Company is an integral part of the Scheme, it shall be deemed that the Transferee Company has complied with all applications or filings as required under applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws for seeking the aforesaid reclassification.
- 11.2. Pursuant to the Family Arrangement Agreement, the Promoters Seeking Reclassification holding Equity Shares of the Transferor Company 1 as set out in **Schedule B** vide Application Letter requested the Transferor Company 1 for reclassification of the Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public category' in the Transferor Company 1. The rationale of such reclassification is that the Promoters Seeking Reclassification are not engaged in the business, management, control or day-to-day affairs and also do not have any right either to appoint any Director or an ability to control the management or policy decisions in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the Transferor Company 1, and upon the Scheme coming into effect, subsequently in the Transferee Company.
- 11.3. The Promoters Seeking Reclassification have submitted undertaking vide letter dated 14<sup>th</sup> September, 2022 that the Promoters Seeking Reclassification are complying the conditions specified at sub-clause (i) of clause (b) of sub-regulation (3) of Regulation 31A of the Listing Regulations, and the Promoters Seeking Reclassification and Persons Related to the Promoters Seeking Reclassification are complying the conditions specified at sub-clause (ii) to sub-clause (vii) of clause (b) of sub-regulation (3) of Regulation 31A of the Listing



Regulations, and that they shall continue to comply with the conditions prescribed in sub-regulation (4) of Regulation 31A of the Listing Regulations.

- 11.4. Upon the Scheme coming into effect on the Effective Date, the shareholding of the Promoters Seeking Reclassification and the Persons Related to the Promoters Seeking Reclassification in the Transferee Company shall be as set out in **Schedule C**.
- 11.5. On approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and members of the Transferee Company have accorded their consent for such reclassification under the applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws, as may be applicable for effecting the aforesaid reclassification of 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 and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws, as may be applicable. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations and make payment of any necessary fees as per the provisions of the Listing Regulations or any other applicable regulations notified under the SEBI Act.

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## SECTION VI

### GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

#### 12. APPLICATION TO THE TRIBUNAL

- 12.1. The Transferor Company 1, the Transferor Company 2 and the Transferee Company shall make all applications / petitions under the Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, and as required under the Applicable Laws to the Tribunal for the sanction of this Scheme and all matters ancillary or incidental thereto.

#### 13. TRANSFER OF THE AUTHORISED SHARE CAPITAL

- 13.1. After considering the Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company as contemplated in Clause 9 of the Scheme, the authorised share capital of the Transferee Company as set out in Clause 3.3 of this Scheme shall stand enhanced to INR 23,34,67,700 (Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seven Thousand and Seven Hundred), comprising of 19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred) Equity Shares of face value of INR 1 (Indian Rupee One) each and 37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, without any further act, instrument or deed undertaken by the Transferee Company, pursuant to Section 232(3)(i) of the Act, the fee(s) paid by the Transferee Company on the existing authorised share capital as set out in Clause 3.3 of this Scheme shall be set-off against any fee payable by the Transferee Company on its authorised share capital subsequent to the sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as contemplated in Clause 9 of the Scheme, and the liability of the Transferee Company for payment of any additional fees or stamp duty in respect of such increase shall be limited to the difference between the fee or stamp duty payable by the Transferee Company on its increased authorized share capital as a result of the sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as contemplated in Clause 9 of the Scheme.
- 13.2. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the authorised share capital of the Transferor Company 1 of INR 32,00,00,000 (Indian Rupees Thirty Two Crore), comprised of



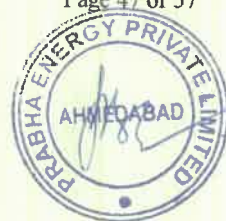
3,20,00,000 (Three Crore Twenty Lakh) Equity Shares having face value of INR 10 (Indian Rupees Ten) each, shall stand consolidated and vested in and merged with the authorised share capital of the Transferee Company. Further, as an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the authorised share capital of the Transferor Company 2 of INR 8,72,81,000 (Indian Rupees Eight Crore Seventy Two Lakh and Eighty One Thousand), comprised of 72,28,100 (Seventy Two Lakh Twenty Eight Thousand One Hundred) Equity Shares having face value of INR 10 (Indian Rupees Ten) each and 15,00,000 (Fifteen Lakh) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, shall stand consolidated and vested in and merged with the authorised share capital of the Transferee Company. After considering consolidation of the authorised share capital of the Transferor Company 1 and the Transferor Company 2 with the authorised share capital of the Transferee Company as above and Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company as contemplated in Clause 9 of the Scheme, the authorised share capital of the Transferee Company as set out in Clause 3.3 of this Scheme shall stand enhanced to INR 64,07,48,700 (Indian Rupees Sixty Four Crore Seven Lakh Forty Eight Thousand and Seven Hundred), comprising into 58,81,48,100 (Fifty Eight Crore Eighty One Lakh Forty Eight Thousand and One Hundred) Equity Shares of face value of INR 1 (Indian Rupee One) each and 5,26,00,600 (Five Crore Twenty Six Lakh and Six Hundred) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, without any further act, instrument or deed undertaken by the Transferee Company, and pursuant to Section 232(3)(i) of the Act, the fee(s) paid by the Transferor Company 1 and the Transferor Company 2 on their respective authorised share capital shall be set-off against any fee payable by the Transferee Company on its authorised share capital subsequent to the amalgamation, and the liability of the Transferee Company for payment of any additional fees or stamp duty in respect of such increase shall be limited to the difference between (i) the fee or stamp duty payable by the Transferee Company on its increased authorized share capital after the Scheme comes into effect, (ii) the fee or stamp duty paid by the Transferor Company 1 and the Transferor Company 2, if any, on its authorised share capital from time to time, and (iii) additional fee or stamp duty paid by the Transferee Company on increase in authorized share capital as a consequence of sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as provided at Clause 13.1 above, and the authorised share capital clause at Clause V of the MOA shall stand modified and read as follows:

*“The Authorised Share Capital of the Company is INR 64,07,48,700 (Indian Rupees Sixty Four Crore Seven Lakh Forty Eight Thousand and Seven Hundred only), divided into 58,81,48,100 (Fifty Eight Crore Eighty One Lakh Forty Eight Thousand and One*



*Hundred only) Equity Shares of face value of INR 1 (Indian Rupee One only) each and 5,26,00,600 (Five Crore Twenty Six Lakh and Six Hundred only) preference shares of face value of INR 10 (Indian Rupees Ten only) each. ”*

- 13.3. Notwithstanding anything contained in this Scheme and subject to Applicable Laws, until this Scheme becomes effective, the Transferor Company 1 shall have right to raise capital whether via preferential issue of equity / convertible / non-convertible securities to one or more financial or strategic investors or in any other way for the efficient functioning of their business or for any other purpose including for the purposes of refinancing, repayment, conversion or prepayment of any loans, provided that any such change in capital structure of the Transferor Company 1 shall be made subject to the approval of SEBI / stock exchanges and other authorities, if applicable. For the avoidance of doubt, it is clarified that, in case, authorised share capital of the Transferor Company 1, the Transferor Company 2 and / or the Transferee Company, as the case may be, undergoes any change, prior to this Scheme coming into effect on the Effective Date, then this Clause 13 of the Scheme shall automatically stand modified / adjusted accordingly to take into account the effect of such change.
- 13.4. On the approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and the members of each of the Parties have also accorded their consent under Sections 13, 61, 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations and the Articles, as may be applicable for effecting the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company under Sections 13, 61, 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations and the Articles. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations as per the provisions of Act and rules made thereunder with ROC or any other applicable Governmental Authority in respect of the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, in the manner set out in this Clause 13 of the Scheme.





#### 14. LISTING OF EQUITY SHARES

- 14.1. Upon the Scheme coming into effect on the Effective Date, the Equity Shares of the Transferee Company shall be listed and admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of Applicable Laws (including the SEBI Circular). The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circular, the Listing Regulations, and take all steps to get its Equity Shares listed on the Stock Exchanges and obtain the final listing and trading permissions.
- 14.2. The Equity Shares issued and allotted by the Transferee Company pursuant to this Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges. There shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing which may affect the status of such permission. Further, the Transferee Company will not issue / reissue any Equity Shares which are not covered under the Scheme.
- 14.3. Any acquisition of shares, voting rights or control pursuant to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company pursuant to this Scheme does not trigger any obligation to make an open offer, in terms of Regulation 10(1)(d) of the Takeover Code.
- 14.4. Post listing of the Equity Shares of the Transferee Company on Stock Exchanges, the Transferee Company shall comply with requirement of maintaining public shareholding of 25% (twenty-five percent) in the Transferee Company within a period of one year from the date of listing of Equity Shares of the Transferee Company in accordance with the SEBI Circular and other Applicable Laws, as may be amended from time to time.

#### 15. SEQUENCING OF ACTIONS

- 15.1. Upon the sanction of this Scheme and upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequence and in the order mentioned hereunder:



- (a) issuance and allotment of PEPL Bonus Shares by way of a bonus issue by the Transferee Company and sub-division of the Equity Shares of the Transferee Company in accordance with Section III of this Scheme;
- (b) amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in accordance with Section II of this Scheme; and
- (c) transfer of the authorised share capital of each of the Transferor Company 1 and the Transferor Company 2 to the Transferee Company in accordance with Clause 13 of this Scheme, and consequential increase in the authorised share capital of the Transferee Company.

15.2. Upon the sanction of this Scheme and upon this Scheme coming into effect on the Effective Date, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequence and in the order mentioned hereunder:

- (a) issue and allotment of Equity Shares of the Transferee Company by the Transferee Company to the shareholders of the Transferor Company 1 whose names appear in the register of members of the Transferor Company 1 as on the Record Date, and to the shareholders of the Transferor Company 2 whose names appear in the register of members of the Transferor Company 2 as on the Record Date, in accordance with Clause 5 of this Scheme;
- (b) conversion of the Transferee Company into public company, and consequential amendment in MOA and Articles, in accordance with Section IV of this Scheme;
- (c) dissolution of the Transferor Company 1 and the Transferor Company 2 without winding-up in accordance with Clause 8 of this Scheme;
- (d) reclassification of certain promoters in to public category in the Transferor Company 1 in accordance with Section V of this Scheme; and
- (e) listing of the Equity Shares of the Transferee Company in accordance with Clause 14 of the Scheme.



## 16. CONDITIONALITY AND EFFECTIVENESS OF THE SCHEME

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

(a) Approval of the members:

- (i) the requisite majorities in number and value of such classes of members as may be directed by the Tribunal or any other competent authority, as may be applicable, approving the Scheme through e-voting or any other permissible mode;
- (ii) the Scheme being approved by the public shareholders of Transferor Company 1 through e-voting in terms of Part – I (A)(10)(a) of SEBI Circular and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than number of votes cast by public shareholders against it; and
- (iii) public shareholders of the Transferor Company 1 shall have approved the Scheme by way of an ordinary resolution and all ‘interested persons’ as understood in terms of the Listing Regulations shall have abstained from voting in the relevant meeting of the members approving the Scheme;

in each case, the e-voting is in compliance with the provisions of the Act, the SEBI Circular and the Listing Regulations, if applicable.

- (b) Obtaining observation letter or no-objection letter from the Stock Exchanges in respect of the Scheme, pursuant to regulation 37 of the Listing Regulations read with SEBI Circular and Regulations 11 and 94 of the LODR Regulations.
- (c) The requisite majorities in number and value of such classes of secured and unsecured creditors as may be directed by the Tribunal or any other competent authority, as may be applicable, approving the Scheme.
- (d) The Scheme being sanctioned by the Tribunal under Sections 230 to 232 and any other applicable provisions of the Act and rules made thereunder, and each of the Parties having filed certified copies of the order of the Tribunal sanctioning this Scheme with ROC within the statutory timelines.

16.2. Each of the Parties shall file order of the Tribunal approving the Scheme with ROC within a period of 30 (thirty) days of receipt of such order. In case the Scheme does not become effective



in terms of Clause 16.1 above, within a period of 30 (thirty) days of receipt of the order of the Tribunal approving the Scheme, each of the Parties shall file an intimation with ROC within 30 (thirty) days of the Effective Date.

**17. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

17.1. The Transferor Company 1, the Transferor Company 2 and the Transferee Company, with approval of their respective Board (which shall include any committee constituted by the Board of the respective Party) may consent, from time to time, on behalf of all persons concerned, to any modifications / amendments or additions / deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Board to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Tribunal or any other Governmental Authority may deem fit to approve of, to direct and / or impose.

**18. REMOVAL OF DIFFICULTIES**

18.1. The Parties may, by mutual consent and acting through their respective authorised representatives, agree to take all such steps as may be necessary, desirable or proper to resolve all doubts, difficulties or questions, that may arise in relation to the meaning or interpretation of the respective sections of this Scheme or implementation thereof or in any manner whatsoever connected therewith, whether by reason of any directive or order of the Tribunal or any other Governmental Authority or otherwise, howsoever arising out of, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or any matters concerned or connected therewith and to do and execute all acts, deeds, matters and things necessary for giving effect to this Scheme.

**19. ENTIRE EFFECT**

19.1. Each section of this Scheme is inextricably inter-linked with the other Sections and the Scheme shall be given effect only in its entirety in the sequence set out in Clause 15 of the Scheme.



## **20. SAVING OF CONCLUDED TRANSACTIONS**

20.1. The transfer of properties and liabilities and the continuance of proceedings by or against any of the Parties as set out in Clause 4 above shall not affect any transaction or proceedings already concluded by any of the Parties on and after the date of filing of the Scheme with the Tribunal till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company 1 and the Transferor Company 2 in respect thereto as done and executed on behalf of the Transferor Company 1 and the Transferor Company 2.

## **21. SEVERABILITY**

21.1. Each Section of this Scheme shall be given effect to as per the chronology in which it has been provided for in Clause 15 of the Scheme. Each Part in each Section is independent of each Section and is severable. The Scheme shall be effective upon sanction of the Tribunal. However, failure of any one Part of one Section of one Section for lack of necessary approval from the shareholders / creditors / statutory regulatory authorities or for any other reason that the Board may deem fit, then this shall not result in failing of the whole Scheme. It shall be open to the concerned Board to consent to sever such part(s) of the Scheme and implement the rest of the Scheme with such modification.

## **22. EFFECT OF NON-RECEIPT OF APPROVALS**

22.1. In the event of any of the said sanctions and approvals referred to in the Clause 21 not being obtained and / or the Scheme not being sanctioned by the Tribunal, 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 Applicable Law. In such case, each Party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

## **23. COSTS, CHARGES & EXPENSES**

23.1. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with and implementing



this Scheme and matters incidental thereto shall be borne by the Parties inter-se, as may be decided by the Board.

## 24. REVOCATION AND WITHDRAWAL OF THIS SCHEME

- 24.1. The Board of the Transferor Company 1, the Transferor Company 2 and the Transferee Company shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage, but before the Effective Date, and where applicable re-file, at any stage, in case,
- (a) this Scheme is not approved by the Tribunal, or if any other consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not received or delayed;
  - (b) any condition or modification imposed by the Tribunal is not applicable;
  - (c) the coming into effect of this Scheme in terms of the provisions hereof or filing of the drawn-up order(s) with any Governmental Authority could have adverse implication on the Transferor Company 1, Transferor Company 2 and / or the Transferee Company; or
  - (d) for any other reason whatsoever,  
and do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto.
- 24.2. Upon revocation, cancellation or withdrawal, this Scheme shall stand revoked, cancelled or withdrawn and be no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Company 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 in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

## 25. RESOLUTIONS

- 25.1. Upon the Scheme coming into effect, the resolutions, if any, of the Transferor Company 1 and the Transferor Company 2, which are valid and subsisting on the Effective Date, shall



continue to be valid and subsisting and be considered as resolutions of Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other Applicable Law, then the said limits shall be added to the limits, if any, like resolutions are passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

- 25.2. Upon the Scheme coming into effect, the borrowing limits of the Transferee Company in terms of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company 1 and the Transferor Company 2 which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

## 26. MISCELLANEOUS

- 26.1. If any part of this Scheme hereof is invalid, ruled illegal by any Tribunal of competent jurisdiction or unenforceable under present or future Laws, then it is the intention of the Parties to the Scheme that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any Party, in which case the Parties to the Scheme shall attempt to bring about a modification in the Scheme, as will best preserve for such Parties the benefits and obligations of the Scheme, including but not limited to such part.

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**SCHEDULE A**

**PERSONS RELATED TO THE PROMOTERS SEEKING RECLASSIFICATION AND  
HOLDING EQUITY SHARES OF THE TRANSFEREE COMPANY**

<b>No.</b>	<b>Name of person</b>	<b>Relation</b>
1.	Paras Shantilal Savla	Brother
2.	Manoj Shantilal Savla	Brother

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**SCHEDULE B**

**SHAREHOLDING OF THE PROMOTERS SEEKING RECLASSIFICATION IN THE  
TRANSFEROR COMPANY 1 AS ON SEPTEMBER 15, 2022**

No.	Name of shareholder	Category	No. of shares	Shareholding (%)
1.	Dharen Shantilal Savla	Promoter Group	22,68,822	7.09
2.	Avani Dharen Savla	Promoter Group	100	0.00
3.	Shantilal Murjibhai Savla	Promoter Group	100	0.00
4.	Prabhaven Shantilal Savla	Promoter Group	100	0.00
5.	Dharen Savla Family Trust	Promoter Group	Nil	Nil
<b>Total</b>			<b>22,69,122</b>	<b>7.09</b>

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**SCHEDULE C**

**SHAREHOLDING OF THE PROMOTERS SEEKING RECLASSIFICATION IN THE  
TRANSFEREE COMPANY AS ON THE EFFECTIVE DATE**

No.	Name of shareholder	Category	No. of shares	Shareholding (%)
1.	Dharen Shantilal Savla	Public	1,24,84,132	9.12
2.	Avani Dharen Savla	Public	4,99,567	0.36
3.	Shantilal Murjibhai Savla	Public	138	0
4.	Prabhaben Shantilal Savla	Public	138	0
5.	Dharen Savla Family Trust	Public	Nil	Nil
<b>Total</b>			<b>1,29,83,975</b>	<b>9.48</b>

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