

**COMPOSITE SCHEME OF  
AMALGAMATION AND ARRANGEMENT**

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

**AMONGST**

**JK LAKSHMI CEMENT LIMITED**

**AND**

**UDAIPUR CEMENT WORKS LIMITED**

**AND**

**HANSDEEP INDUSTRIES & TRADING COMPANY LIMITED**

**AND**

**HIDRIVE DEVELOPERS AND INDUSTRIES PRIVATE  
LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**



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## PART I

## 1. OVERVIEW, OBJECTS AND BENEFITS OF THE SCHEME

## 1.1 Brief Overview of the Companies

## 1.1.1 JK Lakshmi Cement Limited (“JKLC”):

- (i) JKLC is a listed public limited company incorporated under the laws of India and having its registered office at Jaykaypuram Basantgarh Dist Sirohi, Rajasthan, India, 307019. The CIN of JKLC is L74999RJ1938PLC019511. The PAN of JKLC is AAACJ6715G.
- (ii) JKLC is primarily engaged in the business of, inter alia, manufacturing, selling and trading of (a) Clinker and Cement, with manufacturing facilities located in the States of Rajasthan, Chhattisgarh, Gujarat, Haryana and Odisha; and (b) other Cementitious products like Ready Mix Concrete (RMC), Fly Ash Blocks, Plaster of Paris (POP), White Cement and Putty etc., with manufacturing facilities located in the States of Rajasthan, Chhattisgarh, Gujarat, Haryana, Uttar Pradesh and Punjab.
- (iii) JKLC was originally incorporated on August 06, 1938, under the Indian Companies Act, 1913; under the name and style ‘Straw Products Limited’. The name of the Company was changed to ‘JK Corp Limited’, pursuant to which a certificate of incorporation pursuant to change of name was issued by the Registrar of Companies, Orissa on June 17, 1994.

Subsequently the Registered Office of the Company was shifted from the State of Orissa to the State of Rajasthan, pursuant to which a fresh certificate of registration (consequent to change of registered office) was issued by Registrar of Companies, Jaipur. Thereafter, the name of the Company was changed from ‘JK Corp Limited’ to ‘JK Lakshmi Cement Limited’, pursuant to which a certificate of incorporation pursuant to change of name was issued by the Registrar of Companies, Jaipur on October 06, 2005.

- (iv) The Equity Shares of JKLC are listed on the National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”).

## 1.1.2 Udaipur Cement Works Limited (“UCWL”):

- (i) UCWL is a listed public limited company incorporated under the laws of India and having its registered office at Shripati Nagar, CFA, PO: Dabok Udaipur Rajasthan 313022 – India. The CIN of UCWL is L26943RJ1993PLC007267. The PAN of UCWL is AAACU8858M.
- (ii) UCWL is primarily engaged in the business of, inter alia, manufacturing and selling Clinker and Cement which is similar to the business of JKLC, and has a cement manufacturing plant located in the State of Rajasthan.



- (iii) UCWL was originally incorporated on March 15, 1993, under the Companies Act, 1956, with the name and style 'J.K. Udaipur Udyog Limited'. The name of the company was changed to 'Udaipur Cement Works Limited', pursuant to which a certificate of incorporation pursuant to change of name was issued by the Registrar of Companies, Jaipur on May 19, 2006.
- (iv) UCWL is a subsidiary of JKLC and the Equity Shares of UCWL are listed on NSE and BSE.

1.1.3 Hansdeep Industries & Trading Company Limited (“HITCL”):

- (i) HITCL is a public limited company incorporated under the laws of India and having its registered office at Jaykaypuram Basantgarh Dist Sirohi, Rajasthan, India, 307019. The CIN of HITCL is U74899RJ1993PLC096253. The PAN of HITCL is AABCJ0776A.
- (ii) HITCL has its objects similar to and is also engaged in a business similar to that of JKLC.
- (iii) HITCL was originally incorporated on August 12, 1993, under the Companies Act, 1956, under the name and style 'J.K. Tele-Tronix Limited'. Its name was changed to 'J.K. Medicare Limited' pursuant to certificate of incorporation pursuant to change of name, issued by Registrar of Companies, National Capital Territory of Delhi and Haryana on May 01, 2000. Further, its name was changed to 'Swasthya Medicare Services Limited' pursuant to which certificate of incorporation pursuant to change of name was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana on November 07, 2002. Subsequently, its name was changed to 'Hansdeep Industries & Trading Company Limited' pursuant to a certificate of incorporation pursuant to change of name issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana on January 22, 2009.
- (iv) The Registered Office of HITCL was shifted from the National Capital Territory of Delhi to the State of Rajasthan, at Jaykaypuram Basantgarh Dist Sirohi, Rajasthan, India, 307019 pursuant to which a fresh certificate of registration (consequent to change of registered office) was issued by Registrar of Companies, Jaipur on 24<sup>th</sup> July 2024.
- (v) HITCL is a wholly owned subsidiary of JKLC, and the Equity Shares of HITCL are not listed on any Stock Exchange in India or in any other country.

1.1.4 Hidrive Developers and Industries Private Limited (“HDIPL”):

- (i) HDIPL is a private limited company incorporated under the laws of India and having its registered office at Jaykaypuram Basantgarh Dist Sirohi, Rajasthan, India, 307019. The CIN of HDIPL is U23941RJ2012PTC096250 and its PAN is AACCH9735Q.



- (ii) HDIPL has its objects similar to and is also engaged in a business similar to that of JKLC and in this context, it has a land situated at Village Dastan, Taluka Palsana, District Surat, Gujarat - 394310 which is intended to be used for the purpose of setting up cement grinding unit with capacity of 1.35 million Tonnes per annum.
- (iii) HDIPL was originally incorporated on August 03, 2012, under the Companies Act, 1956, under the name and style 'Hidrive Developers and Industries Private Limited'. The Registered Office of HDIPL was shifted from the National Capital Territory of Delhi to the State of Rajasthan, at Jaykaypuram Basantgarh Dist Sirohi, Rajasthan, India, 307019 pursuant to which a fresh certificate of registration (consequent to change of registered office) was issued by Registrar of Companies, Jaipur on 24<sup>th</sup> July 2024. Further, the requisite approval for conversion of HDIPL from Private company to Public company and consequently change of name from 'Hidrive Developers and Industries Private Limited' to 'Hidrive Developers and Industries Limited' is awaited.
- (iv) HDIPL is a wholly owned subsidiary of JKLC, and the Equity Shares of HDIPL are not listed on any Stock Exchange in India or in any other country.

## 1.2 Overview of the Scheme of Arrangement

- 1.2.1 This Scheme (*as defined hereinafter*) contemplates *inter alia* the Amalgamation (*as defined hereinafter*) of each of the Amalgamating Companies (*as defined hereinafter*), along with their respective assets, liabilities, etc., on a going concern basis, into and with JKLC as the Amalgamated Company (*as defined hereinafter*); in accordance with Sections 230-232 of the 2013 Act (*as defined hereinafter*) read with Section 2(1B), Section 72A, Section 47 and/or other applicable provisions of the IT Act (*as defined hereinafter*), as applicable and the SEBI Listing Regulations (*as defined hereinafter*), the SEBI Scheme Circular (*as defined hereinafter*) and various other matters consequential or integrally connected therewith under Applicable Law. If, at a later date, any of the terms or provisions of the relevant Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B), Section 72A, Section 47 and/or other applicable provisions of the IT Act, including as a result of an amendment of law or enactment of new legislation or any other reason whatsoever, the provisions of Section 2(1B), Section 72A, Section 47 and/or other applicable provisions of the IT Act, or corresponding provisions of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B), Section 72A and Section 47 and/or other applicable provisions of the IT Act or such corresponding provisions of newly enacted law or new legislation. Such modifications will, however, not affect the other provisions of the Scheme.



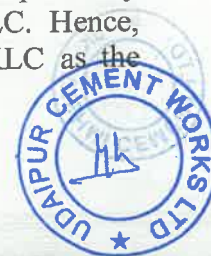
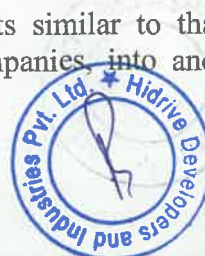
1.2.2 This Scheme is segregated into six parts:

- (i) Part I of this Scheme sets out an overview, objects and benefits of this Scheme and contains the definitions used in this Scheme and the interpretation pertaining to this Scheme;
- (ii) Part II sets out the capital structures of each of the Scheme Entities (*as defined hereinafter*);
- (iii) Part III deals with the Amalgamation of the Amalgamating Company 1 as a going concern into and with JKLC as the Amalgamated Company, consolidation of the authorised Share Capital of the Amalgamating Company 1 with that of the Amalgamated Company, issuance of the consideration shares to Eligible Shareholders (*as defined hereinafter*) by Amalgamated Company, dissolution of the Amalgamating Company 1 without winding up, accounting treatment, Tax treatment and other matters consequential or otherwise integrally connected therewith in accordance with Sections 230-232 of the 2013 Act and other Applicable Laws;
- (iv) Part IV deals with the Amalgamation of the Amalgamating Company 2 as a going concern into and with the Amalgamated Company, consolidation of the authorised Share Capital of the Amalgamating Company 2 with that of the Amalgamated Company, dissolution of the Amalgamating Company 2 without winding up, accounting treatment, Tax treatment and other matters consequential or otherwise integrally connected therewith in accordance with Sections 230-232 of the 2013 Act and other Applicable Laws;
- (v) Part V deals with the Amalgamation of the Amalgamating Company 3 as a going concern into and with the Amalgamated Company, consolidation of the authorised Share Capital of the Amalgamating Company 3 with that of the Amalgamated Company, dissolution of the Amalgamating Company 3 without winding up, accounting treatment, Tax treatment and other matters consequential or otherwise integrally connected therewith in accordance with Sections 230-232 of the 2013 Act and other Applicable Laws; and
- (vi) Part VI deals with the general terms and conditions applicable to this Scheme and sets out certain additional arrangements that also form an integral part of this Scheme.

### 1.3 Objects and Rationale of this Scheme

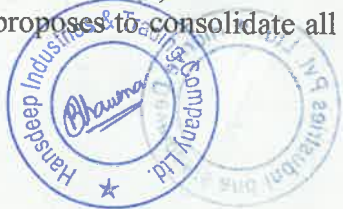
1.3.1 JKLC is primarily engaged in the business of, inter alia, manufacturing, selling and trading of (a) Clinker and Cement, with manufacturing facilities located in the States of Rajasthan, Chhattisgarh, Gujarat, Haryana and Odisha; and (b) other Cementitious products like Ready Mix Concrete (RMC), Fly Ash Blocks, Plaster of Paris (POP), White Cement and Putty etc., with manufacturing facilities located in the States of Rajasthan, Chhattisgarh, Gujarat, Haryana, Uttar Pradesh and Punjab.

1.3.2 The Amalgamating Companies (UCWL, HITCL & HDIPL) are primarily engaged in businesses and/or have objects similar to that of JKLC. Hence, Amalgamation of the Amalgamating Companies, into and with JKLC as the



Amalgamated Company shall provide an opportunity to the Scheme Entities to better consolidate their assets and to utilize the same more efficiently, which will be in the interest of all stakeholders of all four Scheme Entities.

- 1.3.3 The Amalgamating Company 1 (UCWL), in addition to being in the same business as that of the Amalgamated Company, has a strong network of cement dealers spread *inter alia* in Rajasthan, Madhya Pradesh, Maharashtra and Gujarat. Hence, Amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company is expected to result in enhanced growth, competitiveness and sustainability of the combined entity in the industry. Also, it will streamline the corporate organizational structure by reducing the number of layers of legal entities and will in turn assist the shareholders and investors in better understanding and evaluating the structure and strength of the operations of the combined business/operations.
- 1.3.4 The Amalgamating Company 2 (HITCL), a wholly owned subsidiary of JKLC, *inter alia*, has been declared as preferred bidder (based on the credentials and net worth of JKLC) for one of the Limestone Block 4GIIA located at District Nagaur, Rajasthan, by Directorate of Mines & Geology Department, Udaipur. Such Limestone mines were supposed to be transferred by the Amalgamating Company 2 to JKLC in future, after obtaining necessary approvals in this regard. Amalgamation of the Amalgamating Company 2 into and with JKLC in terms of this Scheme, would facilitate such transfer of Limestone mines from the Amalgamating Company 2 to JKLC more efficiently.
- 1.3.5 The Amalgamating Company 3 (HDIPL), also a wholly owned subsidiary of JKLC, *inter alia*, owns a non-agriculture industrial plot located at Surat adjacent to the grinding unit of JKLC. JKLC is presently doubling the cement capacity at its Surat Grinding Unit from 1.35 Million Tonnes per annum to 2.7 Million Tonnes per annum. It is proposed that if the two companies (JKLC and the Amalgamating Company 3) amalgamate or merge together, the said non-agriculture industrial plot owned by Amalgamating Company 3, shall be more beneficially used by JKLC for its expansion at Surat Grinding Unit. Accordingly, it is proposed in this Scheme that the Amalgamating Company 3 amalgamates into and with JKLC / the Amalgamated Company.
- 1.3.6 This composite Scheme of Amalgamation and Arrangement will result in consolidating and improving the internal systems, procedures and controls and will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group leading to a more efficient organization.
- 1.3.7 The proposed Scheme shall also simplify the group structure and make it more commercially meaningful to have one combined entity focused in the business of cement and cement products.
- 1.3.8 Presently, the cement business is fragmented in four (4) entities i.e., JKLC and the Amalgamating Companies. The Scheme shall be in the interest of the shareholders of the two (2) listed entities, i.e., JKLC and the Amalgamating Company 1, as it proposes to consolidate all the cement companies into a single business focused



entity resulting in optimum market multiple valuation (as opposed to discounted multiple with fragmented capacities). The Scheme would, *inter alia*, result in the following benefits for the Scheme Entities:

- (i) enable value unlocking for the shareholders of all the Scheme Entities and shall also enhance the potential for growth of the overall business by effectively utilizing the synergies resulting out of the Amalgamation;
- (ii) provide opportunity for reduction of operational costs through synergies from sales and production planning across the business and better order load;
- (iii) reduce inventory, improve vendor/customer management, and better monitoring of receivables and of age profile of creditors, resulting in release of working capital from Amalgamated Company. Further, efficiency in debt and cash management will improve, enabling the Amalgamated Company to have unfettered access to cash flows generated which can be utilized for growth and sustenance;
- (iv) dedicated management approach and focus on the business, creating opportunities for pursuing independent growth and expansion strategies, and efficient capital allocation;
- (v) consolidation of the Amalgamating Companies into and with the Amalgamated Company would also lead to synergies in manufacturing and distribution process, operational process, logistic alignment, better utilisation of human resources, elimination of duplication of work and related party transactions, rationalization and reduction of compliance requirements and financial exposure by avoidance of corporate guarantees for financial assistance for subsidiaries and further development and growth of businesses, leading to economies of scale and creation of efficiency by reducing time to market and benefiting customers;
- (vi) streamlining the group structure, rationalization of multiplicity of entities, thereby reducing compliance cost of multiple entities viz., statutory filings, regulatory compliances, labour law/ establishment related compliances;
- (vii) easier to address the needs of customers by providing them uniform product and service experience, on time supplies, and improved service levels thereby improving customer satisfaction; and
- (viii) necessary consolidation of all assets related to the cement business including fragmented capacities currently housed under different Scheme Entities, into and with the Amalgamated Company which will also enhance the financial health with higher growth, margin, expansion and increased cashflows which will provide further support for organic growth opportunities and result in the formation of a larger, more profitable and broader company, having greater capacity to raise and access funds for growth and expansion of the business.



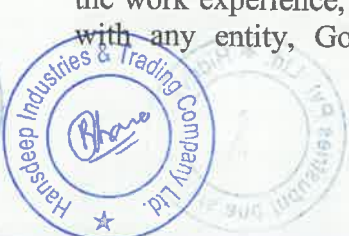


1.3.9 Accordingly, the Scheme Entities believe that this Scheme is in their best interests and in the best interest of their respective shareholders, creditors, employees, and other stakeholders, as it is expected to provide greater financial strength, attract investors and provide flexibility and better access of funds as result of the Scheme.

#### 1.4 Definitions

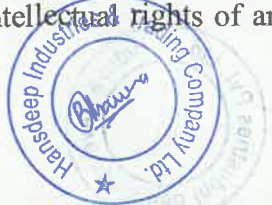
In this Scheme, unless repugnant to the subject or context or meaning thereof, the following initially or fully capitalized terms and expressions shall have the meanings as set out hereinbelow:

- 1.4.1 “**2013 Act**” shall mean the Companies Act, 2013 and the rules framed thereunder, and includes any alterations, modifications and amendments made to such statute from time to time and/or any re-enactment thereof;
- 1.4.2 “**Accounting Standards**” shall mean the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the Generally Accepted Accounting Principles (GAAP), Indian Accounting Standards (Ind AS), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India;
- 1.4.3 “**Amalgamating Companies**” shall collectively mean the Amalgamating Company 1, the Amalgamating Company 2 and the Amalgamating Company 3;
- 1.4.4 “**Amalgamated Company**” shall mean JKLC pursuant to Amalgamation of the Amalgamating Company 1 in terms of Part III of the Scheme, and wherever the context so requires, it shall also mean JKLC pursuant to Amalgamation of the Amalgamating Company 2 in terms of Part IV of the Scheme, and JKLC pursuant to Amalgamation of the Amalgamating Company 3 in terms of Part V of the Scheme respectively, upon effectiveness of the Scheme, and wherever the context so requires, it shall also mean JKLC pursuant to Amalgamation of all the Amalgamating Companies in terms of the Scheme, upon the effectiveness of the Scheme;
- 1.4.5 “**Amalgamating Company 1**” shall mean UCWL and notwithstanding anything to the contrary in this Scheme, means and includes:
- (i) all assets, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible, present, future or contingent, including but not limited to immovable properties, land and buildings, movable assets, and other plant, machinery, furniture, fixtures and equipment, whether licensed, leased or otherwise held, title, interests, financial assets, investments, loans, application monies, advance monies, earnest monies and/or security deposits or advances (including accrued interest) and other payments (in any such case whether paid by or deemed to have been paid by UCWL), covenants, undertakings and rights and benefits, including credentials, pre-qualifications, right to use the work experience, qualifications, capabilities, legacies and track record with any entity, Government / Non- Government agencies / bodies.



contracts with clients and with vendors, (including technical parameters, past performance, track record, financials etc.) acquired during the course of its business and the right to use all the aforesaid for qualifying for any tender that may be issued at any time, rights and benefits pertaining to any security arrangements, including but not limited to rights in connection with and/or arising out of bids submitted by UCWL in relation to mining operations for mining blocks in Udaipur allotted / sanctioned to UCWL by Mines and Geology Department, Rajasthan along with any allotment, sanction, payment, undertaking, guarantee, etc., as may be required to be allotted to or provided by UCWL, receivables, claims against any third parties, guarantees (including bank and performance guarantees), letters of credit, reversions, tenancies and other such arrangements or facilities;

- (ii) all debts, borrowings, duties, guarantees, assurances, commitments, obligations and liabilities (including deferred Tax liabilities and contingent liabilities) of UCWL, both present and future of every kind, nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether provided for or not in the books of accounts or disclosed in the balance sheet including, without limitation, whether arising out of any contract or tort based on negligence or strict liability or under any licenses or permits or schemes;
- (iii) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, Tax Credits including sales tax credits, excise and service tax credits and goods and services tax credits, income tax credits, credit of all Taxes paid for which return has not been filed, or return has been filed but refund has not been claimed, or return has been filed, refund has been claimed but not yet received by UCWL, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which UCWL is a party, including agreements with any government entity, department, commission, board, agency, bureau, official, etc., sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which UCWL is a party;
- (iv) all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain names, including applications for trademarks, trade names, service marks, copyrights, designs and domain names, used by or held for use by UCWL, whether or not recorded in the books of accounts of UCWL, and other intellectual rights of any nature whatsoever, books, records, files, papers



engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of UCWL, whether used or held for use by it;

- (v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, subsidies, state incentive packages under industrial policies, Taxes, including Tax deferrals, and benefits (including sales tax and service tax), goods and service tax, income tax benefits and exemptions (including the right to claim Tax holiday under the IT Act), no-objection certificates, certifications, easements, tenancies, privileges and similar rights, whether statutory or otherwise, and any waiver of the foregoing, issued by any legislative, executive or judicial unit of any governmental or semi-government entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority used or held for use by UCWL;
- (vi) all pre-qualifications, right to use the work experience, qualifications, capabilities, legacies and track record with any entity, Government / Non – Government agencies / bodies, contracts with clients and with vendors, (including technical parameters, past performance, track record, financials etc.) pertaining to UCWL, acquired during the course of its business and the right to use all the aforesaid for qualifying for any tender that may be issued at any time any and all employees, who are on the payrolls of UCWL, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by UCWL, at its respective offices, branches or otherwise; and
- (vii) all books, records, files, papers, directly or indirectly relating to UCWL.

1.4.6 “Amalgamating Company 2” shall mean HITCL and notwithstanding anything to the contrary in this Scheme, means and includes:

- (i) all assets, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible, present, future or contingent, including but not limited to immovable properties, land and buildings, movable assets, and other plant, machinery, furniture, fixtures and equipment, whether licensed, leased or otherwise held, title, interests, financial assets, investments, loans, application monies, advance monies, earnest monies and/or security deposits or advances (including accrued interest) and other payments (in any such case whether paid by or deemed to have been paid by the HITCL), covenants, undertakings and rights and benefits, including credentials, pre-qualifications, right to use the work experience, qualifications, capabilities, legacies and track record with any entity, Government / Non– Government agencies / bodies, contracts with clients and with vendors, (including



technical parameters, past performance, track record, financials etc.), etc., acquired during the course of its business and the right to use all the aforesaid for qualifying for any tender that may be issued at any time, rights and benefits pertaining to any security arrangements, including but not limited to rights accrued or that may be accrued in connection with and/or arising out of bids submitted by HITCL including and in relation to mining operations for mining blocks in Nagaur, Rajasthan as may be allotted / sanctioned to HITCL by Directorate of Mines and Geology, Rajasthan in connection with the letter of intent dated June 28, 2021 along with any allotment, sanction, payment, undertaking, guarantee, etc., as may be required to be allotted to or provided by HITCL, receivables, claims against any third parties, guarantees (including bank and performance guarantees), letters of credit, reversions, tenancies and other such arrangements or facilities;

- (ii) all debts, borrowings, duties, guarantees, assurances, commitments, obligations and liabilities (including deferred Tax liabilities and contingent liabilities) of HITCL, both present and future of every kind, nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether provided for or not in the books of accounts or disclosed in the balance sheet including, without limitation, whether arising out of any contract or tort based on negligence or strict liability or under any licenses or permits or schemes;
- (iii) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, letters of intent (including letter of intent dated June 28, 2021 issued by Directorate of Mines and Geology, Rajasthan in relation to mining blocks in Nagaur, Rajasthan), whether written or otherwise, deeds, bonds, schemes, Tax Credits including sales tax credits, excise and service tax credits and goods and services tax credits, income tax credits, credit of all Taxes paid for which return has not been filed, or return has been filed but refund has not been claimed, or return has been filed, refund has been claimed but not yet received by HITCL, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which HITCL is a party, including agreements with any government entity, department, commission, board, agency, bureau, official, etc., sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which HITCL is a party;
- (iv) all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain

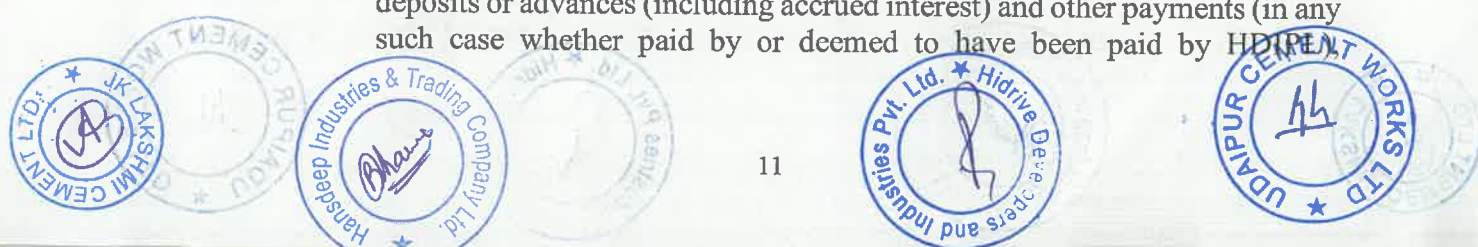


names, including applications for trademarks, trade names, service marks, copyrights, designs and domain names, used by or held for use by HITCL, whether or not recorded in the books of accounts of HITCL, and other intellectual rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of HITCL, whether used or held for use by it;

- (v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, subsidies, Taxes , including Tax deferrals, and benefits (including sales tax and service tax), goods and service tax, income tax benefits and exemptions (including the right to claim Tax holiday under the IT Act), no-objection certificates, certifications, easements, tenancies, privileges and similar rights, whether statutory or otherwise, and any waiver of the foregoing, issued by any legislative, executive or judicial unit of any governmental or semi-government entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority used or held for use by HITCL;
- (vi) all pre-qualifications, right to use the work experience, qualifications, capabilities, legacies and track record with any entity, Government / Non – Government agencies / bodies, contracts with clients and with vendors, (including technical parameters, past performance, track record, financials etc.) pertaining to HITCL, acquired during the course of its business and the right to use all the aforesaid for qualifying for any tender that may be issued at any time any and all employees, who are on the payrolls of HITCL, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by HITCL, at its respective offices, branches or otherwise; and
- (vii) all books, records, files, papers, directly or indirectly relating to HITCL.

1.4.7 “Amalgamating Company 3” shall mean HDIPL and notwithstanding anything to the contrary in this Scheme, means and includes:

- (i) all assets, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible, present, future or contingent, including but not limited to immovable properties, land and buildings (including the non-agriculture industrial plot located at Surat adjacent to the grinding unit of JKLC), movable assets, and other plant, machinery, furniture, fixtures and equipment, whether licensed, leased or otherwise held, title, interests, financial assets, investments, loans, application monies, advance monies, earnest monies and/or security deposits or advances (including accrued interest) and other payments (in any such case whether paid by or deemed to have been paid by HDIPL).



covenants, undertakings and rights and benefits, including credentials, pre-qualifications, right to use the work experience, qualifications, capabilities, legacies and track record with any entity, Government / Non- Government agencies / bodies, contracts with clients and with vendors, (including technical parameters, past performance, track record, financials etc.), etc., acquired during the course of its business and the right to use all the aforesaid for qualifying for any tender that may be issued at any time, rights and benefits pertaining to any security arrangements, receivables, claims against any third parties, guarantees (including bank and performance guarantees), letters of credit, reversions, tenancies and other such arrangements or facilities;

- (ii) all debts, borrowings, duties, guarantees, assurances, commitments, obligations and liabilities (including deferred Tax liabilities and contingent liabilities) of HDIPL, both present and future of every kind, nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether provided for or not in the books of accounts or disclosed in the balance sheet including, without limitation, whether arising out of any contract or tort based on negligence or strict liability or under any licenses or permits or schemes;
- (iii) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, letters of intent, whether written or otherwise, deeds, bonds, schemes, Tax Credits including sales tax credits, excise and service tax credits and goods and services tax credits, income tax credits, credit of all Taxes paid for which return has not been filed, or return has been filed but refund has not been claimed, or return has been filed, refund has been claimed but not yet received by HDIPL, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which HDIPL is a party, including agreements with any government entity, department, commission, board, agency, bureau, official, etc., sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which HDIPL is a party;
- (iv) all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain names, including applications for trademarks, trade names, service marks, copyrights, designs and domain names, used by or held for use by HDIPL, whether or not recorded in the books of accounts of HDIPL, and other intellectual rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary



or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of HDIPL, whether used or held for use by it;

(v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, subsidies, incentives availed (if any), Taxes, including Tax deferrals, and benefits (including sales tax and service tax), goods and service tax, income tax benefits and exemptions (including the right to claim Tax holiday under the IT Act), no-objection certificates, certifications, easements, tenancies, privileges and similar rights, whether statutory or otherwise, and any waiver of the foregoing, issued by any legislative, executive or judicial unit of any governmental or semi-government entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority used or held for use by HDIPL;

(vi) all pre-qualifications, right to use the work experience, qualifications, capabilities, legacies and track record with any entity, Government / Non – Government agencies / bodies, contracts with clients and with vendors, (including technical parameters, past performance, track record, financials etc.) pertaining to HDIPL, acquired during the course of its business and the right to use all the aforesaid for qualifying for any tender that may be issued at any time any and all employees, who are on the payrolls of HDIPL, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by HDIPL, at its respective offices, branches or otherwise; and

(vii) all books, records, files, papers, directly or indirectly relating to HDIPL.

1.4.8 “**Amalgamation**” shall have the meaning as provided under Section 2(1B) of the IT Act;

1.4.9 “**Applicable Laws**” shall mean relevant and applicable national, foreign, provincial, central, state and local laws of India, including all constitutions, decrees, treaties, statutes, enactments, acts of legislature, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, Accounting Standards, policies, administration, circulars, directions, directives, decisions, orders, executive orders, decrees, injunctions, judicial decisions, orders of any Governmental Authority, court, tribunal or other similar directives made pursuant to such laws, whether in effect on the date of this Scheme or at any time after such date;

1.4.10 “**Appointed Date**” shall mean April 01, 2024 (beginning of business hours) or such other date as may be directed / approved by the Tribunal, being the date with effect from which this Scheme shall become operative, post effectiveness of this Scheme;



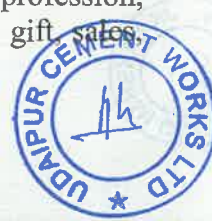
- 1.4.11 “**Board of Directors**”, in relation to any of the Scheme Entities, shall mean the board of directors of such company and, unless contrary to the provisions of Applicable Laws, shall include any committee of directors or any person authorised by the board of directors or by such committee of directors;
- 1.4.12 “**Consideration Shares**” shall have the meaning assigned to such term in Clause 3.5.3;
- 1.4.13 “**Effective Date**” has the meaning assigned to such term in Clause 6.4.1; Any references in this Scheme to “upon this Scheme becoming effective” or “upon/of the effectiveness of this Scheme” or “post effectiveness of this Scheme” means and refers to the Effective Date, and “prior to the effectiveness of this Scheme” shall mean the period prior to the Effective Date;
- 1.4.14 “**Eligible Shareholders**” shall mean the members whose names are recorded in the register of members, including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, of the Amalgamating Company 1 on the Record Date (which expression shall, unless the context requires otherwise, include the legal heirs, executors, administrators or other legal representative or other successors in title, if any), except JKLC / the Amalgamated Company, who are entitled to receive the Consideration Shares of the Amalgamated Company in terms of Clause 3.5 of Part III of the Scheme;
- 1.4.15 “**Equity Shares**”, in regard to any of the Scheme Entities, means the issued, subscribed and fully paid-up equity shares of such company;
- 1.4.16 “**Governmental Authority**” means the Government of India, State Government(s) and any competent governmental, quasi-governmental, statutory, regulatory or administrative authority, agency, department, commission or instrumentality (whether local, municipal, national or otherwise), court, board or tribunal of competent jurisdiction or other law, rule or regulation making entity, including SEBI;
- 1.4.17 “**INR**” shall mean Indian Rupee (or Rupees), the lawful and valid currency of India;
- 1.4.18 “**IT Act**” means the Income-tax Act, 1961, the rules and regulations framed under such a statute and includes any alterations, modifications, amendments made thereto, and/or any re-enactment of such a statute;
- 1.4.19 “**Person**” means and includes any natural person, limited or unlimited liability company, corporation, limited or unlimited liability partnership firm, proprietorship firm, Hindu undivided family, trust, union, association or Governmental Authority or any other entity that may be treated as a person under the Applicable Laws;
- 1.4.20 “**Preference Shares**” with respect to the Amalgamating Company 1 means (i) 6,600 - 5% Cumulative Redeemable Preference Shares of INR 1,00,000 (Indian Rupees one lakh) each and (ii) 5,00,000 - 6% Optionally Convertible Cumulative





Redeemable Preference Shares of INR 100 (Indian Rupees one hundred) each, including all accumulated dividends upto June 30, 2024;

- 1.4.21 **“Public Shareholders”** in regard to a company, means shareholders of such company which are within the meaning of “public”, as the term is defined in Rule 2(d) of the Securities Contracts (Regulation) Rules, 1957;
- 1.4.22 **“Record Date”** means the date to be fixed by the Board of Directors of the Amalgamating Company 1 in consultation with the Board of Directors of the Amalgamated Company, in terms of Clause 6.6 for the purpose of issuance of Equity Shares of the Amalgamated Company to the Eligible Shareholders of the Amalgamating Company 1 in terms of this Scheme;
- 1.4.23 **“Registrar of Companies”** means Registrar of Companies, Jaipur;
- 1.4.24 **“Scheme”** means this Composite Scheme of Amalgamation and Arrangement under Section 230-232 of the 2013 Act, as modified or amended from time to time in accordance with Applicable Laws and with the requisite approval of the Tribunal;
- 1.4.25 **“Scheme Entities”** means the JKLC / the Amalgamated Company and the Amalgamating Companies collectively;
- 1.4.26 **“SEBI”** means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- 1.4.27 **“SEBI Listing Regulations”** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 1.4.28 **“SEBI Scheme Circular”** means the master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 issued by SEBI on June 20, 2023 and/or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- 1.4.29 **“Share Capital”**, in regard to any of the Scheme Entities, means the total issued, subscribed and paid-up equity and preference share capital of such company;
- 1.4.30 **“Share Swap Ratio”** has the meaning assigned to such a term in Clause 3.5.5;
- 1.4.31 **“Stock Exchanges”** means collectively BSE and NSE;
- 1.4.32 **“Tax”** or **“Taxes”** means and includes any tax, impost, levy, duty, fees, surcharge, cess, whether direct or indirect, including income tax (including withholding tax, dividend distribution tax, TDS/TCS), GST, excise duty, central sales tax, service tax, octroi, local body tax and customs duty, duties, charges, unearned income, transfer charges, advance tax, self-assessment tax, regular assessment tax, tax refunds, rights of any claim not made in respect of any refund of tax fees, surcharge, cess, levies or other similar assessments by or payable to an Governmental Authority, including in relation to: (a) income, services, gross receipts, premium, immovable property, movable property, assets, profession, entry, capital gains, municipal, interest, expenditure, imports, wealth, gift, sales,



use, transfer, licensing, withholding, employment, payroll and franchise taxes, and (b) any interest, fines, penalties, assessments, or additions to taxes resulting from, attributable to or incurred in connection with any proceedings or late payments in respect thereof;

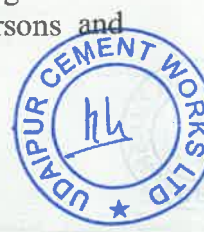
- 1.4.33 “**Tax Credits**” means all credits or advances or balances including Tax incentives (including incentives in respect of income Tax, sales Tax, value added Tax, service Tax, custom duties and GST), advantages, privileges, exemptions, credits, holidays, remissions, reductions, etc. pertaining to Taxes including without limitation to sales tax credit, income tax credit, advance tax, TDS, TCS, self-assessment tax, regular assessment tax, withholding tax credits, goods and services tax credit (including transitional credit), sales tax/ VAT credit, deferred tax, advance tax, CENVAT credit, GST credits, other indirect tax credit, other Tax receivables, Tax refunds (including those pending with any Tax authority), eligibility certificates, if any, advantages, subsidies, benefits and all other rights and facilities of every kind, nature and description whatsoever under Tax laws;
- 1.4.34 “**TCS**” means tax collectible at source, in accordance with the provisions of IT Act;
- 1.4.35 “**TDS**” means tax deductible at source, in accordance with the provisions of IT Act;
- 1.4.36 “**Tribunal**” or “**NCLT**” means National Company Law Tribunal, Jaipur Bench, having territorial jurisdiction in the State of Rajasthan, in which the registered offices of each of the Scheme Entities are located; and
- 1.4.37 “**Valuation Report**” means and has the meaning assigned to such a term in Clause 3.5.1.

Any other initially or fully capitalised term and/or expression which may have been used in this Scheme but not defined herein, shall, unless repugnant or contrary to the context or meaning thereof, have the meaning ascribed to such terms and expressions under the 2013 Act, and if not defined therein then under other relevant statutes, such as the IT Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof.

## 1.5 Interpretation

1.5.1 In this Scheme, unless the context otherwise requires:

- (i) the words “including”, “include” or “includes” shall be interpreted in a manner as though the words “without limitation” immediately followed the same;
- (ii) the words “directly or indirectly” mean directly or indirectly through one or more affiliates, associates, relatives or other intermediary Persons and “direct or indirect” shall have the correlative meanings;



- (iii) any Person includes that Person's legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;
- (iv) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- (v) the words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (vi) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (vii) the term "Clause" refers to the specified clause of this Scheme;
- (viii) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision;
- (ix) references to one gender includes all genders; and
- (x) words in the singular shall include the plural and vice versa.



## PART II

## 2. CAPITAL STRUCTURE

2.1 JKLC: Capital Structure of JKLC as on June 30, 2024 is as under:

Share Capital	Amount in INR
<b>Authorised Capital</b>	
25,00,00,000 Equity Shares of INR 5 each	1,25,00,00,000
50,00,000 preference shares of INR 100 each	50,00,00,000
Unclassified shares	25,00,00,000
<b>Total</b>	<b>2,00,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
11,76,70,066 Equity Shares of INR 5 each	58,83,50,330
<b>Total</b>	<b>58,83,50,330</b>

2.1.1 JKLC has three (3) classes of authorised Share Capital, i.e., equity Share Capital, preference Share Capital and unclassified Share Capital, but only one class of issued and paid-up Share Capital, i.e., equity Share Capital.

2.1.2 The Equity Shares of JKLC are listed on the Stock Exchanges.

2.2 Amalgamating Company 1: Capital Structure of the Amalgamating Company 1 as on June 30, 2024 is as under:

Share Capital	Amount in INR
<b>Authorised Capital</b>	
71,00,00,000 Equity Shares of INR 4 each	284,00,00,000
6,600 preference shares of INR 1,00,000 each	66,00,00,000
50,00,000 preference shares of INR 100 each	50,00,00,000
<b>Total</b>	<b>4,00,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
56,05,37,670 Equity Shares of INR 4 each	224,21,50,680
6,600 – 5% Cumulative Redeemable Preference Shares of INR 1,00,000 each	66,00,00,000
5,00,000 – 6% Optionally Convertible Cumulative Redeemable Preference Shares of INR 100 each	5,00,00,000
<b>Total</b>	<b>295,21,50,680</b>

2.2.1 Amalgamating Company 1 has two (2) classes of authorised Share Capital and issued, subscribed and paid-up Share Capital, i.e., equity Share Capital and preference Share Capital.

2.2.2 JKLC legally and beneficially holds 39,86,78,693 Equity Shares of INR 4 (Indian Rupees four) each of the Amalgamating Company 1, representing seventy-one point one two per cent (71.12%) of the Equity Shares of the Amalgamating Company 1.

2.2.3 JKLC also holds hundred percent (100%) of all the Preference Shares issued by the Amalgamating Company 1 as mentioned in the table above.



2.2.4 The Equity Shares of the Amalgamating Company 1 are also listed on the Stock Exchanges.

2.3 **Amalgamating Company 2:** Capital Structure of the Amalgamating Company 2 as on June 30, 2024 is as under:

Share Capital	Amount in INR
<b>Authorised Capital</b>	
11,70,00,000 Equity Shares of INR 10 each	1,17,00,00,000
2,00,000 preference shares of INR 100 each	2,00,00,000
<b>Total</b>	<b>1,19,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
11,60,50,007 Equity Shares of INR 10 each	1,16,05,00,070
<b>Total</b>	<b>1,16,05,00,070</b>

2.3.1 Amalgamating Company 2 has two (2) classes of authorised Share Capital, i.e., equity Share Capital and preference Share Capital, but only one class of issued and paid-up Share Capital, i.e., equity Share Capital.

2.3.2 Amalgamating Company 2 is a wholly owned subsidiary of JKLC and JKLC legally and beneficially holds hundred percent (100%) of the issued, subscribed and paid-up Equity Shares of the Amalgamating Company 2.

2.3.3 The shares of Amalgamating Company 2 are not listed on any of the stock exchanges, whether in India or in any other country.

2.4 **Amalgamating Company 3:** Capital structure of the Amalgamating Company 3 as on June 30, 2024 is as under:

Share Capital	Amount in INR
<b>Authorised Capital</b>	
25,00,000 Equity Shares of INR 4 each	1,00,00,000
1,51,000 preference shares of INR 100 each	1,51,00,000
<b>Total</b>	<b>2,51,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
4,18,400 Equity Shares of INR 4 each	16,73,600
<b>Total</b>	<b>16,73,600</b>

2.4.1 Amalgamating Company 3 has two (2) classes of authorised Share Capital, i.e., equity Share Capital and preference Share Capital, but only one class of issued and paid-up Share Capital, i.e., equity Share Capital.

2.4.2 Amalgamating Company 3 is a wholly owned subsidiary of JKLC and JKLC legally and beneficially holds hundred percent (100%) of the issued, subscribed and paid-up Equity Shares in the Amalgamating Company 3.

2.4.3 The shares of the Amalgamating Company 3 are not listed on any of the stock exchanges, whether in India or in any other country.



**PART III**

**3. Amalgamation of the Amalgamating Company 1 into and with the JKLC as the Amalgamated Company**

**3.1 Transfer and vesting of assets and liabilities and entire business of the Amalgamating Company 1**

3.1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the Amalgamating Company 1, together with all its present and future properties, assets, investments, liabilities, rights, benefits, interests and obligations therein, whether or not recorded in the books of accounts of the Amalgamating Company 1 and the entire business shall stand transferred to and vested with the JKLC as the Amalgamated Company, as a going concern, and shall become the property of and an integral part of the Amalgamated Company, without any further act, instrument or deed required by either of the Amalgamating Company 1 or the Amalgamated Company and without any approval or acknowledgement of any third party, to the extent permitted under Applicable Law.

3.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein:

**Transfer of Assets and Liabilities**

- (i) upon this Scheme becoming effective and with effect from the Appointed Date, all assets of the Amalgamating Company 1, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal including equipment, furniture and fixtures, shall stand vested in and be deemed to be vested in JKLC as the Amalgamated Company, wherever located, and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-Clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.
- (ii) upon this Scheme becoming effective and with effect from the Appointed Date, all other movable properties of the Amalgamating Company 1, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, undertaking, bank guarantees, etc., if any, with government, semi-government, local and other authorities and bodies, customers, vendors and/or any other persons, shall without any further act, instrument or deed, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. The Amalgamated Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or



obligor, that pursuant to the sanction of this Scheme by the NCLT, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Amalgamated Company as the person entitled thereto, to the end and intent that the right of the Amalgamating Company 1 to recover or realize all such debts (including the debts payable by such debtor or obligor to the Amalgamating Company 1) stands transferred and assigned to the Amalgamated Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. The authorised personnel of the Amalgamated Company shall be entitled to operate the bank accounts of the Amalgamating Company 1, until the account name / ownership of such bank account(s) of the Amalgamating Company 1 is transferred and recorded in the name of the Amalgamated Company in the records of the relevant bank(s). It is hereby clarified that investments, if any, made by the Amalgamating Company 1 and all the rights, title and interest of the Amalgamating Company 1 in any licensed properties or leasehold properties shall, pursuant to Sections 230 to 232 of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested into and with the Amalgamated Company upon this Scheme becoming effective and with effect from the Appointed Date.

- (iii) upon this Scheme becoming effective and with effect from the Appointed Date, all immovable properties of the Amalgamating Company 1, including mining land and other land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Amalgamating Company 1, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in and with the Amalgamated Company, without any further act or deed done or being required to be done by the Amalgamating Company 1 and/or the Amalgamated Company. The Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent, royalty and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective and with effect from the Appointed Date, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof. Any statutory fees, including stamp duty, registration fees, royalties, etc., if any, paid by the Amalgamating Company 1 in relation to its immovable properties, prior to the Scheme, shall be deemed to have been so paid by the Amalgamated Company upon this Scheme becoming effective and accordingly, the Amalgamated Company shall not be required to pay such fee/stamp duty/royalties and shall be entitled to such rebates, etc., in relation to the transfer of any immovable property of the Amalgamating Company 1 accruing / having accrued to the Amalgamating Company 1 prior to the effectiveness of the Scheme.



- (iv) upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities, charges, contingent liabilities, duties and obligations, whether secured or unsecured or whether provided for or not in the books of account or disclosed in the financial statements of the Amalgamating Company 1, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company, and the Amalgamated Company shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that subject to the requirements under Applicable Law, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause 3.1.2.
- (v) upon this Scheme becoming effective and with effect from the Appointed Date, all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company 1 or that may accrue to the Amalgamating Company 1, including but not limited to rights in connection with and/or arising out of bids submitted / by allotted to the Amalgamating Company 1 in relation to the mining blocks in Udaipur by the Mines and Geology Department, Rajasthan, shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, pursuant to Sections 230 to 232 of the 2013 Act and other applicable provisions of the 2013 Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.
- (vi) The Amalgamating Company 1 has been successful / preferred bidder in the bidding by Mines and Geology Department, Rajasthan for mining blocks in Udaipur. Upon this Scheme becoming effective and with effect from the Appointed Date, all such allotments, sanctions payments, undertakings and guarantees shall be transferred to the Amalgamated Company and accordingly, any such allotment, sanction, undertaking, guarantee as may be required to be allotted to or provided by the Amalgamating Company 1, shall be issued to or provided by the Amalgamated Company.

### Contracts

- (vii) upon this Scheme becoming effective and with effect from the Appointed Date, all contracts, deeds, bonds, agreements, schemes, arrangements, approvals, certificates, leases, mining leases registrations and other instruments, permits, rights, subsidies, concessions, entitlements, credentials, licenses (including the licenses granted by any Governmental Authority, statutory or regulatory bodies) for the purpose of carrying on the business of the Amalgamating Company 1, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company 1, or to the benefit of which, the Amalgamating Company 1 may be eligible





and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually on same terms and conditions as if, instead of the Amalgamating Company 1, the Amalgamated Company had been a party or beneficiary or obligor thereto. For the purposes of clarification, upon the Scheme becoming effective, the Amalgamated Company shall have the right to replace the bank guarantees provided by the Amalgamating Company 1 to various Governmental Authority / statutory authority or any other Persons in relation to any contract of the Amalgamating Company 1, to effect such contract, as the obligor. Similarly, upon the Scheme becoming effective, the Amalgamated Company shall be entitled to invoke any bank guarantees received by the Amalgamating Company 1 from any customers / vendors and/or other persons in relation to any contract of the Amalgamating Company 1, to effect such contract as the beneficiary. All contracts of the Amalgamating Company 1 shall stand transferred to and vested in favour of the Amalgamated Company on the same terms and conditions. The Amalgamated Company and the other parties to such agreements shall continue to comply with the terms, conditions and covenants thereunder.

- (viii) all bank guarantees, performance guarantees, letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Amalgamating Company 1 or to the benefit of which the Amalgamating Company 1 may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, upon this Scheme becoming effective and with effect from the Appointed Date, by operation of law pursuant to the vesting orders of the NCLT, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Amalgamated Company. In relation to the same any procedural requirements required to be fulfilled solely by the Amalgamating Company 1 (and not by any of its successors) shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of the Amalgamating Company 1.
- (ix) upon this Scheme becoming effective and with effect from the Appointed Date, all lease/license or rent agreements entered into by the Amalgamating Company 1 with various landlords, owners and lessors, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Amalgamated Company shall continue to pay rent, or lease or license fee as provided for in such agreements, and the Amalgamated Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants thereunder. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund



of security deposits paid under such agreements by the Amalgamating Company 1.

- (x) upon this Scheme becoming effective and with effect from the Appointed Date, all *inter-se* contracts entered solely between Amalgamating Company 1 and the Amalgamated Company (prior to the effectiveness of the Scheme), including but not limited to, any inter-corporate deposits, loans, investments and advances, outstanding balances or other obligations between the Amalgamating Company 1 *inter-se* and/or the Amalgamated Company (prior to the effectiveness of the Scheme), shall stand cancelled and cease to operate and be considered as intra-party transactions for all purposes. For removal of doubt, to the extent there are inter-corporate deposits, loans, investments and advances, outstanding balances, or other obligations between the Amalgamating Company 1 *inter-se* and/or the Amalgamated Company, prior to the effectiveness of the Scheme, there shall be no further obligation/outstanding/liability in that behalf and no accrual of interest or other charges, and appropriate effect shall be given to such cancellation and cessation in records of the Amalgamated Company.

#### Legal suits and proceedings

- (xi) upon this Scheme becoming effective and with effect from the Appointed Date, any notice, disputes, pending suits, appeals or other proceedings of whatsoever nature relating to the Amalgamating Company 1, whether by or against it, shall not abate, be discontinued or in any way be prejudicially affected by reason of the Amalgamation of the Amalgamating Company 1 or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company 1 as if this Scheme had not been implemented.

#### Transfer of employees

- (xii) upon this Scheme becoming effective, all employees, who are on the payrolls of the Amalgamating Company 1, employees / personnel engaged on contract basis and contract labourers and interns / trainees of the Amalgamating Company 1, who are on its payrolls, shall become employees, employees / personnel engaged on contract basis, contract labourers or interns / trainees, as the case may be, of the Amalgamated Company on such terms and conditions which are no less favourable in aggregate than those on which they are currently engaged by the Amalgamating Company 1, without any interruption of service as a result of this Amalgamation and transfer. With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company 1, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company 1 for all purposes whatsoever, including with regard to the obligation to make



contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds and/or schemes maintained or used for making statutory contributions by the Amalgamating Company 1, in accordance with the provisions of Applicable Laws, the provisions of such funds and/or schemes in the respective trust deeds or other documents or otherwise. It is hereby clarified that upon this Scheme becoming effective and with effect from the Appointed Date, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company 1 for such purpose shall be treated as having been continuous. In case of conflict of any positions / designations between the current employees of the Amalgamated Company and the employees transferred from the Amalgamating Company 1, as a consequence of this Scheme, the Board of Directors of the Amalgamated Company shall be entitled to re-classify the designation of any relevant employee to resolve such conflict.

The accumulated balances, if any, standing to the credit of the employees of the Amalgamating Company 1 in the existing provident fund, gratuity fund and superannuation fund, of which the employees of the Amalgamating Company 1 were members (prior to the Amalgamation), and corresponding investments and fund balances, will be transferred respectively to such provident fund or trust existing/created for such purpose, gratuity fund and superannuation funds nominated by the Amalgamated Company and/or such new provident fund/trust, gratuity fund and superannuation fund to be established in accordance with the Applicable Laws and caused to be recognised by the appropriate Governmental Authorities. Pending the transfer as aforesaid, the provident fund, gratuity fund, and superannuation fund dues of the said employees of the Amalgamating Company 1 would continue to be deposited in the existing provident fund, gratuity fund and superannuation fund, respectively, of the Amalgamating Company 1, if required. In relation to the transfer of employees of the Amalgamating Company 1, being beneficiaries under the provident fund trust, gratuity trust, superannuation trust maintained by the Amalgamated Company or any other person on behalf of the Amalgamated Company, sanction of this Scheme by the NCLT shall be treated as deemed approval of the Income Tax Commissioner, as may be required under the respective trust deeds, and amendments executed thereof (if any) between the Amalgamating Company 1 or the Amalgamated Company and its trustees.

- (xiii) JKLC undertakes that as the Amalgamated Company for the purpose of payment of any retrenchment compensation, gratuity, and other terminal benefits to the employees of the Amalgamating Company 1, the past services of such employees with the Amalgamating Company 1 shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Amalgamating Company 1 will transfer/handover to the Amalgamated Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents



relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-Clause.

- (xiv) upon this Scheme becoming effective, the Amalgamated Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Amalgamating Company 1 with any of its employees/employee unions, if any.

### **Intellectual Property**

- (xv) upon this Scheme becoming effective and with effect from the Appointed Date, all the intellectual property rights of any nature whatsoever, including any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, patents, applications for copyrights, patents, trade names and trademarks, appertaining to the Amalgamating Company 1 shall stand transferred to and vested in the Amalgamated Company.

### **Taxes**

- (xvi) upon this Scheme becoming effective and with effect from the Appointed Date, all Taxes (including but not limited to advance tax, self-assessment tax, regular assessment tax, TDS, TCS, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) payable by or refundable to or being the entitlement of the Amalgamating Company 1, including all or any refunds or claims shall be treated as the Tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any Tax incentives, advantages, privileges, subsidies, exemptions, credits, holidays, remissions, reductions, export benefits, all indirect Tax related benefits, including GST benefits, service Tax benefits, customs duty exemptions and concessions, all indirect Tax related assets/credits, including but not limited to goods and service Tax input credits, Tax Credits, sales tax/entry tax credits or set-off, advance tax, self-assessment tax or regular assessment tax, TDS/TCS credits or set-off (to the extent remaining unutilized on the Appointed Date), Tax losses including brought forward business loss, unabsorbed depreciation, (if any) etc., as would have been available to the Amalgamating Company 1, shall be available to the Amalgamated Company.

- (xvii) upon this Scheme becoming effective, the accounts of the Amalgamated Company as on the Appointed Date shall be revised in accordance with the applicable provisions and terms of this Scheme, and accordingly the Amalgamated Company shall be entitled to revise its Income Tax returns (including income tax returns under Section 170A of the IT Act), TDS returns, GST returns and other statutory returns as may be required under respective statutes pertaining to indirect Taxes, such as sales tax, value added tax, excise duties, service tax and/or duties under Central Goods and



Services Tax Act, 2017, the relevant State / Union Territory's legislation in terms of the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Act, etc.

### Licenses and approvals

- (xviii) upon this Scheme becoming effective and with effect from the Appointed Date, all licenses, approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authority, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), agreements confirmations, declarations waivers, exemptions, registrations, filings whether government, statutory or regulatory as required under law, including without limitation, consent to establish and operate, the mining leases and plans, environmental, railways, pollution authorities, power, solar power, open access power, wind power, ground water related, land exchange, insurance, customised package of benefits under RIPS as stated in letter issued by Bureau of Investment Promotion, Rajasthan, etc., sanctions, and certificates of every kind and description whatsoever in relation to the Amalgamating Company 1, or to the benefit of which the Amalgamating Company 1 may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Amalgamated Company and be enforced as fully and effectually as if, instead of the Amalgamating Company 1, the Amalgamated Company had been a party or beneficiary or obligee thereto. For this purpose, the Amalgamated Company shall file appropriate applications / documents with relevant authorities concerned for information and record purposes so as to empower and facilitate the approvals and vesting of the Amalgamating Company 1 in the Amalgamated Company. For the avoidance of doubt, it is clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution / endorsement in the name of the Amalgamated Company upon this Scheme becoming effective in accordance with the terms hereof.
- (xix) upon this Scheme becoming effective and with effect from the Appointed Date, benefits of any and all corporate approvals as may have already been taken by the Amalgamating Company 1, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 180, 181, 186, 188, 196, 197, 198, 203 of the 2013 Act, SEBI Listing Regulations, as may be applicable and any other approvals, under either the 2013 Act/ the Companies Act, 1956 or SEBI Listing Regulations or any other Applicable Laws, as may be applicable, shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Amalgamated Company, and accordingly, the resolutions, if any, passed by the Amalgamating Company 1, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as if those are resolutions passed by the Amalgamated Company, and if any



such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, such limits shall be added to the limits, if any, under like resolutions passed by the Amalgamated Company, and shall constitute the aggregate of the said limits in the Amalgamated Company.

**Electricity sanctions and Tariff**

(xx) upon this Scheme becoming effective and with effect from the Appointed Date, all electricity connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Amalgamating Company 1, if any, together with security deposits and all other advances paid, if any, shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Amalgamated Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the effectiveness of the Scheme is filed by the Amalgamated Company with them. The Amalgamated Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, municipal corporation, statutory and other authorities by the Amalgamating Company 1.

3.2 The Amalgamating Company 1 and/or the Amalgamated Company, as the case may be, shall, at any time post effectiveness of this Scheme and in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company 1. It is hereby clarified that if the consent of any third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company 1 and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3.3 The Amalgamating Company 1 and/or the Amalgamated Company, as the case may be, shall, at any time post effectiveness of this Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, execute



appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company 1 has been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings for and on behalf of the Amalgamating Company 1 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 1.

**3.4 Consolidation of authorised Share Capital of the Amalgamating Company 1 with that of the Amalgamated Company**

3.4.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the authorised Share Capital of the Amalgamating Company 1 (both, authorised equity Share Capital and authorised preference Share Capital), shall stand transferred to and be merged with the authorised equity Share Capital of the Amalgamated Company, as on such date without any further act, deed, procedure or formalities.

It is hereby clarified that the pre-Scheme authorised equity Share Capital of the Amalgamating Company 1, comprising of 71,00,00,000 Equity Shares of INR 4 each amounting to INR 284,00,00,000, shall stand merged with the authorised equity Share Capital of the Amalgamated Company as 56,80,00,000 Equity Shares of INR 5 each (amounting to INR 284,00,00,000). Similarly, the pre-Scheme, authorised preference Share Capital of the Amalgamating Company 1 (amounting to INR 116,00,00,000), divided into: (i) 6,600 Preference Shares of INR 1,00,000 each, amounting to INR 66,00,00,000; and (ii) 50,00,000 Preference Shares of INR 100 each, amounting to INR 50,00,00,000; shall, upon the Scheme becoming effective, stand merged with the authorised equity Share Capital of the Amalgamated Company as 23,20,00,000 Equity Shares of INR 5 each (amounting to INR 116,00,00,000).

3.4.2 Upon this Scheme becoming effective and with effect from the Appointed Date, and consequent to transfer of the existing authorised Share Capital of the Amalgamating Company 1, the authorised Share Capital of the Amalgamated Company shall stand enhanced by an aggregate amount of INR 400,00,00,000 (Indian Rupees four billion only).

3.4.3 Accordingly, the Memorandum of Association of the Amalgamated Company shall without any act, instrument or deed be and stand altered, modified and amended, pursuant to Sections 13 and 61 of the 2013 Act and other applicable provisions of the 2013 Act, as set out under Clause 6.1. It is clarified that upon sanction of the Scheme, the Amalgamated Company shall not be required to seek separate consent / approval of its shareholders for the aforesaid alteration of the Memorandum of Association of the Amalgamated Company as required under Sections 13, 61, 64 of the 2013 Act and/or any other applicable provisions of the 2013 Act.

3.4.4 The filing fees and stamp duty, if any, paid by the Amalgamating Company 1 on its authorised Share Capital prior to the Scheme, shall be deemed to have been so



paid by the Amalgamated Company on the increased authorised Share Capital and accordingly, the Amalgamated Company shall not be required to pay any fee/stamp duty for its increased authorised Share Capital pursuant to this Clause 3.4.

### 3.5 Issuance of consideration shares by the Amalgamated Company

3.5.1 The Amalgamating Company 1 has engaged Incwert Advisory Private Limited, a Registered Valuer, IBBI Registration No. - IBBI/RV-E/05/2019/108 and JKLC / the Amalgamated Company has appointed PwC Business Consulting Services LLP, a Registered Valuer, IBBI Registration No. – IBBI/RV-E/02/2022/158 (*as defined in the Companies (Registered Valuers and Valuation) Rules, 2017*). In connection with such engagement, Incwert Advisory Private Limited and PwC Business Consulting Services LLP have issued a joint valuation report dated 31<sup>st</sup> July 2024 proposing the fair value share swap ratio for the purpose of issuance of Consideration Shares by the Amalgamated Company to the Eligible Shareholders of the Amalgamating Company 1 in lieu of the Amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company in terms of this Part III of the Scheme (“**Valuation Report**”).

3.5.2 The Amalgamating Company 1 has engaged D&A Financial Services Private Limited, holding Permanent registration – No. INM000011484, being SEBI Registered Category 1 Merchant Bankers and JKLC / the Amalgamated Company has engaged ICICI Securities Ltd, holding Permanent registration – No. INM000011179, being SEBI Registered Category 1 Merchant Bankers. In connection with such engagement, D&A Financial Services Private Limited and ICICI Securities Ltd have issued fairness opinions 31<sup>st</sup> July 2024, on the Valuation Report adopted under this Scheme and share swap ratio mentioned in Clause 3.5.5 (individually referred to as “**Fairness Opinion**”) and collectively referred to as “**Fairness Opinions**”).

3.5.3 Upon the Scheme becoming effective and in consideration for the Amalgamation of the Amalgamated Company 1 into and with JKLC as the Amalgamated Company, the Amalgamated Company shall issue and allot, to the Eligible Shareholders of the Amalgamating Company 1 whose names appear in the register of member as on the Record Date, 4 equity share(s) of the face value of INR 5 each, credited as fully paid up, in the Share Capital of the Amalgamated Company, for every 100 fully paid-up equity share(s) of the face value of INR 4 each held by such eligible shareholder in the Amalgamating Company 1. All such equity shares issued and allotted by the Amalgamated Company to the Eligible Shareholders of the Amalgamating Company 1 shall be referred to as “**Consideration Shares**”.

3.5.4 The Consideration Shares so issued to the Eligible Shareholders of the Amalgamating Company 1 shall be fully-paid up and free of all liens, charges and Encumbrances, and shall be freely transferable in accordance with the Articles of Association of the Amalgamated Company.

3.5.5 The Board of Directors of each of the Amalgamating Company 1 and the Amalgamated Company, have determined the share swap ratio, on a fully diluted

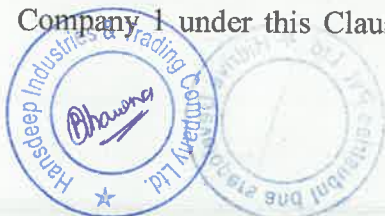




basis, as 4:100 (“**Share Swap Ratio**”), based on their independent judgment and after taking into consideration the aforesaid Valuation Report and Fairness Opinions as:

*“for 100 equity shares of face and paid-up value of INR 4 (Indian Rupees four) each held in the Amalgamating Company 1, 4 equity shares of face and paid-up value of INR 5 (Indian Rupees five) each in the Amalgamated Company”.*

- 3.5.6 Since no company can hold its own shares, the JKLC / Amalgamated Company shall not be issued any shares by the Amalgamated Company on account of its shareholding in the Amalgamating Company 1. Further, upon this Scheme becoming effective, the investment appearing in the books of JKLC / the Amalgamated Company in the form of Equity Shares and Preference Shares held in the Amalgamating Company 1 along with cumulative unpaid dividend on Preference Shares (prior to the effectiveness of the Scheme), shall, without any further act or deed, stand cancelled.
- 3.5.7 Therefore, upon this Scheme becoming effective, in consideration of the transfer and vesting of all assets and liabilities of the Amalgamating Company 1 into and with the Amalgamated Company in terms of Part - III of this Scheme, the Amalgamated Company shall issue, in aggregate, approximately 64,74,360 (Sixty Four Lakh Seventy Four Thousand Three Hundred Sixty) fully paid-up Equity Shares of INR 5 (Indian Rupees five) each, to all the Eligible Shareholders of the Amalgamating Company 1, in accordance with the Share Swap Ratio, i.e., in a manner such that each such shareholder of the Amalgamating Company 1 (except JKLC / the Amalgamated Company) shall be issued 4 [Four] fully paid-up Equity Shares of INR 5 (Indian Rupees five) each, of the Amalgamated Company for every 100 [Hundred] fully paid-up Equity Shares of INR 4 (Indian Rupees four) each held by such Eligible Shareholder in the Amalgamating Company 1 as on the Record Date.
- 3.5.8 On the approval of the Scheme by the shareholders of the Amalgamating Company 1 and that of the Amalgamated Company, pursuant to Sections 230 to 232 of the 2013 Act and applicable SEBI regulations, circulars, etc. as may be applicable, it shall be deemed that the members of the Amalgamated Company have also accorded their consent under Sections 42 and 62 of the 2013 Act and the applicable rules and regulations issued thereunder for issuance of the Consideration Shares of the Amalgamated Company, to the Eligible Shareholders of the Amalgamating Company 1 as set out in this Clause 3.5, and all actions taken in accordance with this Clause 3.5 of this Scheme shall be deemed to be in full compliance of Sections 42 and 62 of the 2013 Act and other applicable provisions of the 2013 Act, and no further resolution or actions under Sections 42 and 62 of the 2013 Act or the rules and regulations issued thereunder, including inter alia, issuance of a letter of offer by the Amalgamated Company shall be required to be passed or undertaken.
- 3.5.9 Subject to the provisions of the Securities Contracts (Regulations) Act, 1956, the Securities and Exchange Board of India Act, 1992, and the SEBI Listing Regulations, the Amalgamated Company shall take steps for listing of the Consideration Shares issued to the Eligible Shareholders of the Amalgamating Company 1 under this Clause 3.5, on the Stock Exchanges where the existing



Equity Shares of the Amalgamated Company are listed. The Consideration Shares issued under this Clause 3.5 shall remain frozen in the depositories system till relevant directions in relation to listing / trading are given by the Stock Exchanges.

- 3.5.10 Subject to Applicable Laws, the fully paid-up Consideration Shares of the Amalgamated Company that are to be issued in terms of Clause 3.5, shall be issued in dematerialized form. The Amalgamating Company 1 shall provide such information and details as may be required by the Amalgamated Company to enable it to issue the aforementioned Consideration Shares, and in this regard the Eligible Shareholders may provide such confirmations (if and as may be required) regarding their demat account details held with relevant depository participants. However, if as of the date of allotment of such Consideration Shares by the Amalgamated Company, the Amalgamating Company 1 is unable to provide the details of the demat account of any particular Eligible Shareholder, whether owing to non-availability of the same or the same being defunct/non-operational or otherwise, subject to Applicable Law, the Amalgamated Company shall issue and allot such number of Consideration Shares (in terms of this Scheme), in lieu of the entitlement of all such Eligible Shareholders whose demat account details are thus not available, into a demat suspense account, which shall be held in trust and be operated by either a director or an officer of the Amalgamated Company (as a trustee/ custodian of such Consideration Shares), duly authorised by the Board of Directors of the Amalgamated Company in this regard, who shall upon receipt of appropriate evidence from such Eligible Shareholders regarding their entitlement (in accordance with this Scheme) on a future date, will transfer from such demat suspense account into the demat account(s) of such claimant Eligible Shareholder(s), such number of Consideration Shares of the Amalgamated Company as such claimant may be entitled to in terms of this Scheme.
- 3.5.11 The Consideration Shares of the Amalgamated Company to be issued by the Amalgamated Company pursuant to Clause 3.5 hereof, in respect of Equity Shares of the Eligible Shareholders of the Amalgamating Company 1 which are held in abeyance or held in unclaimed suspense account, shall also be kept in abeyance or in unclaimed suspense account created for the shareholders of the Amalgamating Company 1 respectively.
- 3.5.12 In the event of there being any pending share transmission/mutation, etc., whether lodged or outstanding, of any Eligible Shareholder of the Amalgamating Company 1, the Board of Directors of the Amalgamating Company 1 shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transmission/mutation, etc. in the Amalgamating Company 1 as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the Equity Shares in the Amalgamating Company 1, and in relation to the Consideration Shares of the Amalgamated Company issued or to be issued by the Amalgamated Company upon the effectiveness of this Scheme. The Board of Directors of the Amalgamating Company 1 and the Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members/shareholders in the Amalgamated Company on account of difficulties faced in the transition period.



- 3.5.13 The Consideration Shares issued and allotted by the Amalgamated Company in terms of Clause 3.5 hereof, shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Amalgamated Company, and shall rank *pari passu* with the pre-Scheme Equity Shares of the Amalgamated Company.
- 3.5.14 For the purpose of the allotment of the Consideration Shares by the Amalgamated Company pursuant to this Part III of the Scheme, in case any Eligible Shareholder's shareholding in the Amalgamating Company 1 is such that the shareholder becomes entitled to a fraction of the Consideration Share in the Amalgamated Company, no shares shall be issued by the Amalgamated Company to any such Eligible Shareholder in respect of such fractional entitlement, and the Amalgamated Company shall consolidate all such fractional entitlements and round up the aggregate of all such fractions to the next whole number, and shall issue such consolidated number of Consideration Shares of the Amalgamated Company to one of the directors of the Amalgamated Company who shall hold such shares, with all additions or accretions thereto, in trust in dematerialized form for, on behalf of and for the benefit of the respective Eligible Shareholders to whom they belong, and shall sell such shares in the open market at such price or prices as he may deem fit, and at any time within the period of ninety (90) days from the date of such allotment, and shall distribute the net sale proceeds (after deduction of the expenses incurred and applicable Taxes) to the respective Eligible Shareholders in the same proportion as that of their fractional entitlements.
- 3.5.15 The Amalgamated Company shall, if and to the extent required, apply for and obtain all approvals from the appropriate authorities, including the Reserve Bank of India, for the issue and allotment of the Consideration Shares of the Amalgamated Company to the non-resident Eligible Shareholders of the Amalgamating Company 1 in terms of Part III, if any, in terms of the Applicable Laws, including rules and regulations applicable to foreign investment in the Amalgamated Company.

**3.6 Accounting Treatment in the books of the Amalgamated Company pursuant to the Amalgamation in terms of this Part III**

- 3.6.1 Notwithstanding anything contained to the contrary elsewhere in this Scheme, upon this Scheme becoming effective, the Amalgamated Company shall account for Amalgamation of the Amalgamating Company 1 in its books of accounts in accordance with Ind AS notified under Section 133 of the 2013 Act, under the Companies (India Accounting Standards) Rules, 2015, as may be amended from time to time, and the date of such accounting treatment would be in accordance with the applicable Ind AS:

- (i) The Amalgamated Company shall record the assets and liabilities of the Amalgamating Company 1 vested in it pursuant to this Scheme at the respective carrying amounts as they would appear in the standalone books of accounts of the Amalgamating Company 1.



- (ii) The balance of the reserves appearing in the financial statements of the Amalgamating Company 1 will be aggregated with the corresponding balances of reserves as appearing in the financial statements of the Amalgamated Company.
- (iii) The identity of the reserves shall be preserved and shall appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Company 1.
- (iv) The Amalgamated Company shall credit its Share Capital account in its books of account with the aggregate face value of the Consideration Shares issued and allotted by the Amalgamated Company to the Eligible Shareholders of the Amalgamating Company 1 pursuant to Clause 3.5.7.
- (v) The amount of any inter-company balances/ deposits and loans or advances outstanding between the Amalgamated Company and the Amalgamating Company 1, if any, shall stand cancelled without any further act or deed, upon this Scheme becoming effective, and thereafter there shall be no obligation in that behalf.
- (vi) Investment appearing in the books of the Amalgamated Company in the form of Equity Shares and Preference Shares (including accrued and outstanding dividend) held in the Amalgamating Company 1 shall, without any further act or deed, stand cancelled in accordance with Clause 3.5.6.
- (vii) The difference, if any, between the value of net assets acquired and recorded as per clause (i) and the value of (a) reserves acquired and recorded as per clause (ii), (b) Consideration Shares issued and allotted as per clause (iv), (c) cancellation of inter-company balances/ deposits and loans or advances as per clause as per clause (v) and (d) cancellation of investments as per clause (vi) above shall be recorded as capital reserve account.
- (viii) In case of any difference in accounting policy between the Amalgamated Company and the Amalgamating Company 1, the accounting policies followed by the Amalgamated Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- (ix) Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Amalgamated Company shall be allowed to account for any of these balances, including any of the matters not dealt with in clauses herein above, in any manner whatsoever as may be deemed fit in accordance with the Indian accounting standards (Ind AS) specified under section 133 of the 2013 Act read with Companies (Indian Accounting Standards) Rules, 2015.



### 3.6.2 Accounting treatment in the books of Amalgamating Company 1:

The Amalgamating Company 1 shall stand dissolved without being wound up upon this Scheme becoming effective. Hence there is no accounting treatment prescribed under this Scheme in the books of accounts of the Amalgamating Company 1.

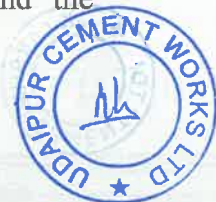
### 3.7 Tax Treatment

- 3.7.1 The provisions of this Part of Scheme have been drawn up to comply with the conditions relating to “Amalgamation” specified under the Tax laws, specifically Section 2(1B), Section 72A, Section 47 and other applicable provisions of IT Act.
- 3.7.2 As part of the Scheme, all assets (including immovable properties) of the Amalgamating Company 1 immediately before the Appointed Date shall become the assets / property of the Amalgamated Company, by virtue of the Amalgamation, otherwise than as a result of the acquisition of the property of the Amalgamating Company 1 by the Amalgamated Company pursuant to the purchase of such property by the Amalgamated Company, or as a result of the distribution of such property to the Amalgamated Company, after the winding up of the Amalgamating Company 1.
- 3.7.3 All liabilities of the Amalgamating Company 1 immediately before the Appointed Date shall become the liabilities of the Amalgamated Company, by virtue of the Amalgamation.
- 3.7.4 All the accumulated losses and the unabsorbed depreciation of the Amalgamating Company 1, if available, shall be deemed to be the loss or, as the case may be, allowance for unabsorbed depreciation of the Amalgamated Company for the previous year in which the Amalgamation is effected, as per the provisions of Section 72A of the IT Act. For this purpose, each of the Amalgamating Company 1 and the Amalgamated Company shall comply with the stipulated conditions as prescribed for the respective companies under Section 72A of the IT Act read with prescribed rules thereunder.
- 3.7.5 If, at a later date, any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B), Section 72A, Section 47 and/or other applicable provisions of the IT Act, including as a result of an amendment of law or enactment of new legislation or any other reason whatsoever, the provisions of Section 2(1B), Section 72A, Section 47 and/or other applicable provisions of the IT Act, or corresponding provisions of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary by the Board of Directors of the relevant Scheme Entities, to comply with Section 2(1B), Section 72A, Section 47 and/or other applicable provisions of the IT Act or such corresponding provisions of newly enacted law or new legislation. Such modifications will, however, not affect the other provisions of the Scheme.
- 3.7.6 Without prejudice to the generality of the foregoing, on and from the Appointed Date, if any TDS/ TCS certificate or any other Tax Credit certificate relating in name of Amalgamating Company 1 is received, or Tax Credit is appearing in Form 26AS of Amalgamating Company 1, it shall be deemed to have been



received by and in the name of the Amalgamated Company which shall be entitled to claim credit for such Tax deducted or collected.

- 3.7.7 The benefits and privileges available to the Eligible Shareholders of the Amalgamating Company 1 by virtue of their shareholding in the Amalgamating Company 1, including on account of being shareholder of a listed company under the provisions of the IT Act shall continue to be available to the Eligible Shareholders post effectiveness of the Scheme in respect of shares of the Amalgamated Company received pursuant to Amalgamation, including those specifically conferred under the respective provisions of the IT Act, such as computing cost of acquisition of shares including grand fathering benefit for the purposes of Section 112A of the IT Act read with Section 55(2)(ac) of the IT Act, period of holding of shares of the Amalgamated Company, or any other deduction or concession available or conferred by the IT Act or administrative or judicial pronouncements.
- 3.7.8 All the deductions otherwise admissible to the Amalgamating Company 1, including payment admissible on actual payment basis or on deduction of appropriate Taxes or on payment of TCS or TDS (such as Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to the Amalgamated Company, upon fulfillment of conditions, if any, required under the IT Act.
- 3.7.9 Upon this Scheme becoming effective and with effect from the Appointed Date, all Taxes and duties payable by the Amalgamating Company 1 (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State sales tax laws, Central Sales Tax Act, 1956, value added tax/ service tax/ goods and services tax and all other Applicable Laws), accruing and relating to the Amalgamating Company 1 from the Appointed Date onwards, including but not limited to advance Tax payments, TDS, TCS, self-assessment tax, regular assessment tax, payment under protest, any refund and claims shall, for all purposes, be treated as advance Tax payments, TDS, TCS or refunds and claims, as the case may be, of the Amalgamated Company (post Amalgamation).
- 3.7.10 Upon this Scheme becoming effective and with effect from the Appointed Date, all unutilized Tax Credits and exemptions, and other statutory benefits, including in respect of income tax (including but not limited to TDS, TCS, advance Tax, self-assessment tax, regular assessment tax, etc.), CENVAT, customs, value added tax, sales tax, service tax, goods and services tax etc. to which the Amalgamating Company 1 is entitled to shall be available to and vest in the Amalgamated Company (post Amalgamation), without any requirement of a further act or deed.
- 3.7.11 Each of the Amalgamating Company 1 and the Amalgamated Company (post Amalgamation) shall be entitled to file/ revise its income tax returns, (including income tax returns under Section 170A of the IT Act or otherwise) TDS/TCS certificates, TDS/TCS returns, GST returns and other statutory returns, notwithstanding that the period for filing/ revising such returns may have lapsed and to obtain TDS/TCS certificates, including TDS/TCS certificates relating to transactions between or amongst the Amalgamating Company 1 and the



Amalgamated Company and shall have the right to claim refunds, advance tax credits, input tax credit, credits of all Taxes paid/withheld/ collected, if any, to the extent permissible under the Applicable Laws relating to Tax, as may be required for the purpose of/ consequent to implementation of this Scheme.

- 3.7.12 Upon the effectiveness of this Scheme, all Tax compliances under any Tax laws by the Amalgamated Company 1 on or after Appointed Date shall be deemed to be made by the Amalgamated Company.
- 3.7.13 All inter-se transactions amongst the Amalgamating Company 1 and the Amalgamated Company between the Appointed Date and the Effective Date shall be considered as transactions from the Amalgamated Company to itself subject to the other provisions of this Scheme. Any Tax deducted at source by the Amalgamating Company 1/ Amalgamated Company on inter-se transactions between the Amalgamating Company 1 and the Amalgamated Company between the Appointed Date and the Effective Date shall be deemed to be advance tax paid or Tax deposited by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly in the hands of the Amalgamated Company. The Amalgamated Company shall be accordingly entitled to claim refund of Tax paid, if any, on these inter-se transactions. Further, for the avoidance of doubt, input Tax Credits already availed of or utilized by the Amalgamating Company 1 and the Amalgamated Company in respect of inter-se transactions of supply or receipt of goods and services between the Appointed Date and the Effective Date shall not be adversely impacted by this Scheme.
- 3.7.14 Upon this Scheme becoming effective, any Tax deposited, certificates issued or returns filed by the Amalgamating Company 1 relating to Amalgamating Company 1 shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Amalgamated Company.
- 3.7.15 All the expenses incurred by the Amalgamating Company 1 and the Amalgamated Company in relation to the Amalgamation of the Amalgamating Company 1 with the Amalgamated Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Amalgamated Company in accordance with Section 35DD of the IT Act over a period of 5 (five) financial years beginning with the previous year during which this Scheme becomes effective.
- 3.7.16 Any refund, Tax Credit and adjustment under the Tax laws due to the Amalgamating Company 1 pertaining to the Amalgamating Company 1 consequent to the assessments made on the Amalgamating Company 1 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Amalgamated Company. The Appropriate Governmental Authority shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the sanction of this Scheme by the NCLT and upon relevant proof and documents being provided to the Appropriate Governmental Authority.
- 3.7.17 The Amalgamating Company 1 may be entitled to various incentive schemes including benefits under RIPS, subsidies, special status, entitlements, benefits, advantages, privileges, exemptions, credits, Tax holidays, remissions, reductions,



rebates, etc., and pursuant to this Scheme, all such benefits pertaining to the Amalgamating Company 1 shall stand transferred to and vested in the Amalgamated Company and all such benefits of any nature whatsoever including benefits under various Taxes including the income tax, excise, sales tax, service tax, goods and services tax exemptions, concessions, remissions, subsidies and other incentives in relation to the consumer products business, to the extent statutorily available, shall be claimed by the Amalgamated Company.

### 3.8 Conduct of Businesses till Effective Date

3.8.1 With effect from the Appointed Date and up to and including the Effective Date:

- (i) the Amalgamating Company 1 undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of all its properties and assets, for and on account of and in trust for the Amalgamated Company;
- (ii) all profits or income arising or accruing in favour of the Amalgamating Company 1 and all Taxes paid thereon (including but not limited to advance tax, self-assessment tax, regular assessment tax, TDS, TCS, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) or losses arising or incurred by the Amalgamating Company 1 shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, as the case may be, of the Amalgamated Company;
- (iii) the Amalgamating Company 1 shall carry on its business with reasonable diligence and business prudence in the ordinary course and in the same manner as it had been doing hitherto in good faith and in accordance with Applicable Law, and shall not undertake any additional financial commitment of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure, issue any additional guarantee, indemnity, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:
  - (a) when the same is expressly provided in the Scheme;
  - (b) when the same is in the ordinary course of business as carried on by the Amalgamating Company 1; or
  - (c) when written consent of the JKLC /Amalgamated Company has been obtained in this regard.
- (iv) In the event that the Amalgamating Company 1 and/or the Amalgamated Company change their capital structures either by way of any increase (by issue of Equity Shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), the relevant provisions of this Scheme, including Clause 2.1 and 2.2, shall stand





modified / adjusted accordingly to take into account the effect of such corporate actions;

- (v) the Amalgamating Company 1 shall not alter or substantially expand its business, except with the prior written consent of the Amalgamated Company; and
- (vi) the Amalgamating Company 1 shall not amend its memorandum of association or articles of association, except with prior written consent of the Amalgamated Company.

3.8.2 With effect from the Effective Date, the Amalgamated Company shall carry on and shall be entitled to carry on the business, as carried on by the Amalgamating Company 1 immediately prior to the Effective Date.

3.8.3 For the purpose of giving effect to the Amalgamation in terms of this Part III pursuant to the order passed under Sections 230 to 232 of the 2013 Act and such other provisions thereof in respect of this Scheme by the NCLT, the Amalgamated Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the Amalgamation of the Amalgamating Company 1, in accordance with the provisions of Sections 230 to 232 of the 2013 Act and such other provisions thereof, as applicable. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

3.8.4 The Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy, upon this Scheme becoming effective, all liabilities and obligations of the Amalgamating Company 1 with effect from the Appointed Date (to the extent the same has already not been paid by the Amalgamating Company 1), in order to give effect to the foregoing provisions.

### 3.9 **Dissolution of the Amalgamating Company 1**

Upon the Effective Date, the Amalgamating Company 1 shall, without any further act or deed, stand dissolved without being wound up, in accordance with the 2013 Act and the name of the Amalgamating Company 1 shall be struck off the register of companies maintained by the Registrar of Companies. Consequently, upon the Effective Date, the investments in the equity Share Capital of the Amalgamating Company 1 appearing in the books of accounts of its shareholders and their nominees shall stand cancelled.

### 3.10 **Saving of concluded transactions**

Subject to the terms of the Scheme, the Amalgamation and vesting of the Amalgamating Company 1 into the Amalgamated Company shall not affect any transaction or proceedings already concluded by the Amalgamating Company 1 until the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the



Amalgamating Company 1 in respect thereto as acts, deeds and things made, done and executed by or on behalf of the Amalgamated Company.



## PART IV

**4. Amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company**

**4.1 Transfer and vesting of assets and liabilities and entire business of the Amalgamating Company 2**

4.1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the Amalgamating Company 2, together with all its present and future properties, assets, investments, liabilities, rights, benefits, interests and obligations therein, whether or not recorded in the books of accounts of the Amalgamating Company 2 and the entire business shall stand transferred to and vested with the Amalgamated Company, as a going concern, and shall become the property of and an integral part of the Amalgamated Company, without any further act, instrument or deed required by either of the Amalgamating Company 2 or the Amalgamated Company and without any approval or acknowledgement of any third party, to the extent permitted under Applicable Law.

4.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein,:

**Transfer of Assets and Liabilities**

- (i) upon this Scheme becoming effective and with effect from the Appointed Date, all assets of the Amalgamating Company 2, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal including equipment, furniture and fixtures, shall stand vested in and be deemed to be vested in the Amalgamated Company, wherever located, and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-Clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.
- (ii) upon this Scheme becoming effective and with effect from the Appointed Date, all other movable properties of the Amalgamating Company 2, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, undertaking, bank guarantees, etc., if any, with government, semi-government, local and other authorities and bodies, customers and/or any other persons, shall without any further act, instrument or deed, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard.



- (iii) upon this Scheme becoming effective and with effect from the Appointed Date, all immovable properties of the Amalgamating Company 2, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Amalgamating Company 2, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in and with the Amalgamated Company, without any further act or deed done or being required to be done by the Amalgamating Company 2 and/or the Amalgamated Company. The Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective and with effect from the Appointed Date, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof. Any statutory fees, including stamp duty, registration fees, etc., if any, paid by the Amalgamating Company 2 in relation to its immovable properties, prior to the Scheme, shall be deemed to have been so paid by the Amalgamated Company upon this Scheme becoming effective and accordingly, the Amalgamated Company shall not be required to pay any fee/stamp duty and shall be entitled to any stamp duty rebates, etc., in relation to the transfer of any immovable property of the Amalgamating Company 2 accruing / having accrued to the Amalgamating Company 2 prior to the effectiveness of the Scheme.
- (iv) upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations, whether secured or unsecured or whether provided for or not in the books of account or disclosed in the financial statements of the Amalgamating Company 2, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company, and the Amalgamated Company shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any.
- (v) upon this Scheme becoming effective and with effect from the Appointed Date, all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company 2 or that may accrue to the Amalgamating Company 2, including but not limited to rights in connection with and/or arising out of bids submitted by / allotted to the Amalgamating Company 2, including the letter of intent dated June 28, 2021 issued by Directorate of Mines and Geology, Rajasthan in relation to mining blocks in Nagaur, Rajasthan, shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, pursuant to Section 232 of the 2013 Act and other applicable provisions of the 2013 Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested



in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.

- (vi) Amalgamating Company 2, the wholly owned subsidiary of JKLC has been declared as preferred bidder for one of Limestone Block 4GIIA located at District Nagaur, Rajasthan and has been allotted a letter of intent dated June 28, 2021 issued by Directorate of Mines and Geology, Udaipur. As per the terms of allotment the Amalgamating Company 2 has to make total payments of INR 43,21,00,000 (Indian Rupees forty-three crore and twenty-one lakh). Amalgamating Company 2 has made the payment of INR 8,65,00,000 (Indian Rupees eight crore and sixty-five lakh) upto March 31, 2023. Upon this Scheme becoming effective and with effect from the Appointed Date, all such allotments, sanctions payments, undertakings and guarantees shall be transferred to and deemed to have been made by or in favour of the Amalgamated Company post effectiveness of the Scheme and accordingly, any such allotment, sanction, undertaking, guarantee as may be required to be allotted to or provided by the Amalgamating Company 2, shall be issued to or provided by the Amalgamated Company.

### Contracts

- (vii) upon this Scheme becoming effective and with effect from the Appointed Date, all contracts, deeds, bonds, agreements, schemes, arrangements, approvals, certificates, leases, registrations and other instruments, permits, rights, subsidies, concessions, entitlements, credentials, licenses (including the licenses granted by any Governmental Authority, statutory or regulatory bodies) for the purpose of carrying on the business of the Amalgamating Company 2, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company 2, or to the benefit of which, the Amalgamating Company 2 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually on same terms and conditions as if, instead of the Amalgamating Company 2, the Amalgamated Company had been a party or beneficiary or obligor thereto.
- (viii) all bank guarantees, performance guarantees, letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Amalgamating Company 2 or to the benefit of which the Amalgamating Company 2 may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, upon this Scheme becoming effective and with effect from the Appointed Date, by operation of law pursuant to the vesting orders of the NCLT, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Amalgamated Company.



- (ix) upon this Scheme becoming effective and with effect from the Appointed Date, all lease/license or rent agreements entered into by the Amalgamating Company 2 with various landlords, owners and lessors, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed.
- (x) upon this Scheme becoming effective and with effect from the Appointed Date, all *inter-se* contracts entered solely between Amalgamating Company 2 and the Amalgamated Company (prior to the effectiveness of the Scheme), including but not limited to, any inter-corporate deposits, loans, investments and advances, outstanding balances or other obligations between the Amalgamating Company 2 *inter-se* and/or the Amalgamated Company (prior to the effectiveness of the Scheme), shall stand cancelled and cease to operate and be considered as intra-party transactions for all purposes.

**Legal suits and proceedings**

- (xi) upon this Scheme becoming effective and with effect from the Appointed Date, any notice, disputes, pending suits, appeals or other proceedings of whatsoever nature relating to the Amalgamating Company 2, shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company 2 as if this Scheme had not been implemented.

**Transfer of employees**

- (xii) upon this Scheme becoming effective, all employees, who are on the payrolls of the Amalgamating Company 2, employees / personnel engaged on contract basis and contract labourers and interns / trainees of the Amalgamating Company 2, who are on its payrolls shall become employees, employees / personnel engaged on contract basis, contract labourers or interns / trainees, as the case may be, of the Amalgamated Company on such terms and conditions which are no less favourable in aggregate than those on which they are currently engaged by the Amalgamating Company 2, without any interruption of service as a result of this Amalgamation and transfer. With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company 2, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company 2 for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds and/or schemes maintained or used for making statutory contributions by the Amalgamating Company 2, in accordance with the provisions of Applicable Laws.



**Intellectual Property**

- (xiii) upon this Scheme becoming effective and with effect from the Appointed Date, all the intellectual property rights of any nature whatsoever shall stand transferred to and vested in the Amalgamated Company.

**Taxes**

- (xiv) upon this Scheme becoming effective and with effect from the Appointed Date, all Taxes (including but not limited to advance tax, self-assessment tax, regular assessment tax, TDS, TCS, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) payable by or refundable to or being the entitlement of the Amalgamating Company 2, including all or any refunds or claims shall be treated as the Tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any Tax incentives, advantages, privileges, subsidies, exemptions, credits, holidays, remissions, reductions, export benefits, all indirect Tax related benefits, including GST benefits, service Tax benefits, customs duty exemptions and concessions, all indirect Tax related assets/credits, including but not limited to goods and service Tax input credits, Tax Credits, sales tax/entry Tax credits or set-off, advance tax, self-assessment tax or regular assessment tax, TDS/TCS credits or set-off (to the extent remaining unutilized on the Appointed Date), shall be available to the Amalgamated Company.
- (xv) upon this Scheme becoming effective, the accounts of the Amalgamated Company as on the Appointed Date shall be revised in accordance with the applicable provisions and terms of this Scheme, and accordingly the Amalgamated Company shall be entitled to revise its Income Tax (including income tax returns under section 170A of the IT Act) returns, TDS returns, GST returns and other statutory returns as may be required under respective statutes pertaining to indirect Taxes, such as sales tax, value added tax, excise duties, service tax and/or duties under Central Goods and Services Tax Act, 2017, the relevant State / Union Territory's legislation in terms of the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Act, etc.

**Licenses and Approvals**

- (xvi) upon this Scheme becoming effective and with effect from the Appointed Date, all licenses, approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authority, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), agreements confirmations, declarations waivers, exemptions, registrations, filings whether government, statutory or regulatory as required under law including without limitation, consent to establish and operate, the mining leases and plans, environmental, railways, pollution authorities,



power, solar power, open access power, wind power, ground water related, land exchange, insurance etc., sanctions, and certificates of every kind and description whatsoever in relation to the Amalgamating Company 2, or to the benefit of which the Amalgamating Company 2 may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Amalgamated Company and be enforced as fully and effectually as if, instead of the Amalgamating Company 2, the Amalgamated Company had been a party or beneficiary or obligee thereto. For this purpose, the Amalgamated Company shall file appropriate applications / documents with relevant authorities concerned for information and record purposes so as to empower and facilitate the approvals and vesting of the Amalgamating Company 2 in the Amalgamated Company. For the avoidance of doubt, it is clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution / endorsement in the name of the Amalgamated Company upon this Scheme becoming effective in accordance with the terms hereof.

#### **Electricity sanctions and Tariff**

(xvii) upon this Scheme becoming effective and with effect from the Appointed Date, all electricity connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Amalgamating Company 2, if any, together with security deposits and all other advances paid, if any, shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Amalgamated Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the effectiveness of the Scheme is filed by the Amalgamated Company with them. The Amalgamated Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, municipal corporation, statutory and other authorities by the Amalgamating Company 2.

- 4.2 The Amalgamating Company 2 and/or the Amalgamated Company, as the case may be, shall, at any time upon this Scheme becoming effective, in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company 2.





It is hereby clarified that if the consent of any third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company 2 and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

4.3 The Amalgamating Company 2 and/or the Amalgamated Company, as the case may be, shall, at any time upon this Scheme becoming effective, in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company 2 has been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings for and on behalf of the Amalgamating Company 2 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 2.

4.4 **Consolidation of authorised Share Capital of the Amalgamating Company 2 with that of the Amalgamated Company**

4.4.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the authorised Share Capital of the Amalgamating Company 2 (both, authorised equity Share Capital and authorised preference Share Capital), shall stand transferred to and be merged with the authorised equity Share Capital of the Amalgamated Company, as on such date without any further act, deed, procedure or formalities.

4.4.2 It is hereby clarified that the pre-Scheme authorised equity Share Capital of Amalgamating Company 2, comprising of 11,70,00,000 Equity Shares of INR 10 each, amounting to INR 117,00,00,000, shall stand merged into the authorised equity Share Capital of the Amalgamated Company as 23,40,00,000 Equity Shares of INR 5 each (amounting to INR 117,00,00,000). Similarly, the pre-Scheme authorised preference Share Capital of Amalgamating Company 2, comprising of 2,00,000 preference shares of INR 100 each, amounting to INR 2,00,00,000, shall stand merged into the authorised equity Share Capital of the Amalgamated Company as 40,00,000 Equity Shares of INR 5 each.

4.4.3 Upon this Scheme becoming effective and with effect from the Appointed Date, and consequent to transfer of the existing authorised Share Capital of the Amalgamating Company 2, the authorised equity Share Capital of the Amalgamated Company (pursuant to Part IV of the Scheme), shall stand enhanced by an aggregate amount of INR 1,19,00,00,000 (Indian Rupees one hundred nineteen crore only).



4.4.4 Accordingly, the Memorandum of Association of the Amalgamated Company shall without any act, instrument or deed be and stand altered, modified and amended, pursuant to Sections 13 and 61 of the 2013 Act and other applicable provisions of the 2013 Act, as set out under Clause 6.1. It is clarified that upon sanction of the Scheme, the Amalgamated Company shall not be required to seek separate consent / approval of its shareholders for the aforesaid alteration of the Memorandum of Association of the Amalgamated Company as required under Sections 13, 61, 64 of the 2013 Act and/or any other applicable provisions of the 2013 Act.

4.4.5 The filing fees and stamp duty, if any, paid by the Amalgamating Company 2 on its authorised Share Capital prior to the Scheme, shall be deemed to have been so paid by the Amalgamated Company on the increased authorised Share Capital and accordingly, the Amalgamated Company shall not be required to pay any fee/stamp duty for its increased authorised Share Capital pursuant to this Clause 4.4.

**4.5 No issuance of Shares by the Amalgamated Company and Cancellation of Shareholding/Investments**

4.5.1 Since the entire issued, subscribed, and paid-up Share Capital of the Amalgamating Company 2 is held by the Amalgamated Company (along with its nominees), and since no company can hold its own shares, upon this scheme becoming effective, and upon transfer and vesting of all assets and liabilities of the Amalgamating Company 2 into and with the Amalgamated Company in accordance with Part IV of this Scheme, no shares shall be issued/allotted by the Amalgamated Company either to itself or to any of its nominee shareholders holding shares in the Amalgamating Company 2 in lieu of or in exchange of its/their shareholding in the Amalgamating Company 2.

4.5.2 Upon this Scheme becoming effective, in the (consolidated/merged) balance sheet of the Amalgamated Company, the investments of the Amalgamated Company being Equity Shares held in the Amalgamating Company 2, whether held in its own name or through nominee shareholders (whether in dematerialised form or otherwise), shall stand cancelled in entirety, become non-tradeable and be extinguished without any consideration and without any further act or deed or necessity of them being surrendered to the Amalgamating Company 2 or to the Amalgamated Company and without any liability towards capital gains tax under the IT Act. There will be no change in the shareholding pattern of the Amalgamated Company pursuant to the Amalgamation of the Amalgamating Company 2 in terms of this Part IV of the Scheme, since no shares are being issued by the Amalgamated Company pursuant to such Amalgamation.

**4.6 Accounting Treatment in the books of the Amalgamated Company pursuant to the Amalgamation in terms of this Part IV**

4.6.1 Notwithstanding anything else contained in this Scheme, upon approval of the Scheme by the NCLT, the Amalgamated Company shall account for merger of the Amalgamating Company 2 in its books of accounts in accordance with Ind AS



notified under Section 133 of the Act, under the Companies (India Accounting Standards) Rules, 2015, as may be amended from time to time, and the date of such accounting treatment would be in accordance with the applicable Ind AS:

- (i) The Amalgamated Company shall record the assets and liabilities of the Amalgamating Company 2 vested in it pursuant to this Scheme at the respective carrying amounts as they would appear in the standalone books of accounts of the Amalgamating Company 2.
- (ii) The balance of the reserves appearing in the financial statements of the Amalgamating Company 2 will be aggregated with the corresponding balances of reserves as appearing in the financial statements of the Amalgamated Company.
- (iii) The identity of the reserves shall be preserved and shall appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Company 2.
- (iv) The amount of any inter-company balances/ deposits and loans or advances outstanding between the Amalgamated Company and the Amalgamating Company 2, if any, shall stand cancelled without any further act or deed, upon this Scheme becoming effective, and thereafter there shall be no obligation in that behalf.
- (v) Investment appearing in the books of the Amalgamated Company in the form of Equity Shares held in the Amalgamating Company 2 shall, without any further act or deed, stand cancelled in accordance with clause 4.5.1.
- (vi) The difference, if any, between the value of net assets acquired and recorded as per clause (i) and the value of (a) reserves acquired and recorded as per clause (ii), (b) cancellation of inter-company balances/ deposits and loans or advances as per clause (iv) and (c) cancellation of investments as per clause (v) above shall be recorded as capital reserve account.
- (vii) In case of any difference in accounting policy between the Amalgamated Company and the Amalgamating Company 2, the accounting policies followed by the Amalgamated Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- (viii) Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Amalgamated Company shall be allowed to account for any of these balances, including any of the matters not dealt with in clauses herein above, in any manner whatsoever as may be deemed fit in accordance with the Indian accounting standards (Ind AS) specified under Section 133 of the 2013 Act read with Companies (Indian Accounting Standards) Rules, 2015.



**4.7 Accounting treatment in the books of Amalgamating Company 2:**

The Amalgamating Company 2 shall stand dissolved without being wound up upon this Scheme becoming effective. Hence there is no accounting treatment prescribed under this Scheme in the books of accounts of the Amalgamating Company 2.

**4.8 Tax Treatment**

4.8.1 The provisions of this Part of Scheme have been drawn up to comply with the conditions relating to “Amalgamation” specified under the Tax laws, specifically Section 2(1B), Section 47 and other applicable provisions of IT Act.

4.8.2 As part of the Scheme, all assets (including immovable properties) of the Amalgamating Company 2 immediately before the Appointed Date shall become the assets / property of the Amalgamated Company, by virtue of the Amalgamation, otherwise than as a result of the acquisition of the property of the Amalgamating Company 2 by the Amalgamated Company pursuant to the purchase of such property by the Amalgamated Company, or as a result of the distribution of such property to the Amalgamated Company, after the winding up of the Amalgamating Company 2.

4.8.3 All liabilities of the Amalgamating Company 2 immediately before the Appointed Date shall become the liabilities of the Amalgamated Company, by virtue of the Amalgamation.

4.8.4 All the deductions otherwise admissible to the Amalgamating Company 2, including payment admissible on actual payment basis or on deduction of appropriate Taxes or on payment of TCS or TDS (such as Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to Amalgamated Company, upon fulfillment of conditions, if any, required under the IT Act.

4.8.5 If, at a later date, any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B), Section 47 and/or other applicable provisions of the IT Act, including as a result of an amendment of law or enactment of new legislation or any other reason whatsoever, the provisions of Section 2(1B), Section 47 and/or other applicable provisions of the IT Act, or corresponding provisions of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary by the Board of Directors of the relevant Scheme Entities, to comply with Section 2(1B), Section 47 and/or other applicable provisions of the IT Act or such corresponding provisions of newly enacted law or new legislation. Such modifications will, however, not affect the other provisions of the Scheme.

4.8.6 Without prejudice to the generality of the foregoing, on and from the Appointed Date, if any TDS/ TCS certificate or any other Tax Credit certificate relating in name of Amalgamating Company 2 is received, or Tax Credit is appearing in Form 26AS of Amalgamating Company 2, it shall be deemed to have been



received by and in the name of the Amalgamated Company which shall be entitled to claim credit for such Tax deducted or collected.

- 4.8.7 Upon this Scheme becoming effective and with effect from the Appointed Date, all Taxes and duties payable by the Amalgamating Company 2 (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State sales tax laws, Central Sales Tax Act, 1956, value added tax/ service tax/ goods and services tax and all other Applicable Laws), accruing and relating to the Amalgamating Company 2 from the Appointed Date onwards, including but not limited to advance Tax payments, TDS, TCS, self-assessment tax, regular assessment tax, payment under protest, any refund and claims shall, for all purposes, be treated as advance Tax payments, TDS, TCS or refunds and claims, as the case may be, of the Amalgamated Company.
- 4.8.8 Upon this Scheme becoming effective and with effect from the Appointed Date, all unutilized Tax Credits and exemptions, and other statutory benefits, including in respect of income tax (including but not limited to TDS, TCS, advance Tax, self-assessment tax, regular assessment tax, etc.), CENVAT, customs, value added tax, sales tax, service tax, goods and services tax etc. to which the Amalgamating Company 2 is entitled to shall be available to and vest in the Amalgamated Company, without any requirement of a further act or deed.
- 4.8.9 Each of the Amalgamating Company 2 and the Amalgamated Company shall be entitled to file/ revise its income tax returns, (including income tax returns under Section 170A of the IT Act or otherwise) TDS/TCS certificates, TDS/TCS returns, GST returns and other statutory returns, notwithstanding that the period for filing/ revising such returns may have lapsed and to obtain TDS/TCS certificates, including TDS/TCS certificates relating to transactions between or amongst the Amalgamating Company 2 and the Amalgamated Company and shall have the right to claim refunds, advance tax credits, input Tax Credit, credits of all Taxes paid/withheld/ collected, if any, to the extent permissible under the Applicable Laws relating to Tax, as may be required for the purpose of/ consequent to implementation of this Scheme.
- 4.8.10 Upon this Scheme becoming effective, all Tax compliances under any Tax laws by the Amalgamated Company 2 on or after Appointed Date shall be deemed to be made by the Amalgamated Company.
- 4.8.11 All inter-se transactions amongst the Amalgamating Company 2 and the Amalgamated Company between the Appointed Date and the Effective Date shall be considered as transactions from the Amalgamated Company to itself subject to the other provisions of this Scheme. Any Tax deducted at source by the Amalgamating Company 2/ Amalgamated Company on inter-se transactions between the Amalgamating Company 2 and the Amalgamated Company between the Appointed Date and the Effective Date shall be deemed to be advance tax paid or Tax deposited by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly in the hands of the Amalgamated Company. The Amalgamated Company shall be accordingly entitled to claim refund of Tax paid, if any, on these inter-se transactions. Further, for the avoidance of doubt, input Tax Credits already availed of or utilized by the Amalgamating Company 2 and



the Amalgamated Company in respect of inter-se transactions of supply or receipt of goods and services between the Appointed Date and the Effective Date shall not be adversely impacted by this Scheme.

- 4.8.12 Upon this Scheme becoming effective, any Tax deposited, certificates issued or returns filed by the Amalgamating Company 2 relating to Amalgamating Company 2 shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Amalgamated Company.
- 4.8.13 All the expenses incurred by the Amalgamating Company 2 and the Amalgamated Company in relation to the Amalgamation of the Amalgamating Company 2 with the Amalgamated Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Amalgamated Company in accordance with Section 35DD of the IT Act over a period of five(5) financial years beginning with the previous year during which this Scheme becomes effective.
- 4.8.14 Any refund, Tax Credit and adjustment under the Tax laws due to the Amalgamating Company 2 pertaining to the Amalgamating Company 2 consequent to the assessments made on the Amalgamating Company 2 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Amalgamated Company. The Appropriate Governmental Authority shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the sanction of this Scheme by the NCLT and upon relevant proof and documents being provided to the Appropriate Governmental Authority.
- 4.8.15 The Amalgamating Company 2 may be entitled to various incentive schemes, subsidies, special status, entitlements, benefits, advantages, privileges, exemptions, credits, Tax holidays, remissions, reductions, rebates, etc and pursuant to this Scheme, all such benefits pertaining to the Amalgamating Company 2 shall stand transferred to and vested in the Amalgamated Company and all such benefits, of any nature whatsoever including benefits under various Taxes including the income tax, excise, sales tax, service tax, goods and services tax exemptions, concessions, remissions, subsidies and other incentives in relation to the consumer products business, to the extent statutorily available, shall be claimed by the Amalgamated Company.

#### 4.9 Conduct of Businesses till Effective Date

4.9.1 With effect from the Appointed Date and up to and including the Effective Date:

- (i) the Amalgamating Company 2 undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of all its properties and assets, for and on account of and in trust for the Amalgamated Company;
- (ii) all profits or income arising or accruing in favour of the Amalgamating Company 2 and all Taxes paid thereon (including but not limited to advance tax, self-assessment tax, regular assessment tax, TDS, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid



in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) or losses arising or incurred by the Amalgamating Company 2 shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, as the case may be, of the Amalgamated Company;

- (iii) the Amalgamating Company 2 shall carry on its business with reasonable diligence and business prudence in the ordinary course and in the same manner as it had been doing hitherto in good faith and in accordance with Applicable Law, and shall not undertake any additional financial commitment of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure, issue any additional guarantee, indemnity, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:
  - (a) when the same is expressly provided in the Scheme;
  - (b) when the same is in the ordinary course of business as carried on by the Amalgamating Company 2; or
  - (c) when written consent of the JKLC /Amalgamated Company has been obtained in this regard.
- (iv) In the event that the Amalgamating Company 2 and/or the Amalgamated Company change their capital structures either by way of any increase (by issue of Equity Shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), the relevant provisions of this Scheme, including Clause 2.3 and 2.1, shall stand modified / adjusted accordingly to take into account the effect of such corporate actions;
- (v) the Amalgamating Company 2 shall not alter or substantially expand its business, except with the prior written consent of the Amalgamated Company; and
- (vi) the Amalgamating Company 2 shall not amend its memorandum of association or articles of association, except with prior written consent of the Amalgamated Company.

4.9.2 With effect from the Effective Date, the Amalgamated Company shall carry on and shall be entitled to carry on the business, as carried on by the Amalgamating Company 2 immediately prior to the Effective Date.

4.9.3 For the purpose of giving effect to the Amalgamation order passed under Sections 230 to 232 of the 2013 Act and such other provisions thereof in respect of this Scheme by the NCLT, the Amalgamated Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the Amalgamation of the Amalgamating Company 2, in accordance with the provisions of Sections 230 to 232 of the 2013 Act and such



other provisions thereof, as applicable. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

4.9.4 The Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy, upon this Scheme becoming effective, all liabilities and obligations of the Amalgamating Company 2 with effect from the Appointed Date (to the extent the same has already not been paid by the Amalgamating Company 2), in order to give effect to the foregoing provisions.

#### 4.10 Dissolution of the Amalgamating Company 2

Upon the Effective Date, the Amalgamating Company 2 shall, without any further act or deed, stand dissolved without being wound up, in accordance with the 2013 Act and the name of the Amalgamating Company 2 shall be struck off the register of companies maintained by the Registrar of Companies. Consequently, upon the Effective Date, the investments in the equity Share Capital of the Amalgamating Company 2 appearing in the books of accounts of its shareholders and their nominees shall stand cancelled.

#### 4.11 Saving of Concluded Transactions

Subject to the terms of the Scheme, the Amalgamation and vesting of the Amalgamating Company 2 into the Amalgamated Company shall not affect any transaction or proceedings already concluded by the Amalgamating Company 2 until the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company 2 in respect thereto as acts, deeds and things made, done and executed by or on behalf of the Amalgamated Company.





**PART V**

**5. Amalgamation of the Amalgamating Company 3 into and with the Amalgamated Company**

**5.1 Transfer and vesting of assets and liabilities and entire business of the Amalgamating Company 3**

5.1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the Amalgamating Company 3, together with all its present and future properties, assets, investments, liabilities, rights, benefits, interests and obligations therein, whether or not recorded in the books of accounts of the Amalgamating Company 3 and the entire business shall stand transferred to and vested with the Amalgamated Company, as a going concern, and shall become the property of and an integral part of the Amalgamated Company, without any further act, instrument or deed required by either of the Amalgamating Company 3 or the Amalgamated Company and without any approval or acknowledgement of any third party, to the extent permitted under Applicable Law.

5.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein:

**Transfer of Assets and Liabilities**

(i) upon this Scheme becoming effective and with effect from the Appointed Date, all assets of the Amalgamating Company 3, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal including equipment, furniture and fixtures, shall stand vested in and be deemed to be vested in the Amalgamated Company, wherever located, and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-Clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.

(ii) upon this Scheme becoming effective and with effect from the Appointed Date, all other movable properties of the Amalgamating Company 3, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, undertaking, bank guarantees, etc., if any, with government, semi-government, local and other authorities and bodies, customers and/or any other persons, shall without any further act, instrument or deed, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard.



- (iii) upon this Scheme becoming effective and with effect from the Appointed Date, all immovable properties of the Amalgamating Company 3, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Amalgamating Company 3, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in and with the Amalgamated Company, without any further act or deed done or being required to be done by the Amalgamating Company 3 and/or the Amalgamated Company. The Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective and with effect from the Appointed Date, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof. Any statutory fees, including stamp duty, registration fees, etc., if any, paid by the Amalgamating Company 3 in relation to its immovable properties, prior to the Scheme, shall be deemed to have been so paid by the Amalgamated Company upon this Scheme becoming effective and accordingly, the Amalgamated Company shall not be required to pay any fee/stamp duty and shall be entitled to any stamp duty rebates, etc., in relation to the transfer of any immovable property of the Amalgamating Company 3 accruing / having accrued to the Amalgamating Company 3 prior to the effectiveness of the Scheme.
- (iv) upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations, whether secured or unsecured or whether provided for or not in the books of account or disclosed in the financial statements of the Amalgamating Company 3, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company, and the Amalgamated Company shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any.
- (v) upon this Scheme becoming effective and with effect from the Appointed Date, all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company 3 or that may accrue to the Amalgamating Company 3 shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, pursuant to Section 230 to 232 of the 2013 Act and other applicable provisions of the 2013 Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.



- (vi) upon this Scheme becoming effective and with effect from the Appointed Date, all allotments, sanctions payments, undertakings and guarantees shall be transferred to and deemed to have been made by or in favour of the Amalgamated Company post effectiveness of the Scheme and accordingly, any such allotment, sanction, undertaking, guarantee as may be required to be allotted to or provided by the Amalgamating Company 3, shall, be issued to or provided by the Amalgamated Company.

**Contracts**

- (vii) upon this Scheme becoming effective and with effect from the Appointed Date, all contracts, deeds, bonds, agreements, schemes, arrangements, approvals, certificates, leases, registrations and other instruments, permits, rights, subsidies, concessions, entitlements, credentials, licenses (including the licenses granted by any Governmental Authority, statutory or regulatory bodies) for the purpose of carrying on the business of the Amalgamating Company 3, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company 3, or to the benefit of which, the Amalgamating Company 3 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually on same terms and conditions as if, instead of the Amalgamating Company 3, the Amalgamated Company had been a party or beneficiary or obligor thereto.
- (viii) all bank guarantees, performance guarantees, letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Amalgamating Company 3 or to the benefit of which the Amalgamating Company 3 may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, upon this Scheme becoming effective and with effect from the Appointed Date, by operation of law pursuant to the vesting orders of the NCLT, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Amalgamated Company.
- (ix) upon this Scheme becoming effective and with effect from the Appointed Date, all lease/license or rent agreements entered into by the Amalgamating Company 3 with various landlords, owners and lessors, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed.
- (x) upon this Scheme becoming effective and with effect from the Appointed Date, all inter-se contracts entered solely between Amalgamating Company



3 and Amalgamated Company, including but not limited to, any inter-  
corporate deposits, loans, investments and advances, outstanding balances  
or other obligations between the Amalgamating Company 3 inter-se and/or  
the Amalgamated Company, shall stand cancelled and cease to operate and  
be considered as intra-party transactions for all purposes.

**Legal suits and proceedings**

- (xi) upon this Scheme becoming effective and with effect from the Appointed Date, any notice, disputes, pending suits, appeals or other proceedings of whatsoever nature relating to the Amalgamating Company 3, shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company 3 as if this Scheme had not been implemented.

**Transfer of employees**

- (xii) upon this Scheme becoming effective, all employees, who are on the payrolls of the Amalgamating Company 3, employees / personnel engaged on contract basis and contract labourers and interns / trainees of the Amalgamating Company 3, who are on its payrolls shall become employees, employees / personnel engaged on contract basis, contract labourers or interns / trainees, as the case may be, of the Amalgamated Company on such terms and conditions which are no less favourable in aggregate than those on which they are currently engaged by the Amalgamating Company 3, without any interruption of service as a result of this Amalgamation and transfer. With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company 3, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company 3 for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds and/or schemes maintained or used for making statutory contributions by the Amalgamating Company 3, in accordance with the provisions of Applicable Laws.

**Intellectual Property**

- (xiii) upon this Scheme becoming effective and with effect from the Appointed Date, all the intellectual property rights of any nature whatsoever shall stand transferred to and vested in the Amalgamated Company.

**Taxes**

- (xiv) upon this Scheme becoming effective and with effect from the Appointed Date, all Taxes (including but not limited to advance tax, self-assessment tax, regular assessment tax, TDS, TCS, fringe benefit tax, banking cash



transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) payable by or refundable to or being the entitlement of the Amalgamating Company 3, including all or any refunds or claims shall be treated as the Tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any Tax incentives, advantages, privileges, subsidies, exemptions, credits, holidays, remissions, reductions, export benefits, all indirect Tax related benefits, including GST benefits, service Tax benefits, customs duty exemptions and concessions, all indirect Tax related assets/credits, including but not limited to goods and service Tax input credits, Tax Credits, sales tax/entry Tax credits or set-off, advance tax, self-assessment tax or regular assessment tax, TDS/TCS credits or set-off (to the extent remaining unutilized on the Appointed Date), shall be available to the Amalgamated Company.

- (xv) upon this Scheme becoming effective, the accounts of the Amalgamated Company as on the Appointed Date shall be revised in accordance with the applicable provisions and terms of this Scheme and accordingly the Amalgamated Company shall be entitled to revise its Income Tax (including income Tax returns under section 170A of the IT Act) returns, TDS returns, GST returns and other statutory returns as may be required under respective statutes pertaining to indirect Taxes, such as sales tax, value added tax, excise duties, service tax and/or duties under Central Goods and Services Tax Act, 2017, the relevant State / Union Territory's legislation in terms of the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Act, etc.

#### **Licenses and Approvals**

- (xvi) upon this Scheme becoming effective and with effect from the Appointed Date, all licenses, approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authority, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), agreements confirmations, declarations waivers, exemptions, registrations, filings whether government, statutory or regulatory as required under law, sanctions, and certificates of every kind and description whatsoever in relation to the Amalgamating Company 3, or to the benefit of which the Amalgamating Company 3 may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Amalgamated Company and be enforced as fully and effectually as if, instead of the Amalgamating Company 3, the Amalgamated Company had been a party or beneficiary or obligee thereto.

#### **Electricity sanctions and Tariff**

- (xvii) upon this Scheme becoming effective and with effect from the Appointed Date, all electricity connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and



authorities to the Amalgamating Company 3, if any, together with security deposits and all other advances paid, if any, shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Amalgamated Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the effectiveness of the Scheme is filed by the Amalgamated Company with them. The Amalgamated Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, municipal corporation, statutory and other authorities by the Amalgamating Company 3.

5.2 The Amalgamating Company 3 and/or the Amalgamated Company, as the case may be, shall, at any time upon this Scheme becoming effective, in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company 3. It is hereby clarified that if the consent of any third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

5.3 The Amalgamating Company 3 and/or the Amalgamated Company, as the case may be, shall, at any time upon this Scheme becoming effective, in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company 3 has been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings for and on behalf of the Amalgamating Company 3 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 3.

5.4 **Consolidation of authorised Share Capital of Amalgamating Company 3 with the Amalgamated Company**

5.4.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the authorised Share Capital of the Amalgamating Company 3 (both, authorised



equity Share Capital and authorised preference Share Capital), shall stand transferred to and be merged with the authorised equity Share Capital of the Amalgamated Company, as on such date without any further act, deed, procedure or formalities.

- 5.4.2 It is hereby clarified that the pre-Scheme authorised equity Share Capital of the Amalgamating Company 3, comprising of 25,00,000 Equity Shares of INR 4 each, amounting to INR 1,00,00,000, shall stand merged into the authorised equity Share Capital of the Amalgamated Company as 20,00,000 Equity Shares of INR 5 each (amounting to INR 1,00,00,000). Similarly, the pre-Scheme authorised preference Share Capital of the Amalgamating Company 3, comprising of 1,51,000 preference shares of INR 100 each, amounting to INR 1,51,00,000, shall stand merged into the authorised equity Share Capital of the Amalgamated Company as 30,20,000 Equity Shares of INR 5 each.
- 5.4.3 Upon this Scheme becoming effective and with effect from the Appointed Date, and consequent to transfer of the existing authorised Share Capital of the Amalgamating Company 3, the authorised equity Share Capital of the Amalgamated Company, shall stand further enhanced by an aggregate amount of INR 2,51,00,000 (Indian Rupees two crore fifty-one lakh only).
- 5.4.4 Accordingly, the Memorandum of Association of the Amalgamated Company shall without any act, instrument or deed be and stand altered, modified and amended, pursuant to Sections 13 and 61 of the 2013 Act and other applicable provisions of the 2013 Act, as set out under Clause 6.1. It is clarified that upon sanction of the Scheme, the Amalgamated Company shall not be required to seek separate consent / approval of its shareholders for the aforesaid alteration of the Memorandum of Association of the Amalgamated Company as required under Sections 13, 61, 64 of the 2013 Act and/or any other applicable provisions of the 2013 Act.
- 5.4.5 The filing fees and stamp duty, if any, paid by the Amalgamating Company 3 on its authorised Share Capital prior to the Scheme, shall be deemed to have been so paid by the Amalgamated Company on the increased authorised Share Capital and accordingly, the Amalgamated Company shall not be required to pay any fee/stamp duty for its increased authorised Share Capital pursuant to this Clause 5.4.

**5.5 No issuance of Shares by the Amalgamated Company and Cancellation of Shareholding/Investments**

- 5.5.1 Since the entire issued, subscribed, and paid-up Share Capital of the Amalgamating Company 3 is held by the Amalgamated Company (along with its nominees), and since no company can hold its own shares, upon this Scheme becoming effective, and upon transfer and vesting of all assets and liabilities of the Amalgamating Company 3 into and with the Amalgamated Company in accordance with Part V of this Scheme, no shares shall be issued/allotted by the Amalgamated Company either to itself or to any of its nominee shareholders holding shares in the Amalgamating Company 3 in lieu of or in exchange of its/their shareholding in the Amalgamating Company 3.



5.5.2 Upon this Scheme becoming effective, in the (consolidated/merged) balance sheet of the Amalgamated Company, the investments of the Amalgamated Company being Equity Shares held in the Amalgamating Company 3, whether held in its own name or through nominee shareholders (whether in dematerialised form or otherwise), shall stand cancelled in entirety, become non-tradeable and be extinguished without any consideration and without any further act or deed or necessity of them being surrendered to the Amalgamating Company 3 or to the Amalgamated Company and without any liability towards capital gains tax under the IT Act. There will be no change in the shareholding pattern of the Amalgamated Company pursuant to the Amalgamation of the Amalgamating Company 3 in terms of this Part V of the Scheme, since no shares are being issued by the Amalgamated Company pursuant to such Amalgamation.

**5.6 Accounting Treatment in the books of the Amalgamated Company pursuant to the Amalgamation in terms of this Part V**

5.6.1 Notwithstanding anything else contained in this Scheme, upon approval of the Scheme by the NCLT, the Amalgamated Company shall account for merger of the Amalgamating Company 3 in its books of accounts in accordance with Ind AS notified under Section 133 of the Act, under the Companies (India Accounting Standards) Rules, 2015, as may be amended from time to time, and the date of such accounting treatment would be in accordance with the applicable Ind AS:

- (i) The Amalgamated Company shall record the assets and liabilities of the Amalgamating Company 3 vested in it pursuant to this Scheme at the respective carrying amounts as they would appear in the standalone books of accounts of the Amalgamating Company 3.
- (ii) The balance of the reserves appearing in the financial statements of the Amalgamating Company 3 will be aggregated with the corresponding balances of reserves as appearing in the financial statements of the Amalgamated Company.
- (iii) The identity of the reserves shall be preserved and shall appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Company 3.
- (iv) The amount of any inter-company balances/ deposits and loans or advances outstanding between the Amalgamated Company and the Amalgamating Company 3, if any, shall stand cancelled without any further act or deed, upon this Scheme becoming effective, and thereafter there shall be no obligation in that behalf.
- (v) Investment appearing in the books of the Amalgamated Company in the form of Equity Shares held in the Amalgamating Company 3 shall, without any further act or deed, stand cancelled in accordance with Clause 5.5.1.





- (vi) The difference, if any, between the value of net assets acquired and recorded as per clause (i) and the value of (a) reserves acquired and recorded as per clause (ii), (b) cancellation of inter-company balances/ deposits and loans or advances as per clause (iv) and (c) cancellation of investments as per clause (v) above shall be recorded as capital reserve account.
- (vii) In case of any difference in accounting policy between the Amalgamated Company and the Amalgamating Company 3, the accounting policies followed by the Amalgamated Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- (viii) Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Amalgamated Company, shall be allowed to account for any of these balances, including any of the matters not dealt with in clauses herein above, in any manner whatsoever as may be deemed fit in accordance with the Indian accounting standards (Ind AS) specified under Section 133 of the 2013 Act read with Companies (Indian Accounting Standards) Rules, 2015.

**5.7 Accounting treatment in the books of Amalgamating Company 3:**

The Amalgamating Company 3 shall stand dissolved without being wound up upon this Scheme becoming effective. Hence there is no accounting treatment prescribed under this Scheme in the books of accounts of the Amalgamating Company 3.

**5.8 Tax Treatment**

- 5.8.1 The provisions of this Part of the Scheme have been drawn up to comply with the conditions relating to “Amalgamation” specified under the Tax laws, specifically Section 2(1B), Section 47 and other applicable provisions of IT Act.
- 5.8.2 As part of the Scheme, all assets (including immovable properties) of the Amalgamating Company 3 immediately before the Appointed Date shall become the assets / property of the Amalgamated Company, by virtue of the Amalgamation, otherwise than as a result of the acquisition of the property of the Amalgamating Company 3 by the Amalgamated Company pursuant to the purchase of such property by the Amalgamated Company, or as a result of the distribution of such property to the Amalgamated Company, after the winding up of the Amalgamating Company 3.
- 5.8.3 All liabilities of the Amalgamating Company 3 immediately before the Appointed Date shall become the liabilities of the Amalgamated Company, by virtue of the Amalgamation in terms of this Part V of the Scheme.
- 5.8.4 All the deductions otherwise admissible to the Amalgamating Company 3, including payment admissible on actual payment basis or on deduction of appropriate Taxes or on payment of TCS or TDS (such as Section 43B, Section



40, Section 40A etc. of the IT Act) will be eligible for deduction to the Amalgamated Company, upon fulfillment of conditions, if any, required under the IT Act.

- 5.8.5 If, at a later date, any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B), Section 47 and/or other applicable provisions of the IT Act, including as a result of an amendment of law or enactment of new legislation or any other reason whatsoever, the provisions of Section 2(1B), Section 47 and/or other applicable provisions of the IT Act, or corresponding provisions of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary by the Board of Directors of the relevant Scheme Entities, to comply with Section 2(1B), Section 47 and/or other applicable provisions of the IT Act or such corresponding provisions of newly enacted law or new legislation. Such modifications will, however, not affect the other provisions of the Scheme.
- 5.8.6 Without prejudice to the generality of the foregoing, on and from the Appointed Date, if any TDS/ TCS certificate or any other Tax Credit certificate relating in name of Amalgamating Company 3 is received, or Tax Credit is appearing in Form 26AS of Amalgamating Company 3, it shall be deemed to have been received by and in the name of the Amalgamated Company which shall be entitled to claim credit for such Tax deducted or collected.
- 5.8.7 Upon this Scheme becoming effective and with effect from the Appointed Date, all Taxes and duties payable by the Amalgamating Company 3 (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State sales Tax laws, Central Sales Tax Act, 1956, value added tax/ service tax/ goods and services tax and all other Applicable Laws), accruing and relating to the Amalgamating Company 3 from the Appointed Date onwards, including but not limited to advance Tax payments, TDS, TCS, self-assessment tax, regular assessment tax, payment under protest, any refund and claims shall, for all purposes, be treated as advance Tax payments, TDS, TCS or refunds and claims, as the case may be, of the Amalgamated Company.
- 5.8.8 Upon this Scheme becoming effective and with effect from the Appointed Date, all unutilized Tax Credits and exemptions, and other statutory benefits, including in respect of income tax (including but not limited to TDS, TCS, advance Tax, self-assessment tax, regular assessment tax, etc.), CENVAT, customs, value added tax, sales tax, service tax, goods and services tax etc., to which the Amalgamating Company 3 is entitled to shall be available to and vest in the Amalgamated Company, without any requirement of a further act or deed.
- 5.8.9 Each of the Amalgamating Company 3 and the Amalgamated Company shall be entitled to file/ revise its income tax returns, (including income tax returns under Section 170A of the IT Act or otherwise) TDS/TCS certificates, TDS/TCS returns, GST returns and other statutory returns, notwithstanding that the period for filing/ revising such returns may have lapsed and to obtain TDS/TCS certificates, including TDS/TCS certificates relating to transactions between or amongst the Amalgamating Company 3 and the Amalgamated Company and shall have the



right to claim refunds, advance Tax Credits, input Tax Credit, credits of all Taxes paid/withheld/ collected, if any, to the extent permissible under the Applicable Laws relating to Tax, as may be required for the purpose of/ consequent to implementation of this Scheme.

- 5.8.10 Upon the effectiveness of this Scheme, all Tax compliances under any Tax laws by the Amalgamated Company 3 on or after Appointed Date shall be deemed to be made by the Amalgamated Company.
- 5.8.11 All inter-se transactions amongst the Amalgamating Company 3 and the Amalgamated Company between the Appointed Date and the Effective Date shall be considered as transactions from the Amalgamated Company to itself subject to the other provisions of this Scheme. Any Tax deducted at source by the Amalgamating Company 3/ Amalgamated Company on inter-se transactions between the Amalgamating Company 3 and the Amalgamated Company between the Appointed Date and the Effective Date shall be deemed to be advance tax paid or Tax deposited by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly in the hands of the Amalgamated Company. The Amalgamated Company shall be accordingly entitled to claim refund of Tax paid, if any, on these inter-se transactions. Further, for the avoidance of doubt, input Tax Credits already availed of or utilized by the Amalgamating Company 3 and the Amalgamated Company in respect of inter-se transactions of supply or receipt of goods and services between the Appointed Date and the Effective Date shall not be adversely impacted by this Scheme.
- 5.8.12 Upon this Scheme becoming effective, any Tax deposited, certificates issued or returns filed by the Amalgamating Company 3 relating to Amalgamating Company 3 shall continue to hold good as if such amounts were deposited, certificates were issued, and returns were filed by the Amalgamated Company.
- 5.8.13 All the expenses incurred by the Amalgamating Company 3 and the Amalgamated Company in relation to the Amalgamation of the Amalgamating Company 3 with the Amalgamated Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Amalgamated Company in accordance with Section 35DD of the IT Act over a period of five(5) financial years beginning with the previous year during which this Scheme becomes effective.
- 5.8.14 Any refund, Tax Credit and adjustment under the Tax laws due to the Amalgamating Company 3 pertaining to the Amalgamating Company 3 consequent to the assessments made on the Amalgamating Company 3 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Amalgamated Company. The Appropriate Governmental Authority shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the sanction of this Scheme by the NCLT and upon relevant proof and documents being provided to the Appropriate Governmental Authority.
- 5.8.15 The Amalgamating Company 3 may be entitled to various incentive schemes, subsidies, special status, entitlements, benefits, advantages, privileges, exemptions, credits, Tax holidays, remissions, reductions, rebates, etc and

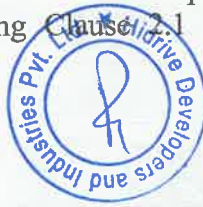


pursuant to this Scheme, all such benefits pertaining to the Amalgamating Company 2 shall stand transferred to and vested in the Amalgamated Company and all such benefits, of any nature whatsoever including benefits under various Taxes including the income tax, excise, sales tax, service tax, goods and services tax exemptions, concessions, remissions, subsidies and other incentives in relation to the consumer products business, to the extent statutorily available, shall be claimed by the Amalgamated Company.

## 5.9 Conduct of Businesses till Effective Date

5.9.1 With effect from the Appointed Date and up to and including the Effective Date:

- (i) the Amalgamating Company 3 undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of all its properties and assets, for and on account of and in trust for the Amalgamated Company;
- (ii) all profits or income arising or accruing in favour of the Amalgamating Company 3 and all Taxes paid thereon (including but not limited to advance tax, self-assessment tax, regular assessment tax, TDS, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) or losses arising or incurred by the Amalgamating Company 3 shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, as the case may be, of the Amalgamated Company;
- (iii) the Amalgamating Company 3 shall carry on its business with reasonable diligence and business prudence in the ordinary course and in the same manner as it had been doing hitherto in good faith and in accordance with Applicable Law, and shall not undertake any additional financial commitment of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure, issue any additional guarantee, indemnity, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:
  - (a) when the same is expressly provided in the Scheme;
  - (b) when the same is in the ordinary course of business as carried on by the Amalgamating Company 3; or
  - (c) when written consent of the JKLC / Amalgamated Company has been obtained in this regard.
- (iv) In the event that the Amalgamating Company 3 and/or the Amalgamated Company change their capital structures either by way of any increase (by issue of Equity Shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), the relevant provisions of this Scheme, including Clause 2.1 and 2.4, shall stand



modified / adjusted accordingly to take into account the effect of such corporate actions;

- (v) the Amalgamating Company 3 shall not alter or substantially expand its business, except with the prior written consent of the Amalgamated Company; and
- (vi) the Amalgamating Company 3 shall not amend its memorandum of association or articles of association, except with prior written consent of Amalgamated Company.

5.9.2 With effect from the Effective Date, the Amalgamated Company shall carry on and shall be entitled to carry on the business, as carried on by the Amalgamating Company 3 immediately prior to the Effective Date.

5.9.3 For the purpose of giving effect to the Amalgamation order passed under Sections 230 to 232 of the 2013 Act and such other provisions thereof in respect of this Scheme by the NCLT, the Amalgamated Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the Amalgamation of the Amalgamating Company 3, in accordance with the provisions of Sections 230 to 232 of the 2013 Act and such other provisions thereof, as applicable. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

5.9.4 The Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy, upon this Scheme becoming effective, all liabilities and obligations of the Amalgamating Company 3 with effect from the Appointed Date (to the extent the same has already not been paid by the Amalgamating Company 3), in order to give effect to the foregoing provisions.

#### 5.10 Dissolution of the Amalgamating Company 3

Upon the Effective Date, the Amalgamating Company 3 shall, without any further act or deed, stand dissolved without being wound up, in accordance with the 2013 Act and the name of the Amalgamating Company 3 shall be struck off the register of companies maintained by the Registrar of Companies. Consequently, upon the Effective Date, the investments in the equity Share Capital of the Amalgamating Company 3 appearing in the books of accounts of its shareholders and their nominees shall stand cancelled.

#### 5.11 Saving of Concluded Transactions

Subject to the terms of the Scheme, the Amalgamation and vesting of the Amalgamating Company 3 into the Amalgamated Company shall not affect any transaction or proceedings already concluded by the Amalgamating Company 3 until the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the



Amalgamating Company 3 in respect thereto as acts, deeds and things made, done and executed by or on behalf of the Amalgamated Company.



## PART VI

## 6. Miscellaneous and General Terms and Conditions

## 6.1 Consolidation of Authorised Share Capital and alteration of Memorandum of Association of the Amalgamated Company

6.1.1 Consequent to Clause 3.4 of Part III, Clause 4.4 of Part IV and Clause 5.4 of Part V above, the Memorandum of Association of the Amalgamated Company shall, without any further act, instrument or deed, stand altered and be modified and amended, pursuant to Sections 230 to 232 of the Act read with Sections 13 and other applicable provisions of the 2013 Act, in a manner as set out hereunder:

- (i) The new authorised Share Capital of the Amalgamated Company shall be INR 721,51,00,000 (Indian Rupees seven-hundred-twenty-one crore and fifty-one lakh only), divided into 129,30,20,000 (one-hundred-twenty-nine crore thirty lakh twenty thousand) Equity Shares of INR 5 (Indian Rupees five) each (amounting to INR 646,51,00,000), 50,00,000 (fifty lakh) preference shares of INR 100 (Indian Rupees one hundred) each (amounting to INR 50,00,00,000) and INR 25,00,00,000 (Indian Rupees twenty-five crore) of unclassified share capital.
- (ii) Upon this Scheme becoming effective, Clause 5 of the Memorandum of Association of the Amalgamated Company shall, without any further act, deed or instrument, be substituted by the following clause:

*“The authorised share capital of the Company is INR 721,51,00,000 (Indian Rupees seven-hundred-twenty-one crore and fifty-one lakh only), divided into 129,30,20,000 (one-hundred-twenty-nine crore thirty lakh twenty thousand) Equity Shares of INR 5 (Indian Rupees five) each, 50,00,000 (fifty lakh) preference shares of INR 100 (Indian Rupees one hundred) each, and INR 25,00,00,000 (Indian Rupees twenty-five crore) of unclassified share capital, with power to increase, reduce, vary, alter or modify and divide, sub-divide or consolidate the nominal value of the Shares in the Capital for the time being and to classify or reclassify the whole or part of the Unclassified- Classified Share Capital into one or more classes and/or denominations and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions and to vary, modify or abrogate any such rights, privileges and conditions or restrictions attached thereto, whether in regard to dividend, voting, return of capital or otherwise and in such manner as may be permitted by the Companies Act, 2013 or any Statutory modification or re-enactment thereof or as provided by the Articles of Association of the Company.”*

6.1.2 Deemed Approval of Shareholders for such Amendment: The consent of the shareholders of JKLC to this Scheme shall be sufficient for the purposes of effecting each of the amendments contemplated in this Clause 6.1, and no further resolutions or approvals, whether under Sections 13, 61 and 64 of the 2013 Act or any other applicable provisions of the 2013 Act, or under the Articles of



Association of JKLC, shall be required to be separately passed, nor shall the Amalgamated Company be required to pay any additional registration fees, stamp duty, etc, in respect of such increase/consolidation of authorized share capital.

## 6.2 Power to amend the Scheme

6.2.1 Notwithstanding any other provisions of this Scheme, but subject to Applicable Laws, the power to make such amendments/modifications to the Scheme (without changing the essence thereof), as may become necessary, whether before or after the Effective Date, shall vest with the Board of Directors of each of the Scheme Entities, which power shall be exercised reasonably in the best interests of the Scheme Entities and their stakeholders, and which power can be exercised at any time.

## 6.3 Filing of Applications / Petitions with Tribunal

6.3.1 The Scheme Entities shall, with all reasonable dispatch, make their respective applications or a joint application to the jurisdictional Tribunal under Sections 230 and 232 of the 2013 Act, and other applicable provisions thereof, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of such classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved by the Tribunal.

6.3.2 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of each of the Scheme Entities (wherever required), each of the Scheme Entities shall, with all reasonable dispatch and file respective petitions before the jurisdictional Tribunal for sanction of this Scheme under Sections 230 to 232 of the 2013 Act, and other applicable provisions thereof, and for such other order or orders, as the Tribunal may deem fit for sanctioning/giving effect to this Scheme. Upon this Scheme becoming effective, the shareholders of each of the Scheme Entities, shall be deemed to have also accorded their approval under all relevant provisions of the 2013 Act, as applicable, for giving effect to all the provisions contained in this Scheme.

## 6.4 Effectiveness of the Scheme

6.4.1 This Scheme is conditional upon, and shall become effective on happening of the last of the following (“Effective Date”):

- (i) receipt of observation or no-objection letter by JKLC and the Amalgamating Company 1 from SEBI / Stock Exchanges under Regulation 37 of the SEBI Listing Regulations, in accordance with the SEBI Scheme Circular in respect of the Scheme, on terms acceptable to JKLC and the Amalgamating Company 1;
- (ii) this Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors, as per the directions of the Tribunal of each of the Scheme Entities as required under the 2013 Act;





- (iii) the Scheme being sanctioned by the Tribunal and appropriate orders being passed by the Tribunal pursuant to Sections 230 and 232 of the 2013 Act and other relevant provisions thereof, as may be applicable; and
- (iv) certified copies of the relevant Orders of the Tribunal being filed by each of the Amalgamating Companies and the Amalgamated Company with the Registrar of Companies, Jaipur.

6.4.2 This Scheme shall become effective from the Effective Date, and the provisions of this Scheme shall be applicable and come into operation with effect from the Appointed Date.

### 6.5 Sequence of Events

Upon sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative on Effective Date, only in the sequence and in the order mentioned hereunder:

- (i) transfer and vesting of all assets and liabilities of the Amalgamating Company 1 into and with JKLC in accordance with Part III of the Scheme;
- (ii) transfer and vesting of all assets and liabilities of the Amalgamating Company 2 into and with JKLC in accordance with Part IV of the Scheme;
- (iii) transfer and vesting of all assets and liabilities of the Amalgamating Company 3 into and with JKLC in accordance with Part V of the Scheme;
- (iv) consolidation of authorised Share Capital of the Amalgamated Company and amendment to the Memorandum of Association of the Amalgamated Company in terms of Clause 6.1 of the Scheme; and
- (v) issuance and allotment of Consideration Shares by the Amalgamated Company to the Eligible Shareholders of the Amalgamating Company 1 in terms of this Scheme.

### 6.6 Record Date

After this Scheme is sanctioned but before it becomes effective (Effective Date), the Board of Directors of the Amalgamating Company 1 shall, in consultation with the Board of Directors of JKLC / the Amalgamated Company, determine the record date ("**Record Date**") for issuance and allotment of Equity Shares to the Eligible Shareholders of the Amalgamating Company 1 in terms of Part III of this Scheme and the direction of the Tribunal in this regard (if any) for the Amalgamation of the Amalgamating Company 1 pursuant to the Scheme. On determination of Record Date, the Amalgamating Company 1 shall provide to the Amalgamated Company, the list of their respective shareholders as on such Record Date, who are entitled to receive the Equity Shares by the Amalgamated Company in terms of Part III of this Scheme, in order to enable the Amalgamated Company to issue and allot such Equity Shares to such eligible shareholders of the Amalgamating Company 1.



**6.7 Binding Effect**

Upon this Scheme becoming effective it shall be binding on the Scheme Entities, their respective shareholders, creditors and all other stakeholders.

**6.8 Miscellaneous**

6.8.1 JKLC and the Amalgamating Company 1 shall comply with the provisions of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93, dated June 20, 2023 (“**SEBI Scheme Circular**”), as amended from time to time, while inter alia procuring the approval of its Public Shareholders and shall provide for voting by such Public Shareholders through postal ballot and e-voting, as may be applicable. For the purposes of this Clause 6.8, the term ‘public’ shall have the meaning ascribed to such term under Rule 2 of Securities Contracts (Regulation) Rules, 1957.

6.8.2 As an integral part of the Scheme, all rights and liabilities of the Amalgamating Companies in or to a bid presently submitted, if any, to any Person or entity or authority shall stand transferred to the Amalgamated Company.

6.8.3 The transfer of properties and liabilities to, and the continuance of proceedings in terms of the Scheme, including as envisaged in Part III, Part IV and Part V of this Scheme, shall not affect any transaction or proceedings already concluded by any of the Scheme Entities on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Scheme Entities in respect thereto as done and executed on behalf of itself.

6.8.4 Each of the Scheme Entities shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date. Holders of the Equity Shares in each of the Scheme Entities, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends. It is clarified that the aforesaid provision in respect of declaration of dividend is only an enabling provision and shall not be deemed to confer any right on any shareholder of any of the Scheme Entities to demand or claim any dividend.

6.8.5 Each of the Scheme Entities shall be entitled to undertake their business operations in ordinary course without any disruption in services and/or operations till the Effective Date of the Scheme.

6.8.6 The resolutions passed by the Board of Directors and the shareholders of the Scheme Entities, which approve the Scheme shall also be deemed to have approved, inter alia, the above actions without the need to pass any separate resolutions for any of the above. Benefits of any and all corporate approvals as may have already been taken by each of the Scheme Entities, including approvals under Sections 42, 62, 180, 185, 186, 188, 196, 197, 198, 203 of the 2013 Act, SEBI Listing Regulations or under the Companies Act, 1956, etc. as the case may be, shall stand transferred to the Amalgamated Company and the said corporate



approvals and compliances shall be deemed to have been taken / complied with by the Amalgamated Company

- 6.8.7 Each of the Scheme Entities (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the Tribunal, SEBI, Stock Exchange(s) and/or any other authorities may deem fit to direct or impose, or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Scheme Entities (acting through their respective Boards of Directors), are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Tribunal or SEBI or of any directive or order of any other authorities, or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 6.8.8 Notwithstanding anything contained to the contrary in this Scheme, the Scheme Entities (acting through their respective Boards of Directors), shall be at liberty to withdraw from this Scheme in case: (i) any condition or alteration imposed by the Tribunal or any other authority is not acceptable to the Scheme Entities; or (ii) any deemed modifications to the Scheme resulting from the Scheme (or any part thereof) being or becoming inconsistent with Applicable Laws (including resulting from an amendment of law or for any other reason whatsoever) is not acceptable to the Scheme Entities; or (iii) prior to the Effective Date, the Scheme Entities (acting through their respective Board of Directors) mutually agree at any time to withdraw the Scheme for any reason.
- 6.8.9 If any Part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such Part shall be severable from the remainder of this Scheme and this 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 Scheme Entities (acting through their respective Board of Directors), shall attempt to bring about appropriate modifications to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, in equitable manner as per the intent and spirit of the Scheme, including but not limited to such part.
- 6.8.10 All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto, up to the Effective Date, shall be borne and paid by the Amalgamated Company (unless mutually agreed otherwise by the Scheme Entities acting through their respective Board of Directors), and such expenses shall be entitled to be amortised in terms of Applicable Laws.

