

**SCHEME OF ARRANGEMENT**

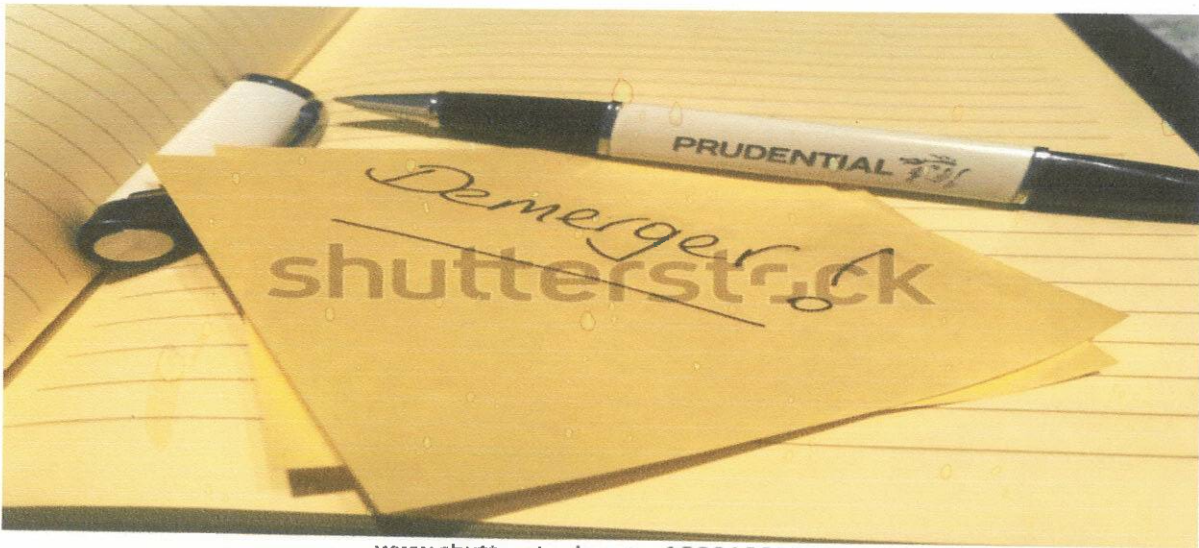
**BETWEEN**

**BIRLA PRECISION TECHNOLOGIES LIMITED [BPT Limited]  
AND  
BIRLA ACCUCAST PRIVATE LIMITED[BAPL]**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**(UNDER SECTIONS 230 TO 232 READ WITH SECTION 66  
OF THE COMPANIES ACT, 2013)**



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Bird's Eye view:

Birla Precision Technologies Limited [BPT Limited] is a BSE Listed Company. It has three independent manufacturing units/ divisions. It is proposed to Demerge Foundry Division/ Unit [i.e Demerged undertaking ] of Birla Precision Technologies Limited to its wholly owned subsidiary Birla Accucast Private Limited [ BAPL].BAPL to issue and allot equity shares to shareholders of BPT Limited as consideration for the transfer of the Demerged Undertaking. Following the Demerger there will be no change in shareholding pattern and shareholder value, across Companies, will be preserved .The rationale – it will create opportunities for pursuing independent growth and expansion strategies in the segregated businesses and effectively unlock value of each of the manufacturing units. The Demerger also represents an opportunity for the public shareholders to exploit the individual potential of both Companies.And segregation will allow each of the Companies to create a strong and distinctive platform with more focused management teams, which will enable greater flexibility to pursue long-term objectives and independent business strategies.

Keeping in view the high standards of governance, transparency and fairness for all stakeholders for which Birla Group is well known for, the company has proposed that the resulting entity i.e. BAPL would be unlisted and has given option to resident Indian shareholders of BPT Limited. The shareholders may receive one equity share with face value of Rs.2 in BAPL for every four equity shares with face value of Rs.2 each in BPT Limited that they hold such that the shareholding in the Resulting Company on such issuance of shares is the mirror image of the shareholding in the Demerged Company. The exchange ratio will be 1 equity share in BAPL for every 4 equity shares in BPT Limited. The dissenting shareholders shall be given an opportunity to exit by the promoters or shareholders having control in accordance with SEBI Regulations, to receive fair compensation against their share entitlement in the Resulting Company.

In this proposed arrangement there is no change in shareholding pattern (pursuant to demerger) therefore Valuation Report is not mandatory pursuant to Para 4 (b) of SEBI Master Circular on Scheme of Arrangement by Listed Entities SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021. There is voluntarily compliance so as to arrive at Fair value payable as consideration to the dissenting shareholders.

*Payht*

A circular purple stamp of Birla Precision Technologies Limited, Mumbai. The text around the perimeter reads "BIRLA PRECISION TECHNOLOGIES LIMITED" and "MUMBAI". There is a small star symbol at the bottom center of the stamp.

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B		Description of the Demerged Co [ BPT Limited & Resulting Co.[BAPL]	Incorporation Details; Capital Structure; Main Object (MOA)	Demerged Co [ BPT Limited ] is BSE Listed. Resulting Co.[BAPL] : is a Private Limited Company & wholly owned subsidiary
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F		General	Scheme comprises of 3 Parts	<b>Part I:</b> [Point 1 & 2] Definitions & Details of Demerged Co & Resulting Co & their Capital Structure. <b>Part II:</b> [Point 3 to 17] Transfer & Vesting of Demerged Undertaking i.e Foundry Division. Refer Point 11: Consideration <b>Part III:</b> [Points 18 to 29] (GENERAL PROVISIONS)



## A.PREAMBLE

This scheme of arrangement ("Scheme", as more particularly defined hereinafter) is presented under Sections 230-232 and other applicable provisions of the Companies Act, 2013 and provides *inter alia* for demerger of the Demerged Undertaking (*as defined below*) of **BIRLA PRECISION TECHNOLOGIES LIMITED** or **BPT Limited** and transfer of the same to **BIRLA ACCUCAST PRIVATE LIMITED** or **BAPL("Demerger")** and matters consequential or connected there with pursuant to the provisions of the Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions thereof read with Section 2(19AA) of the IT Act (*as defined below*), and the SEBI Circular (*as defined below*).

## B. DESCRIPTION OF THE DEMERGED COMPANY AND THE RESULTING COMPANY

### DEMERGED COMPANY

**BIRLA PRECISION TECHNOLOGIES Limited** or **BPT Limited** ("Transferor Company" or "Demerged Company") was incorporated as Public Limited Company on 13<sup>th</sup> October, 1986 under the Companies Act, 1956 in the State of Maharashtra [originally in the name of Birla Erickson (Tools) Limited and name changed to Birla Kennametal Limited on 1st December, 1989 and again name changed to Birla Precision Technologies Limited on 20th November, 2007 and validly subsisting under the Companies Act, 2013 (CIN L29220MH1986PLC041214). The Registered Office of the Transferor Company is situated at 23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai, Maharashtra - 400004 in the State of Maharashtra. The Authorized share Capital is Rs. 120,00,00,000 (Rs.12000 Lakhs) divided into 60,00,00,000 Equity Shares of Rs.2/- each and paid-up Equity Share Capital as on 31st March, 2022 stood at Rs.13,05,42,274 (Rs.1305.42 Lakhs) consisting of 6,52,71,137 shares of Rs.2/- each. The equity shares of the Demerged Company are listed on BSE Limited.

### MAIN OBJECTS OF DEMERGED COMPANY:

Main Objects as per Object Clause of Memorandum of Association of the Company are as follows:

- (1) To carry on in India or elsewhere the business of assembling, fabrication, manufacture, production, buying, selling, importing, exporting, repairing, servicing or otherwise dealing in all types of Tool and Work Holders, Rotary Positioning, Small and Cutting Tools, Minature Tools, Parts of Machine Tools, Machine Tools and Machine Tool Accessories.
- (2) To manufacture, produce, process, buy, sell, export, import, trade and deal in components, sub-assemblies, parts, spares and accessories, castings and casting products for automotive and other applications.
- (3) To set up tool rooms and undertake machining work of components, sub-assemblies, parts, spares, tools, dies and fixtures.
- (4) To manufacture, produce, process, buy, sell, export, import, trade and deal in machined parts, general and special purpose machines, forging and forging items and machine tools for automotive and other engineering applications.

It is an Engineering company established in 1937, a pioneer in the various areas it operates within. It has 3 Divisions:





Indian Tool Manufacturers (ITM) -

**Tool Division: Plant Location**

**B-15/3/1 MIDC,WALUJ, AURANGABAD-431133**  
62/63 MIDC, SATPUR, NASHIK- 422007

Spearheaded in the year 1986, ITM manufactures and supplies High Speed Steel Cutting tools in domestic and global markets. Intensive value-based approach is ingrained in ITM's operation on a continuous basis which allows it to come up with products to cater the demand of innovative products offered as total solutions custom designed for its clients. ITM products are well known as "Dagger Brand" and having the leading market share in India for Drills, produced using the finest quality material. Being the First Cutting Tool Company in India, which conform to stringent worldwide benchmarks and are currently exported to the European, American and Asian markets apart from being sold in Indian market with country's largest distribution network for this Industry.

Tool Holder Division -

**Tool Holder Division: Plant Location**

**B-15/4 MIDC,WALUJ, AURANGABAD-431133**

It is currently branded as BPT the erstwhile Birla Kennametal Ltd was established in 1986, as a Joint Venture between Kennametal, a US \$ 4 billion conglomerate and Birla Group, thus continuing onwards a trait which has become characteristic of Birla Precision - becoming the first Tool Holding Company in India. Here it manufactures AT3 Tool Holders, Collets, Work Holding and Production Boosters- Some of which it is the only manufacturer in India thus being a total Import substitute and flag bearer of the Make in India initiative. BPT caters to international market -USA, Germany and APAC, and in recent times to the Far East including China. Besides, BPT also sells in domestic market in a large way to all major customers.

Foundry

**Foundry Division: Plant Location**

**B-15/3/2 MIDC,WALUJ, AURANGABAD-431133**

It is automotive division fabricates castings machined products and precision components. This division was erstwhile Birla Perucchini, a JV with Perucchini spa, Italy one of the biggest name in the European Hydraulic Space. Big league names like Honeywell, Sundram Fasteners and Cummins trust and rely on it for high quality products.

**RESULTING COMPANY**

BIRLA ACCUCAST PRIVATE LIMITED ("Transferee Company" or "BAPL" or "Resulting Company") is an unlisted private company incorporated on 12<sup>th</sup> August, 2021 under the provisions of Companies Act, 2013 in the State of Maharashtra



(CINU29100MH2021PTC365754).At present, the Registered Office of the Resulting Company is situated at 1st Floor, Birla Mansion No. 2, D. D. Sathe Marg, Prarthana Samaj, Mumbai -400004 in the State of Maharashtra. The Authorised share Capital is Rs. 1,00,000 divided into 10,000 Equity Shares of Rs.10/- each and paid-up Equity Share Capital as on 31st March, 2022 stood at Rs.1 Lakh consisting of 10,000 shares of Rs10/- each. Its principle business activity is Manufacture of machinery and equipment. It is incorporated as a wholly owned subsidiary of BPT Limited, the Demerged Company, with the objective of engaging in business of assembling, fabrication, manufacture, production of all types of tool & work holders and holding strategic business interest in casting & casting products for automotive & other applications.

**MAIN OBJECTS AS PER OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF RESULTING COMPANY:**

- (1) To carry on in India or elsewhere the business of assembling, fabrication, manufacture, production, buying, selling, importing, exporting, repairing, servicing or otherwise dealing in all types of Tool and Work Holders, Rotary Positioning, Small and Cutting Tools, Minature Tools, Parts of Machine Tools, Machine Tools and Machine Tool Accessories.
- (2) To manufacture, produce, process, buy, sell, export, import, trade and deal in components, sub-assemblies, parts, spares and accessories, castings and casting products for automotive and other applications.
- (3) To set up tool rooms and undertake machining work of components, sub-assemblies, parts, spares, tools, dies and fixtures.
- (4) To manufacture, produce, process, buy, sell, export, import, trade and deal in machined parts, general and special purpose machines, forging and forging items and machine tools for automotive and other engineering applications.

**C.CIRCUMSTANCESFOR DEMERGER**

The Demerged Company was established in the year 1986 with simple plant namely foundry division at Aurangabad. Over the years, the Demerged Company has grown manifold under the aegis of Birla families (being the promoters/promoter group of the Demerged Company), supported by other stakeholders, by exponentially expanding its core business of tool manufacturing as well as commencing various allied businesses.

Over the years the Demerged Company expanded its business by setting up the three independent integrated tool manufacturing divisions under leading brands.

The journey thus far has been under the stewardship of the board of the directors from time to time.

It is now proposed, by way of the Demerger, to segregate the management and ownership of the different manufacturing facilities/units of the Demerged Company for the manufacture of cutting tools; tool holders and foundry products without splitting any of such standalone manufacturing units. Thus demerge/ transfer Foundry Division/ Undertaking of the Demerged



Company to the Resulting Company. This will enable creation of two separate platforms for maximum exploitation of each of the above business opportunities through each of the Companies (*as defined below*), including in particular by streamlining management and administration and enabling the pursuit of diverse and independent strategic aspirations, in a manner that unlocks and maximises value for all shareholders and drives future strategic growth under the overall Birla legacy.

#### D.RATIONALE

(i) The proposed Demerger will create opportunities for pursuing independent growth and expansion strategies in the segregated businesses and effectively unlock value of each of the manufacturing units. The Demerger also represents an opportunity for the public shareholders to exploit the individual potential of both Companies.

(ii) The segregation will allow each of the Companies to create a strong and distinctive platform with more focused management teams, which will enable greater flexibility to pursue long-term objectives and independent business strategies. The structure will streamline management and provide diversity in decisions regarding the use of respective cash flows for dividends, in capital expenditure or other reinvestment in their respective business, and in being able to explore varied investment opportunities and attract various investors and strategic partners.

(iii) The business units of the Demerged Company are independent, self-sufficient in raw material, and standalone integrated, and would continue to function with efficiency, efficacy and synergies after the Demerger, and transition will be largely seamless.

(iv) The Demerger at this juncture will also create a framework for succession planning including long term leadership of each Company with a view to ensure that the management and ownership model of the Demerged Company is not hindered by fragmentation of ownership and dispersed leadership over time as the promoter manager families move closer to a generational shift, which may be detrimental to the Demerged Company, business and stakeholders. Instead, following the Demerger, the management of each Company and ownership of the promoter-managers in each Company will remain consolidated within a family group and will be lean and agile. This will also ensure long term stability including through continued maintenance of goodwill and harmony and allow for succession planning in an orderly and strategic manner without any business disruption.

(v) Pursuant to Demerger, the wholly owned subsidiary (i.e. BAPL/ Resulting Company) will be converted into a public company. The shareholding of public shareholders following the Demerger will remain the same in both Companies and shareholder value, across Companies, will be preserved and remain unchanged.

BPT Limited will remain a publicly listed company that will focus exclusively on tool & tool holder businesses while BAPL will be an unlisted company that will focus on the Foundry business which would provide fresh impetus to both BPT Limited and BAPL to pursue their individual growth strategies and improve competitiveness in their respective market segments.



Further, the Birla brand will be jointly owned by both the companies. The Demerger also represents an opportunity for the public shareholders to exploit the individual potential of both Companies. The arrangement would also be beneficial for the investors/ shareholders.

#### E. OPERATION OF THE SCHEME

(I) The Demerged Undertaking of the Demerged Company is proposed to be demerged and transferred to the Resulting Company for achieving the abovementioned objectives, pursuant to Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions thereof read with Section 2(19AA) of the IT Act (*as defined below*), and the SEBI Circular (*as defined below*).

(II) The Resulting Company shall issue and allot equity shares to all the shareholders of the Demerged Company in proportion to their shareholding in the Demerged Company, as consideration for the transfer of the Demerged Undertaking (*as defined below*). The new equity shares of the Resulting Company to the shareholders of Demerged Company shall not be listed. The Resulting Company being a private company will be converted into Unlisted Public Company. The dissenting shareholders shall be given an opportunity to exit by the promoters or shareholders having control in accordance with SEBI Regulations, to receive fair compensation against their share with the company.

The Demerger of the Demerged Undertaking in accordance with this Scheme shall take effect from the Appointed Date and shall be in accordance with Section 2(19AA) of the IT Act, such that:

- (a) All the properties of the Demerged Undertaking as on the Appointed Date shall be transferred to and become the properties of the Resulting Company by virtue of this Scheme;
- (b) All the liabilities relating to the Demerged Undertaking, as on the Appointed Date shall become the liabilities of the Resulting Company by virtue of this Scheme;
- (c) The properties and the liabilities relating to the Demerged Undertaking shall be transferred to the Resulting Company at the value appearing in the books of accounts of the Demerged Company immediately before this Demerger;
- (d) The Resulting Company shall issue, in consideration of this Demerger, its equity shares to all the shareholders of the Demerged Company as on the Record Date on a proportionate basis, in accordance with this Scheme;
- (e) All the shareholders of the Demerged Company as on the Record Date shall become the shareholders of the Resulting Company by virtue of this Demerger;
- (f) The transfer of the Demerged Undertaking shall be on a going concern basis; and
- (g) The Demerger is in accordance with the conditions, if any, notified under sub-section (5) of section 72A of the IT Act, by the Central Government in this behalf.

For demerger of the Demerged Undertaking (defined below) of BPTL into BAPL, this Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any of the terms or provisions of this Scheme is/are found or interpreted to be inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(19AA) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand deemed modified to the extent determined necessary to comply with the provisions of Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.





(III) Immediately following the issue and allotment of the New Equity Shares (*as defined below*) by the Resulting Company to the equity shareholders of the Demerged Company, the existing shareholding of the Demerged Company and its nominees in the Resulting Company will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the Resulting Company.

#### F.GENERAL

The Scheme is divided into the following parts:

Part I deals with the definitions and the share capital.

Part II deals with the transfer and vesting of the Demerged Undertaking from the Demerged Company to the Transferee Company.

Part III deals with the general terms and conditions that would be applicable to this Scheme.



## PART I

### 1. DEFINITIONS

1.1 In this Scheme, unless in consistent with the subject or context, the following expressions shall have the following meanings:

"Accounting Standards" means the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, as per Section 133 of the Companies Act, 2013 issued by the Ministry of Corporate Affairs and the other generally accepted accounting principles in India.

"Act" or "the Act" means the Companies Act, 2013(to the extent notified and including any statutory modifications or re-enactment(s) thereof) and rules and regulations made there under.

"Applicable Law" means any applicable statute, notification, bylaws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force.

"Appointed Date" means opening business hours of 1<sup>st</sup> day of April, 2022or such other date as the NCLT may direct/allow.

"Appropriate Authority" means any applicable central, state or local government legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority or any court, arbitrator, alternative dispute resolution body or tribunal, or entitled to exercise, any administrative, executive, judicial, legislative functions of the government, in each case with applicable jurisdiction, including but not limited to SEBI, Stock Exchanges, the Competition Commission of India, regional director, Ministry of Corporate Affairs, Registrar of Companies and NCLT.

"Board" in relation to the Demerged Company and the Resulting Company, as the case may be, means the board or directors of such company and shall include a committee of directors or any person authorized by the Board or such committee of directors duly constituted and authorised for the purposes of matters pertaining to the arrangement as contemplated under this Scheme and/or any other matter relating thereto.

"BSE" means the BSE limited.

"Companies" means the Demerged Company and the Resulting Company collectively and each referred to as "Company" individually.

"Demerged Company" means BIRLA PRECISION TECHNOLOGIES LIMITED, a public company, limited by shares incorporated under the provisions of the Companies Act, 1956 under Corporate Identity No. L29220MH1986PLC041214and having its registered office at 23, Birla Mansion No. 2, 1st Floor, D. D. Sathe Marg, Prarthana Samaj, Mumbai City MH 400004 IN and having PAN AABCT2827N.



"Demerged Undertaking" means all the business, undertakings, properties, activities, operations, investments and liabilities of whatsoever nature and kind and whosoever situated, of the Foundry Division of Demerged Company, in relation to and pertaining to the Demerged Units on a going concern basis, together with all assets and liabilities pertaining to the Demerged Units and shall include (without limitation):

(a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications, digital properties and related data, related investments, plant and machinery, equipment, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks, investments including shareholding in BAPL, escrow accounts, claims tax credits, input credits, pro rata minimum alternate tax credits, tax refunds and claims of any kind, allotments, approvals, consents, letters or intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold, brands, goodwill, other intangibles, industrial and other licenses, approvals, permits, authorizations, Intellectual Property, assignments and grants in respect thereof, import and export quotas and other quota rights, right to use and avail of telephones, facsimile, email, internet and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds and benefits (including all work-in-progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, privileges and approvals of whatsoever nature and where so ever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to the Demerged Units as stated above as on the Appointed Date, including those listed in **Schedule I**;

(b) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/or security deposits, payment against warrants, if any, or other entitlements of the Demerged Company pertaining to the Demerged Units as on the Appointed Date;

(c) all employees of the Demerged Company engaged in or in relation to the Demerged Units, along with all benefits under employment including gratuity, superannuation, pension benefits and the provident fund or other compensation or benefits of such employees;

(d) all the Transferred Liabilities (as *defined below*);

(e) all books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs and software's along with their licenses and registrations, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Demerged Unit as stated above of the demerged Company;



- (f) all legal proceedings (past, present or future) of whatsoever nature by or against the demerged Company relating to the Demerged Undertaking;
- (g) any assets, liabilities, agreements, undertakings, activities, operations or properties that are determined by the Boards of the Companies relating to or forming part of the Demerged Unit or which are necessary for conduct of, or the activities or operations of, the demerged Units.

"Demerged Units" means the foundry division of the Demerged Company, each of which is referred to as a going concern.

**Foundry Division: Plant Location**  
**B-15/3/2 MIDC, WALUJ, AURANGABAD-431133**

"Effective Date" means the date or the last date of the dates on which all the conditions and matters referred to in Clause 24 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. References in this Scheme to the "date of coming into effect of this Scheme" or "upon the Scheme becoming effective" or "effectiveness of the scheme" shall mean the effective date.

"Encumbrance" or to "Encumber" (including with correlative meaning, the term "Encumbered") means without limitation any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law.

"Exit Price" means Rs.2/- per equity share of Rs.2 each of the Transferee Company, allotted on Demerger.

"BPI Promoter Group" means MS. Avanti Birla, Mr. Yashovardhan Birla, Birla Bombay Private Limited, Khopoli Investments Ltd, Birla Shloka Edutech Limited, Vedant Consultancy Private Limited, Zenith Dye Intermediates, Birla Industries Group Charity Trust, Matri Seva Sadan Charity Trust, Yash Society, Birla Infrastructure Limited, and Shearson Investment & Trading Co Pvt Ltd, Birla Infrastructure & Constructions Pvt. Ltd.

"BAPL Promoter Group" means BIRLA PRECISION TECHNOLOGIES LIMITED.

"Intellectual Property" means patents, utility models, rights in inventions, supplementary protection certificates, rights in information (including know-how, confidential information and trade secrets) and the right to use, and protect the confidentiality of, confidential information, trademarks, service marks, rights in logos, trade and business names, rights in each of get-up and trade dress and all associated good will, rights to sue for passing off and/or for unfair competition and domain names, copyright, moral rights and related rights, rights in computer software, data base rights, rights in designs, and semi-conductor topography rights, any other intellectual property rights, all rights or forms of protection.





"IT Act" means the Income-tax Act, 1961 as may be amended or supplemented from time to time (and any successor provisions or law), including any statutory modifications or re-enactments thereof together with all applicable by-laws, rules, regulations, orders, ordinances, directions including circulars and notifications and similar legal enactments, in each case issued under the Income-tax Act, 1961.

"Liability(ies)" means liabilities of every kind, nature and description whether deriving from contract or under Applicable Law or otherwise, including contingent liabilities, whether past, present or future, including, but not limited to, dues, debts, loans, secured loans, unsecured loans, borrowings, statutory liabilities, contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of any nature, along with any Encumbrance thereon.

"NCLT" means National Company Law Tribunal at Mumbai having jurisdiction in relation to the Demerged Company and Resulting Company and /or the National Company Law Appellate Tribunal as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230-232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230-232 of the Act as maybe applicable.

"Promoter Groups" means the BPTL Promoter Group and BAPL Promoter Group collectively.

"Record Date" shall be the date to be fixed by the Board of the Demerged Company in consultation with the Resulting Company, for the purpose of determining the equity shareholders of the Demerged Company for issue of New Equity Shares(as defined in Clause 12 below), pursuant to this Scheme.

"Registrar of Companies" means the Registrar of Companies at Mumbai, Maharashtra.

"Remaining Undertaking" means all the undertakings, businesses, activities, properties, operations, investments, intellectual property rights and liabilities of the Demerged Company other than those comprised in the Demerged Undertaking and including, for the avoidance of doubt, the Demerged Company's undertakings, investments, businesses, activities and operations relating to: (Aurangabad district).

"Resulting Company" means BIRLA ACCUCAST PRIVATE LIMITED a private company, limited by shares, incorporated under the provisions of the Act, under Corporate Identity No. U29100MH2021PTC365754 and having its registered office at 23, 01st Floor, Birla Mansion No. 2, D. D. Sathe Marg, Prarthana Samaj, Mumbai City, Maharashtra 400004 and having PAN AAKCB0653P.

"Sanction Order" means the order of the NCLT sanctioning this Scheme.

"Scheme" or "the Scheme" or "this Scheme" means this scheme of arrangement in its present form submitted to the NCLT or any other Appropriate Authority in the relevant jurisdiction with any modification(s) thereof made under this Scheme or as directed by the NCLT or any other Appropriate Authority and accepted by the Companies.



"SEBI" means the Securities and Exchange Board of India.

"SEBI Circular" shall mean the circular issued by the SEBI Master Circular on Scheme of Arrangement by Listed Entities SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021.

"SEBI LODR Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

"Stock Exchanges" means BSE, as may be applicable.

"Takeover Regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the IT Act, the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modifications or re-enactment thereof from time to time.

1.2 In this Scheme, unless the context otherwise requires:

1.2.1 words denoting singular shall include plural and vice versa;

1.2.2 headings and bold type face are only for convenience and shall be ignored for the purposes of interpretation;

1.2.3 references to the word "include" or "including" shall be construed without limitation;

1.2.4 a reference to an article, clause, section, paragraph, schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;

1.2.5 The schedule forms an integral part of this Scheme and shall have the same force and effect as if expressly set out in the body of this Scheme and any reference to this Scheme shall include the schedule;

1.2.6 references to dates and times shall be construed to be references to Indian dates and times;

1.2.7 reference to a document includes an amendment or supplement to, or replacement or novation of that document;

1.2.8 reference to any law or legislation or regulation shall include amendment(s), circular(s), notification(s), clarification(s) or supplement(s) to, or replacement or amendment of that law or legislation or regulation;



1.2.9 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and

1.2.10 references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, limited liability partnership, works council or employee representatives' body (whether or not having separate legal personality).

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE:

The Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

## 2. SHARE CAPITAL

2.1 The share capital of BIRLA PRECISION TECHNOLOGIES LIMITED, the Transferor Company as on 31<sup>st</sup> March, 2022, is as under: -

Share Capital	Rupees
Authorised Share Capital	
60,00,00,000 Equity Shares of INR 2/- each	1,20,00,00,000
Total	
Issued, subscribed and paid-up Share Capital	
6,52,71,137 Equity Shares of INR 2/- each	13,05,42,274

There is no change in the capital structure of BIRLA PRECISION TECHNOLOGIES LIMITED, the Demerged Company after the aforesaid date.

As on 31<sup>st</sup> March 2022, the Demerged Transferor Company holds 100% of equity share capital of Birla Accucast Private Limited, the Resulting Company.

2.2 The share capital of BAPL / Birla Accucast Private Limited, the Resulting Company as on 31<sup>st</sup> March, 2022 is as under: -

Share Capital	Rupees
Authorised Share Capital	
10,000 Equity Shares of INR 10/- each	1,00,000
Total	1,00,000
Issued, subscribed and paid-up Share Capital	
10,000 Equity Shares of INR 10/- each fully paid up	1,00,000
Total	1,00,000

There is no change in the capital structure of Birla Accucast Private Limited the Resulting Company after the aforesaid date.

As on date, BPTL, the Demerged Company holds 100% of equity share capital of BAPL, the Transferee Company.



## PART II

### (TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING FROM THE DEMERGED COMPANY TO THE RESULTING COMPANY)

#### 3. TRANSFER AND VESTING OF DEMERGED UNDERTAKING

Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Undertaking shall, in accordance with Section 2(19AA) of the IT Act and pursuant to Sections 230 to 232 and other applicable provisions of the Act, and pursuant to the Sanction Order, without any further act, instrument or deed, be demerged from the Demerged Company and stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company as a going concern in the manner set out below.

#### 4. TRANSFER OF ASSETS

4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, and subject to the provisions of this Scheme in relation to the mode of transfer and vesting of the Demerged Undertaking and the applicable provisions of the Act, the Demerged Undertaking (including accretions and appurtenances) shall, without any further act, instrument or deed, be demerged from the Demerged Company and shall stand transferred to and vested in, and/or be deemed to have been demerged and stand transferred to and vested in the Resulting Company on a going concern basis, so as to become on and from the Appointed Date, the estate, assets, rights, claims, investments, title, interest and authorities of the Resulting Company, subject to the provisions of this Scheme in relation to encumbrances in favour of banks and/or financial institutions, pursuant to Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act and in accordance with the provisions of Section 2(19AA) of the IT Act.

4.2 Without prejudice to the generality of Clause 3 and 4.1 above, upon coming into effect of this Scheme and on and from the Appointed Date.

4.2.1 The Demerged Undertaking including all its assets, properties, investments, shareholding interests in other companies, claims, title, interest, assets of whatsoever nature such as licenses and all other rights, title, interest, contracts or powers of every kind nature and description of whatsoever nature and whosoever situated shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the Sanction Order and without further act or deed or instrument, but subject to the charges affecting the same as on the Appointed Date, be and stand transferred to and vested in the Resulting Company as a going concern.

4.2.2 With respect to the assets forming part of the Demerged Undertaking that are movable in nature or are otherwise capable of being transferred by manual delivery or by paying over or endorsement and/or delivery, including but not limited to shares, marketable instruments and other securities, cash and cash balances, units of mutual funds, the same may be so transferred pursuant to the provisions of Sections 230-232 of the Act or be deemed to be transferred by delivery or possession or by endorsement and delivery by the Demerged Company without any





further act or execution of an instrument with the intent of vesting such assets with the Resulting Company and shall become the property and assets of the Resulting Company as an integral part of the Demerged Undertaking subject to the provisions of this Scheme in relation to encumbrances in favour of banks and/or financial institutions.

4.2.3 Without prejudice to the generality of the aforesaid, the Demerged Undertaking, including all immovable property, whether or not included in the books of the Demerged Company, whether freehold or leasehold or licensed properties (including but not limited to land, buildings, sites and immovable properties and any other document of title, rights, interest, right of way and easements in relation thereto) of the Demerged Undertaking shall stand transferred to and be vested in the Resulting Company or be deemed to be transferred to and be vested in the Resulting Company automatically without any act or deed to be done or executed by the Demerged Company and/or the Resulting Company. All lease or license or rent agreements pertaining to the Demerged Undertaking, entered into by the Demerged Company with various landlords, owners and lessors in connection with the use of the assets of the Demerged Company, together with security deposits, shall stand automatically transferred in favour of the Resulting Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed. The Resulting Company shall continue to pay rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by the Demerged Company. For the purpose of giving effect to the vesting order passed under Sections 230 to 232 of the Act in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all its obligations in relation to or applicable to all such immovable properties, including mutation and/or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company pursuant to the Sanction Order and upon the effectiveness of this Scheme in accordance with the terms hereof without any further act or deed to be done or executed by the Demerged Company and/or the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution.

4.2.4 Notwithstanding any provision to the contrary, from the Effective Date and until the owned property, leasehold property and related rights thereto, license/right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded effected and / or perfected, in the records of the Appropriate Authority, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to carry on business in the name and style of the Demerged Company under the relevant agreement, deed, lease and/or license, as the case may be, and the Resulting Company shall keep a record and/or account of such transactions.

4.2.5 With respect to the movable assets of the Demerged Undertaking other than those referred to in Clause 4.2.2 above, whether or not the same is held in the name of the Demerged Company, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Appropriate Authorities or any other bodies and/or customers or any other person, if any, forming part of the Demerged



Undertaking, whether recoverable in cash or in kind or for value tube received, bank balances etc., the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company on the Appointed date pursuant to the provisions of Sections 230 to 232 of the Act to the and intent that the right of the Demerged Company to recover or realize the same stands transferred to the Resulting Company, and that appropriate entries shall be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors, depositors or persons as the case may be. The Resulting Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and be paid or made good or held on account of the Resulting Company as the person entitled thereto.

4.2.6 All Intellectual Property and rights thereto of the Demerged Company, whether registered or unregistered, along withal rights of commercial nature including attached goodwill, title, interest, and all other interests relating to the goods or services being dealt with by the Demerged Company in relation to the Demerged Undertaking, and as identified in more specific detail in Schedule I, shall be transferred to, and vest in, the Resulting Company. It is clarified that notwithstanding the transfer of the Intellectual Property as contemplated under this Clause 4.2.6, both the Demerged Company and the Resulting Company shall be entitled to continue to use the word 'Birla' whether as part of the corporate names (including in respect of any subsidiaries, associate companies, joint ventures, etc.), logos, brand names, trademarks, products, programmes or services, present or future. The Companies may also enter into appropriate arrangements in respect of the use or license, for no charge, by the Demerged Company of the Intellectual Property which is transferred to the Resulting Company under this Scheme or *vice versa* for such transition period or on a long term basis as the Boards may deem fit.

4.2.7 All assets, estate, rights, title, interest and authorities acquired by the Demerged Company on or after the Appointed Date and prior to the Effective Date forming part of the Demerged Undertaking shall also stand transferred to and vested or be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of this Scheme without any further act, instrument or deed.

4.3 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, in order to ensure the smooth transition and sales of products and inventory of the Demerged Company manufactured and/or branded and/ or labelled and/or packed in the name of the Demerged Company prior to the Effective Date insofar as they relate to the Demerged Undertaking, the Resulting Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Demerged Company at manufacturing locations or warehouses or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Resulting Company after the Effective Date.

4.4 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme, the Resulting Company



may, at any time on or after the Effective Date, in accordance with the provisions hereof if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contractor arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Resulting Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.

4.5 Upon the Effective Date and with effect from the Appointed Date, in relation to assets, if any, which require separate documents for vesting in the Resulting Company, or which the Demerged Company and/or the Resulting Company and or the Resulting Company otherwise desire to be vested separately, the Demerged Company and the Resulting Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.

4.6 In so far as the various incentives, tax exemption and benefits, tax credits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority, or availed of by the Demerged Company, in relation to or in connection with the Demerged Undertaking as on the Appointed Date are concerned, including income tax deductions recognitions and exemptions, the same shall, without any further act or deed, vest with and be available to the Resulting Company on the same terms and conditions on and from the Appointed Date.

4.7 As per the provisions of Section 72A(4) and other applicable provisions of the IT Act, all accumulated tax losses and unabsorbed depreciation of the Demerged Company, with effect from the Appointed Date, shall be:

(a) where such loss or unabsorbed depreciation is directly relatable to the Demerged Undertaking transferred to the Resulting Company, be allowed to be carried forward and set off in the hands of the Resulting Company; and

(b) where such loss or unabsorbed depreciation is not directly relatable to the Demerged Undertaking transferred to the Resulting Company or to the Remaining Undertaking, be apportioned between the Demerged Company and the Resulting Company in the same proportion in which the assets of the undertakings have been retained by the Demerged Company and transferred to the Resulting Company, and be allowed to be carried forward and set off in the hands of the Demerged Company or the Resulting Company accordingly, as the case may be.

4.8 With respect to the investments made by the Demerged Company in shares, stocks, bonds, warrants, units of mutual funds or any other securities, shareholding interests in other companies, whether quoted or unquoted, by whatever name called, forming part of the Demerged Undertaking, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.





4.9 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies etc., in relation to or in connection with the Demerged Undertaking, the Demerged Company shall if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the Sanction Order under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Resulting Company, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realize the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

4.10 Any claims due to the Demerged Company from its customers or otherwise and which have not been received by the Demerged Company as on the date immediately preceding the Appointed Date as the case may be, in relation to or in connection with the Demerged Undertaking, shall also belong to and be received by the Resulting Company.

4.11 On and from the Effective Date and thereafter, the Resulting Company shall be entitled to operate all bank accounts of the Demerged Company, which are being operated exclusively in relation to or in connection with the Demerged Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Demerged Undertaking in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions.

4.12 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, in the name of the Demerged Company in so far as may be necessary. All cheques and other negotiable instruments, electronic fund transfers (such as NEFT, RTGS, etc.) and payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Appointed Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. The Resulting Company shall be allowed to maintain bank accounts in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company, in relation to or in connection with the Demerged Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company shall be instituted, or as the case may be, continued by or against the Resulting Company after the Effective Date.





## 5. TRANSFER OF LIABILITIES AND ENCUMBRANCES

5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all the Transferred Liabilities (*as defined below*) as on the Appointed Date shall, without any further act or deed be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and shall thereupon become on and from the Appointed Date (or in case of any Transferred Liability incurred on a date on or after the Appointed Date, with effect from such date), the liabilities of the Resulting Company, along with any charge, encumbrance, lien, security, relating thereto, on the same terms and conditions as were applicable to the Demerged Company and the Resulting Company shall meet, discharge and satisfy the same to the exclusion of the Demerged Company such that the Demerged Company shall in no event be responsible or liable in relation to any such Transferred Liabilities.

5.2 Where any of the Transferred Liabilities have been partially or fully discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company, and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking which forms a part of the Demerged Company after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company, and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company. 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, obligations, duties and liabilities have arisen in order to give effect to the provisions of this Clause 5.

5.3 The term "Transferred Liabilities" shall mean:

- (a) The Liabilities which relate to or arise out of the activities or operations of the Demerged Undertaking;
- (b) The specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking;
- (c) In cases other than those referred to in Clauses 5.3(a) or 5.3(b) above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to this Scheme bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.

5.4 Upon the coming into effect of this Scheme and with effect from the Appointed Date, save as agreed in writing between the Demerged Company and the Resulting Company: (i) the Demerged Company alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Undertaking, and the Resulting Company shall not have any obligations in respect of the debts, liabilities, duties and obligations of the Remaining Undertaking; and (ii) the Resulting Company alone shall be liable



to perform all obligations in respect of Transferred Liabilities, which have been transferred to it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such Transferred Liabilities.

5.5 The interests of all the unsecured creditors of the Demerged Company in connection with the Demerged Undertaking and of the Resulting Company remain unaffected by this Scheme as the assets of the Resulting Company upon the effectiveness of the Scheme will be more than the Transferred Liabilities and as such sufficient to discharge such Transferred Liabilities.

5.6 The vesting of the Demerged Undertaking as aforesaid, shall be subject to the existing Encumbrances, if any, subsisting in relation to any Liabilities of the Demerged Undertaking, provided however, any reference in any security documents or arrangements to which the Demerged Company is a party, wherein the assets of the Demerged Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the assets pertaining to the Demerged Undertaking as are vested in the Resulting Company as per this Scheme, to the end and intent that any such Encumbrance shall not extend or be deemed to extend to any of the other assets of the Demerged Company or any of the other assets of the Resulting Company. Provided further, that the Encumbrances (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such Encumbrances. If any of the assets comprised in the Demerged Undertaking which are transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Transferred Liabilities, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Undertaking are concerned, the Encumbrance, if any, over such assets relating to the Transferred Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company, pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.

5.7 If any Encumbrance of the Demerged Company for the operations of the Demerged Undertaking exists as on the Appointed Date, but has been partially or fully released thereafter by the Demerged Company on or after the Appointed Date but prior to the Effective Date, such release shall be deemed to be for and on account of the Resulting Company upon the coming into effect of the Scheme and all Encumbrances incurred by the Demerged Company for the operations of the Demerged Undertaking on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company, and such Encumbrances shall not attach to any property of the Demerged Company.

5.8 Subject to the other provisions of this Scheme, in so far as the assets forming part of the Demerged Undertaking are concerned, the Encumbrances over such assets, to the extent they relate to any loans or borrowings or debentures or other debt or debt securities of the Demerged



Company pertaining to the Remaining Undertaking shall, as and from the Effective Date, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as Encumbrances in relation to liabilities of the Demerged Company pertaining to the Remaining Undertaking which are not transferred to the Resulting Company pursuant to the Scheme (and which shall continue with the Demerged Company).

5.9 In so far as the existing Encumbrances in respect of the loans and other liabilities relating to the Remaining Undertaking are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with the Demerged Company only on the assets relating to the Remaining Undertaking and the assets forming part of the Demerged Undertaking shall stand released therefrom.

5.10 Without any prejudice to the provisions of the foregoing Clauses, the Demerged Company and the Resulting Company shall enter into and execute such deeds, instruments, documents and /or writings and do all such acts as may be required, including obtaining necessary consents, filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the provisions of the foregoing Clauses, If required.

5.11 Any reference in any security documents or arrangements (to which the Demerged Company is a party) to the Demerged Company and its assets and properties, which relate to the Demerged Undertaking, shall be construed as a reference to the Resulting Company and the assets and properties of the Demerged Company transferred to the Resulting Company by virtue of the Scheme. The provisions of this Clause 5.11 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue of any security document, all of which instruments, deeds or writings shall stand modified and/ or suspended by the foregoing provisions.

## 6. TAXATION MATTERS

6.1 Any tax liabilities under Customs Act, 1962, Central Excise Act, 1944, value added tax laws, as applicable to any State in which the Demerged Company operates, Central Sales Tax Act, 1956, Central Goods and Services Tax Act, 2017 any other State sales tax /value added tax laws/ goods and services tax laws, or service tax, or corporation tax, income tax, or other applicable laws and regulations dealing with taxes/duties/levies/cess (hereinafter referred to as "Tax Laws") to the extent not provided for or covered by tax provision in the Demerged Company's accounts, in relation to or in connection with the Demerged Undertaking, made as on the date immediately preceding the Appointed Date shall be transferred to the Resulting Company. Any surplus in the provision for taxation/duties/levies/accounts as on the date immediately preceding the Appointed Date in relation to the Demerged Undertaking will also be transferred to the account of and belong to the Resulting Company. The Board of the Demerged Company and the Resulting Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Demerged Undertaking and whether the same would be transferred to the Resulting Company.

6.2 Without prejudice to the generality of the above, various incentives, tax exemptions and benefits, tax credits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority or availed of by the Demerged Company, in relation to





or in connection with the Demerged Undertakings on the Appointed Date including pro rata minimum alternate tax credit entitlement under IT Act shall without any further act or deed vest with and be available to the Resulting Company on the same terms and conditions on and from the Appointed Date.

6.3 Any actions taken by the Demerged Company to comply with Tax Laws (including payment of taxes, maintenance of records, payments, returns, tax filings, etc.) in respect of the Demerged Undertaking on and from the Appointed Date up to the Effective Date shall be considered as adequate compliance by the Demerged Company with such requirements under Tax Laws and such actions shall be deemed to constitute adequate compliance by the Resulting Company with the relevant obligations under such Tax Laws.

6.4 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and Annexures under the Tax Laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental there to, if required to give effect to the provisions of the Scheme.

6.5 Any refunds or credits, under the Tax laws or other applicable laws/regulations dealing with taxes/duties/levies due to Demerged Company relating to Demerged Undertaking consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.

6.6 The tax payments (including but not limited to income tax, service tax, goods and services tax laws, excise duty, central sales tax, applicable state value-added tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Demerged Company relating to Demerged Undertaking after the Appointed Date up to Effective Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

6.7 Further, any tax deducted at source by Demerged Company with respect to Demerged Undertaking on transactions with the Resulting Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

6.8 Upon the Scheme coming into effect, any obligation of tax at source on any payment made by or to be made by the Demerged Company relating to Demerged Undertaking shall be made or deemed to have been made and duly complied with by Resulting Company.

6.9 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Demerger of the Demerged Undertaking, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.





6.10 Upon the Effective Date, the borrowing limits of the Resulting Company in terms of Section 180(1)(c) of the Act, shall, without any requirement of any further act or deed, stand enhanced by an amount being the aggregate borrowings forming part of the Transferred Liabilities which are being transferred to the Resulting Company pursuant to this Scheme and the Resulting Company shall not be required to pass any separate resolution in this regard. Such limits shall be incremental to the existing borrowing limits of the Resulting Company.

## 7. PERMITS, CONSENTS AND LICENSES

7.1 All the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, allotments, insurance cover, clearances, authorities, privileges, affiliations, easements, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Demerged Company, in relation to or in connection with the Demerged Undertaking, pursuant to the provisions of Sections 230 to 232 of the Act, shall without any further act, instrument or deed, be transferred to and vest in or be deemed to have been transferred to and vested in and be available to the Resulting Company so as to become as and from the Appointed Date, the estates, assets, rights, title, interests and authorities of the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Law and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with Applicable Law, the Resulting Company on such approvals, clearances, permissions etc. so as to facilitate the transfer and vesting of the Demerged Undertaking in the Resulting Company and continuation of operations forming part of the Demerged Undertaking in the Resulting Company without the hindrance and that such approvals, clearances and permissions etc. shall remain in full force and effect in favour of or against the Resulting Company, as the case may be, the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or recipient or beneficiary or obligee thereto. The Demerged Company and the Resulting Company may execute necessary documentation to give effect to the foregoing, where required.

7.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, pre-qualifications, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking, including by any Appropriate Authority, including the benefits of any applications made for any of the foregoing, shall, subject to Applicable Law, stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company. The Resulting Company shall make necessary applications/file relevant forms to any Appropriate Authority as may be necessary in this behalf.

7.3 Upon this Scheme being effective, the past track record of the Demerged Company relating to the Demerged Undertaking, including without limitation, the profitability, experience,



credentials and market share, shall be deemed to be the track record of the Resulting Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Resulting Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

7.4 Upon the Appointed Date and until the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status are transferred, vested, recorded, effected, and/or perfected, in the record of the Appropriate Authority, in favour of the Resulting Company, the Resulting Company is authorized to carry on business in the name and style of the Demerged Company, in relation to or in connection with the Demerged Undertaking, and under the relevant license and/or permit and/or approval, as the case may be, and the Resulting Company shall keep a record and/or account of such transactions.

## 8. CONTRACTS, DEEDS, ETC.

8.1 Upon coming into effect of this Scheme and subject to the other provisions of this Scheme, all contracts, deeds, bonds, schemes, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature forming part of the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company is eligible and which is subsisting or having effect on the Effective Date, shall without any further act or deed, continue in full force and effect against or in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto. It shall not be necessary to obtain the consent of any third party or other person who is a party to any such contracts, deeds, bonds, agreements, schemes, arrangements and other instruments to give effect to the provisions of this Clause 9.1 of the Scheme. The Resulting Company will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements and other instruments as stated above.

8.2 The Resulting Company may at its sole discretion enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company for the Demerged Undertaking and to implement or carry out all formalities required to give effect to the provisions of this Scheme.

8.3 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of the Scheme, in accordance with its provisions, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangement with any party to any contract or arrangements to which the Demerged Company is a party, or any writings as may be necessary, in order to give formal effect to the provisions of this Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform



all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

8.4 If any assets (including but not limited to any estate, rights, title, interest in or authorities relating to such assets) which the Demerged Company owns in relation to or in connection with the Demerged Undertaking, any Liabilities that pertain to the Demerged Company and / or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature ("Contracts") to which the Demerged Company is a party in relation to or in connection with the Demerged Undertaking, have not been transferred to the Resulting Company, the Demerged Company, as applicable, shall hold such assets, Liabilities and / or Contracts, as the case may be, in trust for the benefit of the Resulting Company insofar as it is permissible so to do till the time such assets, Liabilities and/ or Contracts are duly transferred to the Resulting Company, subject to Applicable Law. The Demerged Company and Resulting Company shall, however, between themselves, treat each other as if that all contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking had been transferred to the Resulting Company on the Effective Date. The Demerged Company, as applicable shall render all necessary assistance to and fully cooperate with, the Resulting Company with respect to such assets, Liabilities and/ or Contracts for the purposes of transfer to the Resulting Company. The Resulting Company shall perform or assist the Demerged Company in performing all of the obligations under those contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, to be discharged after the Effective Date. Notwithstanding any such mechanism or arrangement between the Demerged Company and Resulting Company pursuant to this Clause 9.4, the Companies agree that the Demerged Company shall with respect to period after the Effective Date, (i) not be responsible for performance of any obligations or for any liabilities whatsoever arising from or in relation to the Demerged Undertaking; and (ii) not be entitled to any rights or to receive any benefits whatsoever in relation to the Demerged Undertaking. The economic, financial, technical and operational responsibility and all related costs and expenses (direct and incurred), liabilities and taxes in connection with the Demerged Undertaking, shall rest and be borne entirely and exclusively by Resulting Company after the Effective Date. Resulting Company shall promptly pay, indemnify and hold harmless the Demerged Company for and from any such costs and expenses, losses, damages, liabilities and taxes or requirements under the Contract(s) after the Effective Date if arising pursuant to the arrangement between the Demerged Company and Resulting Company under this Clause 9.4.

## 9. EMPLOYEES

9.1 Upon the effectiveness of this Scheme and with effect from the Appointed Date, all the employees of the Demerged Company who are either: (i) engaged in or relate to the Demerged Units as on the Effective Date, or (ii) jointly identified by the Boards of the Companies as being necessary for the proper functioning of the Demerged Units including their future development ("Transferred Employees") shall be deemed to have become employees of the Resulting Company on terms and conditions which are not less favourable than those applicable to them with reference to their employment in the Demerged Company, with effect from the Appointed Date or their respective joining date, whichever is later, on the basis of continuity of service and without any interruption of service as a result of transfer of the Demerged Undertaking to the Resulting Company. The services of all Transferred Employees with the Demerged Company





prior to the Demerger shall be taken into account for the purposes of all benefits to which the Transferred Employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the Transferred Employees in the existing provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation fund to be established and of any retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the Transferred Employees in the existing provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities, by the Resulting Company, or to the government provident fund in relation to the Transferred Employees who are not eligible to become members of the provident fund maintained by the Resulting Company.

9.2 Upon the Scheme becoming effective, insofar as the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff and employees of the Demerged Company (including the Transferred Employees) are concerned, such proportion of the investments made in the funds and liabilities which are referable to the Transferred Employees shall be transferred to the similar funds, if any, created by the Resulting Company and shall be held for their benefit pursuant to this Scheme, or at the sole discretion of the Resulting Company, maintained as separate funds by the Resulting Company. In the event that the Resulting Company does not have its own funds in respect of any of the above mentioned funds, the Resulting Company may, to the extent permitted by the contracts or deeds or Applicable Law governing these funds and subject to necessary approvals and permissions, continue to contribute to the relevant funds of the Demerged Company, until such time that the Resulting Company creates its own funds or decides not to form its own funds, at which time the funds and the investments and contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Resulting Company or to the concerned funds of relevant Appropriate Authority (such as of the Employees' Provident Fund Organization) and other funds as the case may be. Where the Resulting Company decides not to form its own funds, and if certain benefits cannot be provisioned for through the funds of relevant Appropriate Authority, these benefits are to be provided in any other legally compliant manner, and the Parties shall, at that time, agree on the mode for transfer of the relevant amounts from the appropriate funds of the Demerged Company.

9.3 Further to the transfer of funds as set out in Clause 9.2 above, for all purposes whatsoever in relation to the administration or operation of such funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of the Demerged Company in relation to the Demerged Undertaking as on the Effective Date in relation to such funds shall become those of the Resulting Company. It is clarified that the services of the Transferred Employees of the Demerged Company forming part of the Demerged Undertaking will be treated as having been continuous for the purpose of the said funds.

9.4 In relation to those Transferred Employees who are not covered under the provident fund trust of the Resulting Company, and for whom the Demerged Company is making contributions to the government provident fund, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the





obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Transferred Employees.

10.5 In so far as the existing benefits or funds created by the Demerged Company for the employees of the Demerged Company other than the Transferred Employees are concerned, the same shall continue and the Demerged Company shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and such benefits or funds, if any, shall be held inter alia for the benefit of the employees of the Remaining Undertaking, and the Resulting Company shall have no liability in respect thereof.

## 10. PROCEEDINGS

10.1 Upon the coming into effect of this Scheme, if any suit, cause of actions, appeal, or other legal, taxation, quasi-judicial, arbitral, administrative, or other proceedings of whatever nature, whether civil or criminal, under any Applicable Law (hereinafter referred to as the "Proceedings") by or against the Demerged Company be pending, in relation to or in connection with the Demerged Undertaking, on the Effective Date or which may be instituted thereafter the same shall not abate, be discontinued or be in anyway prejudicially affected by reason of the transfer and vesting of the Demerged Undertaking or of anything contained in the Scheme, but such Proceedings may be continued, prosecuted, defended, and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company as if the Scheme had not been made.

10.2 The Resulting Company shall have all Proceedings initiated by or against the Demerged Company with respect to the Demerged Undertaking, transferred into its name as soon as reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.

10.3 If any Proceedings are initiated or carried on against the Demerged Company in respect of the matters referred to in Clause 10.1 pertaining to Demerged Undertaking, it shall defend the same in accordance with the advice of the Resulting Company and the latter shall reimburse, indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

10.4 Any difference or difficulty as to whether a Proceeding relates to the Demerged Undertaking, shall be mutually decided between the Boards of the Demerged Company and the Resulting Company and such mutual decision shall be conclusive and binding on the Demerged Company and the Resulting Company.

## 11. CONSIDERATION FOR THE DEMERGER

11.1 Upon the effectiveness of this Scheme and in consideration of the transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to provisions of this Scheme, the Resulting Company shall, without any further act or deed, issue and allot 1,63,18,000 (One Crore Sixty Three Lakhs and Eighteen Thousand) equity shares of Rs. 2 (Rupees Two) each to the shareholders of the Demerged Company, whose name is recorded in the register of members and records of the depository as members of the Demerged Company, on the Record Date, in the ratio of (1) One equity share of Rs. 2 (Rupees Two) each of Resulting Company credited as fully paid up for every (4) Four equity share of Rs. 2 (Rupees Two) each held by such shareholder in the Demerged Company ("New Equity Shares") such that the shareholding



in the Resulting Company on such issuance of shares is the mirror image of the shareholding in the Demerged Company.

11.2 The New Equity Shares to be issued and allotted as provided in Clause 11.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects with the then existing equity shares of the Resulting Company after the Record Date including with respect to dividend, bonus entitlement, rights shares entitlement, voting rights and other corporate benefits.

11.3 The New Equity Shares to be issued pursuant to Clause 11.1 above shall mandatorily be issued in dematerialized form by the Resulting Company, and the shareholders of the Resulting Company shall be required to have an account with depository participant and shall be required to provide details thereof and such other confirmations as may be required at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. Any shareholder who holds shares of the Demerged Company in physical form shall also receive the New Equity Shares in dematerialized form only provided that the details of their account with the depository participant are intimated in writing to the Demerged Company and/or its registrar at least 7 (seven) days before the Record Date to the Demerged Company and/or its registrar. In the event any shareholder has not provided the requisite details relating to his/hers /its accounts with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall keep such shares in suspense account and will credit the same to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Resulting Company and/or its registrar.

11.4 The New Equity Shares issued and /or allotted pursuant to Clause 11.1, in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act shall, pending settlement of dispute by order of court or otherwise, be also held in abeyance by the Resulting Company.

11.5 The New Equity Shares issued pursuant to Clause 11.1, which the Resulting Company is unable to allot due to Applicable Laws (including, without limitation, the failure to receive approvals of an Appropriate Authority as required under Applicable Law) or any regulations or otherwise shall, pending allotment, be held in abeyance by Resulting Company and shall be dealt with in the manner as may be permissible under the Applicable Law and deemed fit by the Board of the Resulting Company. If the above can not be effected for any reason, the Resulting Company shall ensure that this does not delay implementation of the Scheme; and shall, take all such appropriate actions as may be necessary under Applicable Laws. The Resulting Company and/or the depository shall enter into such further documents and take such further actions as may be necessary or appropriate in this regard and to enable actions contemplated therein.

11.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of the Demerged Company shall be empowered prior to or even subsequent to the Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Record



Date, in order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by the Resulting Company after this Scheme comes into effect. The Board of the De merged Company shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in the Resulting Company on account of difficulties faced in the transition period.

11.7 The issue and allotment of the New Equity Shares in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62, Section 42 and any other applicable provisions of the Act have been complied with.

11.8 The New Equity Shares to be issued *in lieu* of the shares of the Demerged Company held in the unclaimed suspense account, if any, shall be issued to a new unclaimed suspense account created for shareholders of the Resulting Company.

11.9 Where any securities are to be allotted to the heirs, executors, administrators, legal representatives or other successors in title, as the case may be, of any security holders, the concerned heirs, executors, administrators, legal representatives or other successors in title shall be obliged to produce evidence of title, satisfactory to the Board of the Resulting Company as a condition to such allotment.

11.10 The shares issued by the Resulting Company shall not be listed with any Stock Exchanges and that the dissenting shareholders shall be given an opportunity to exit by the promoters or shareholders having control in accordance with SEBI Regulations, to receive fair compensation against their share entitlement in the Resulting Company. While issuing shares by the Resulting Company to any Equity Shareholders of the Demerged Company in respect of Fractional Entitlements if any, as on the date of such Equity Shareholders such fractional entitlements, if any of such Equity Shareholders of the Demerged Company shall be rounded off to the nearest highest integer.

#### 11.11 Option granted to Shareholders of Transferee Company upon Demerger

All Shareholders of the Demerged Company, who have been allotted equity shares in the Resulting Company in accordance with this Scheme, are conferred an option to sell the said equity shares of the Resulting Company to the M/s. Birla Infrastructure & Constructions Pvt. Ltd. (of BPT Promoter Group).

11.12 This Option can be exercised by the Shareholders on or before 30 days from the date of allotment of shares ("Option Period").

#### 11.13 EXECUTION OF SHARE TRANSFER DEED

Before expiry of the Option Period, any Shareholder desirous of exercising the Option shall, by a notice in writing inform M/s. Birla Infrastructure & Constructions Pvt. Ltd. (of BPT Promoter Group) (with a copy marked to the Transferee Company), stating that it is exercising the Option and shall specify the number of shares of the Resulting Company ("Option Shares") that it proposes to sell to M/s. Birla Infrastructure & Constructions Pvt. Ltd. (of BPT Promoter Group) ("Option Notice").

11.14 Upon receipt of the Option Notice, the Shareholder and BPT Promoter Group shall take all required actions, in a timely manner and in any event, no later than 15 days from the date of

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receipt of the Option Notice, to complete the sale of the Option Shares to M/s. Birla Infrastructure & Constructions Pvt. Ltd.(of BPT Promoter Group) free of encumbrances, including without limitation, procuring approval, if required, of the Board of Directors (or any relevant committee thereof) of the Resulting Company and M/s. Birla Infrastructure & Constructions Pvt. Ltd. (of BPT Promoter Group) for the sale of the Option Shares to M/s. Birla Infrastructure & Constructions Pvt. Ltd (of BPT Promoter Group), delivering share certificates and executing and delivering the relevant share forms, any certificates or other relevant documents or making changes in the Register of Members of the Resulting Company, etc. The Resulting Company shall provide all timely support to facilitate transfer of the Option Shares to M/s. Birla Infrastructure & Constructions Pvt. Ltd (of BPT Promoter Group).

#### 11.15 MODE OF DISCHARGE OF CONSIDERATION

Simultaneously upon execution of the share transfer forms, in consideration of the sale of the Option Shares to M/s. Birla Infrastructure & Constructions Pvt. Ltd (of Birla Promoter Group),it shall pay the Shareholder an amount equivalent to the *number of Option Shares X Exit Price* by cheques.

#### 12. REORGANIZATION OF AUTHORISED SHARE CAPITAL OF DEMERGED COMPANY AND RESULTING COMPANY

12.1 Upon this Scheme becoming effective and with effect from the Appointed Date, a part of the Authorised Share Capital of the Demerged Company shall stand transferred to and form part of the Authorised Share Capital of the Resulting Company, without any further act or deed and simultaneously with a re-classification of the Authorised Share Capital of the Resulting Company in accordance with the provisions of section 61 of the Act, and the fee or stamp duty, if any, paid by the Demerged Company on its Authorised Share Capital shall be set off against any fee payable by the Resulting Company on its Authorised Capital, subsequent to the Demerger.

12.2 Upon this Scheme becoming effective and with effect from the Appointed Date, and consequent to transfer of part of the existing authorised share capital of the Demerged Company to the Resulting Company, the Authorised Share Capital of the Demerged Company shall stand reduced by 1,62,68,000 Equity Shares of Rs.2 each. Such reduced Authorised Share Capital shall stand transferred to the Resulting Company. Further the Authorised Share Capital of the Resulting Company shall be reclassified from face value of Rs. 10 per Equity Share to Rs. 2 per Equity Share. Revised Clause 5 of the Memorandum of Association of the Demerged Company, post giving effect to above transfer shall stand modified and substituted by the following:

Clause V of the Memorandum of Association of Demerged Company:

“The Authorised Share Capital of the Company is Rs. 1,16,74,64,000 (Rupees One Hundred and Sixteen Crores and Seventy Four One Lakhs Sixty Four Thousand only) divided into 58,37,32,000 Equity Shares of Rs. 2 each.”

Clause V of the Memorandum of Association of Resulting Company:





"The Authorised Share Capital of the Company is Rs. 3,26,36,000/- (Rupees Three Crore Twenty Six Lakhs Thirty Six Thousand only) divided into 1,63,18,000 Equity Shares of Rs. 2 each."

12.3 It is clarified that for the purposes of the above Clause , the approval of the shareholders of the Demerged Company to this Scheme shall be deemed to be their consent/ approval also to the said reclassification and transfer (and subsequent reduction) of the authorised share capital of and alteration of the Memorandum of Association and Articles of Association of the Demerged Company as may be required under the Act, and no further resolution under Sections 13, 14 and 61 of the Act or any other applicable provisions of the Act, would be required to be separately passed. Likewise, it is also clarified that the approval of the shareholders of the Resulting Company to this Scheme shall be deemed to be their consent /approval also to the said increase and reclassification of authorized share capital and alteration of the Memorandum of Association and Articles of Association of the Resulting Company as may be required under the Act, and no further resolution under Sections 13, 14 and 61 of the Act or any other applicable provisions of the Act, would be required to be separately passed.

### **13. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY AND THE RESULTING COMPANY**

#### **13.2 Accounting treatment in the books of the Demerged Company**

Upon the effectiveness of this Scheme, in accordance with the applicable Accounting Standards and generally accepted accounting principles in India:

13.2.1 Upon cancellation of forfeited shares of the Demerged Company in accordance with this Scheme, the paid up amount in respect of such shares shall be transferred to capital reserve;

13.2.2 The value of all assets and liabilities including deferred tax assets and liabilities pertaining to the Demerged Undertaking which cease to be assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their carrying values on the day immediately preceding the Appointed Date in its books of accounts;

13.2.3 The difference i.e. the excess or shortfall, as the case may be, of the value of transferred assets over the Transferred Liabilities pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to the Scheme shall be adjusted first to the Capital Reserves including security premium account and revaluation reserve account and the balance shall be adjusted against revenue reserves of the Demerged Company; and

13.2.4 The utilization of capital reserves including securities premium account referred to in Clause 13.2.3 of this Scheme, being consequential in nature, is proposed to be affected as an integral part of this Scheme. The approval of the shareholders and creditors of the Demerged Company to this Scheme shall be deemed to be their approval under the provisions of Section 52 read with Section 66 and all other applicable provisions of the Act and the Demerged Company shall not be required to undertake any separate proceedings/compliances for the same. The Sanction Order shall in view of explanation to section 66 of the Act be sufficient and not requiring a separate order under Section 66(3) of the Act. Accordingly, the Demerged Company shall not be required to separately comply with Section 52 read with Section 66 or any other provisions of Act. The Demerged Company shall not be required to add "and reduced " as a suffix to its name.

*Parag Mehta*



### **13.3 Accounting treatment in the books of the Resulting Company**

Upon the effectiveness of this Scheme and with effect from the Appointed Date:

13.3.1 The Resulting Company shall record the transferred assets and Transferred Liabilities pertaining to the Demerged Undertaking at the values appearing in the books of the Demerged Company, prepared in accordance with the provisions of the Accounting Standards notified under Section 133 of Companies Act, 2013.

13.3.2 The Resulting Company shall issue shares to the shareholders of the Demerged Company as per Clause 12 of this Scheme. These shares shall be issued and recorded at face value and accordingly the aggregate face value of the shares to be issued shall be credited to the Resulting Company's share capital account.

13.3.3 The difference i.e. the excess or short fall, as the case may be, of the value of the assets and the liabilities pertaining to the Demerged Undertaking and received from the Demerged Company pursuant to the Scheme after taking into account the face value of the shares issued by the Resulting Company shall be credited or debited to the reserves of the Resulting Company.

### **14. CONDUCT OF BUSINESS BY THE DEMERGED COMPANY PERTAINING TO DEMERGED UNDERTAKING UNTIL THE EFFECTIVE DATE**

14.1 Till the Effective Date, the Demerged Company undertakes to carry on the business and activities of the Demerged Undertaking with reasonable diligence, business prudence and shall not, except in the ordinary course of business or with prior written consent of the Resulting Company or as provided in this Scheme, alienate, Encumber or otherwise deal with or dispose of any business or part thereof.

14.2 All the profits or income accruing or arising to the Demerged Company and expenditure or losses arising or incurred or suffered by the Demerged Company which form part of Demerged Undertaking, for the period commencing from the Appointed Date shall, for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of the Resulting Company, and such profits (if any) will be available to Resulting Company for being disposed of in any manner as it thinks fit.

14.3 Upon the Scheme becoming effective and with effect from the Appointed Date, any of the rights, powers, authorities or privileges attached, related or forming part of the Demerged Undertaking, exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for the Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or forming part of the Demerged Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken/ discharged for and on behalf of the Resulting Company.

14.4 The Demerged Company and the Resulting Company shall be entitled, pending the Sanction Order, to apply to all Appropriate Authorities concerned as are necessary under any Applicable Law for such consents, approvals and sanctions, which may be required in connection with this Scheme.

### **15. REMAINING UNDERTAKING**

15.1 The Remaining Undertaking and all the assets, properties, rights liabilities and obligations pertaining thereto shall continue to belong to and remain vested in and be managed by the Demerged Company, and the Resulting Company shall have no right, claim or obligation in



relation to the Remaining Undertaking and nothing in this Scheme shall operate to transfer any of the Remaining Undertaking to the Resulting Company or to make the Resulting Company liable for any Liabilities of the Demerged Company relating to the Remaining Undertaking.

15.2 All Proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and relating to the Remaining Undertaking of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Undertaking) shall be continued and enforced against the Demerged Company.

15.3 If Proceedings are taken against the Resulting Company in respect of matters referred to in Clause 15.2 above relating to the Remaining Undertaking, it shall defend the same in accordance with the advice of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company, against all liabilities and obligations incurred by the Resulting Company in respect thereof.

15.4 With effect from date of approval of this Scheme by the Board of the Demerged Company up to, including and beyond the Effective Date:

(i) The Demerged Company shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Remaining Undertaking for and on its own behalf.

(ii) All profits or income accruing or arising to the Demerged Company thereon and expenditure or losses arising or incurred or suffered by it relating to the Remaining Undertaking shall for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company.

(iii) All assets and properties acquired by the Demerged Company in relation to the Remaining Undertaking shall belong to and continue to remain invested in the Demerged Company.

## 16. VALIDITY OF EXISTING RESOLUTIONS

Upon the Effective Date and with effect from the Appointed Date, all the resolutions, if any, of the Demerged Company which are valid and subsisting on the effectiveness of this Scheme, shall continue to be valid and subsisting and be considered as the resolutions of the Resulting Company to the extent such resolutions pertain to the Demerged Undertaking, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in the Resulting Company.

## 17. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets and Liabilities to, and the continuance of proceedings by or against, the Resulting Company as envisaged in this Part shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Appointed Date and after the Appointed Date till the effectiveness of this Scheme, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.





**PART III  
(GENERAL PROVISIONS)**

**18. APPLICATIONS/PETITIONS TO THE NCLT AND APPROVALS**

18.1 The Companies shall, without undue delay, make all necessary applications to SEBI and the Stock Exchanges in connection with the Scheme and make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the NCLT, for sanction of this Scheme, including seeking such orders for convening and holding or alternatively, dispensing with requirements for convening and holding meetings of the shareholders and/ or creditors of the Demerged Company and the Resulting Company as may be directed by the NCLT and obtain such other approvals, as required by Applicable Law.

18.2 The Companies shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law, as agreed between the Demerged Company and the Resulting Company, for such consents and approvals which the Resulting Company may require to own the assets and / or liabilities of the Demerged Undertaking and to carry on the business of the Demerged Undertaking, in any case subject to the terms as may be mutually agreed between the Demerged Company and the Resulting Company.

**19. CANCELLATION OF EXISTING SHARES OF THE RESULTING COMPANY AND REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY**

19.1 Immediately following the issue and allotment of the New Equity Shares by the Resulting Company to the equity shareholders of the Demerged Company in accordance with Clause 12 of this Scheme, and pursuant to provisions of Section 230-232 of the Act, the existing shareholding of the Demerged Company and its nominees in the Resulting Company will stand cancelled, extinguished and annulled which shall be regarded as reduction of share capital of the Resulting Company, without any further act, instrument or deed. The consequent reduction of share capital of the Resulting Company shall be an integral part of this Scheme and the Demerged Company and the Resulting Company shall not be required to follow the process under Section 66 of the Act or any other provisions of Applicable law separately.

19.2 The reduction of capital of the Demerged Company in Clauses 13, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

19.3 Notwithstanding the reduction of the existing share capital of the Demerged Company above, the Companies shall not be required to add "and reduced" as a suffix to its name.

**20. CHANGE IN CAPITAL STRUCTURE OF THE DEMERGED COMPANY/ RESULTING COMPANY**

20.1 Without prejudice to the generality of this Scheme, during the period between the date of approval of the Scheme by the respective Boards and up to and including the date of allotment of the New Equity Shares pursuant to this Scheme, neither the Demerged Company nor the Resulting Company shall make any change in its capital structure, whether by way of increase (including by issue of equity shares on a rights basis, issue of bonus shares), decrease, reduction, reclassification, sub-division or consolidation, re-organisation of share capital, or in





any other manner which may, in any way, affect the issuance of the New Equity Shares as per Clause 11, except under any of the following circumstances:

(a) by mutual written consent of the respective Boards of the Demerged Company and the Resulting Company; or

(b) as may be expressly permitted under this Scheme.

## 21. AMENDMENT OF ARTICLES OF THE RESULTING COMPANY

21.1 As an integral part of the Scheme, and upon coming into effect of the Scheme, the articles of association of the Resulting Company shall stand amended and restated to contain provisions applicable to a public limited company and in such form as the Board of the Resulting Company may determine.

21.2 It is hereby clarified that for the purposes of the above Clause 21.1, the consent of the shareholders of the Resulting Company to the Scheme shall be deemed to be sufficient for the purposes of amendment of the articles of association of the Resulting Company, and no further resolution under Section 14 of the Act or any other applicable provisions of the Act, shall be required to be separately passed.

## 22. WRONG POCKET ASSETS

22.1 Subject to other Clauses, no part of the Demerged Undertaking shall be retained by the Demerged Company after the Effective Date pursuant to the Demerger. If any part of the Demerged Undertaking is inadvertently retained by the Demerged Company after the Effective Date, the Demerged Company shall take such actions as may be reasonably required to ensure that such part of the Demerged Undertaking is transferred to the Resulting Company promptly and for no further consideration. The Resulting Company shall bear all costs and expenses as may be required to be incurred by the Demerged Company, subject to the prior written consent of the Resulting Company, for giving effect to this Clause.

22.2 No part of the Remaining Undertaking shall be transferred to the Resulting Company after the Effective Date pursuant to the Demerger. If any part of the Remaining Undertaking is inadvertently held by the Resulting Company after the Effective Date, the Resulting Company shall take such actions as may be reasonably required to ensure that such part of the Remaining Undertaking is transferred back to the Demerged Company, promptly and for no consideration. The Demerged Company shall bear all costs and expenses as may be incurred by each of the Demerged Company or the Resulting Company for giving effect to this Clause.

22.3 If the Demerged Company realizes any amounts after the Effective Date that form part of the Demerged Undertaking, it shall immediately make payment of such amounts to the Resulting Company. It is clarified that all receivables relating to the Demerged Undertaking, for the period prior to the Effective Date, but received after the Effective Date, relate to the Demerged Undertaking and shall be paid to the Resulting Company for no additional consideration. If the Resulting Company realizes any amounts after the Effective Date that pertains to the Remaining Undertaking, the Resulting Company shall immediately pay such amounts to the Demerged Company.



## 23. MODIFICATIONS/AMENDMENTS TO THE SCHEME

23.1 The Demerged Company and the Resulting Company, through their respective Boards, acting collectively, in their full and absolute discretion, may:

(a) make and/or consent to any modifications/ amendments to the Scheme or to agree to any conditions or limitations:

(i) which the Stock Exchange(s), SEBI and any other Appropriate Authority may deem fit to suggest/ impose /direct; or

(ii) to effect any other modification or amendment which the NCLT may deem fit;

(b) jointly and as mutually agreed in writing, modify or vary this Scheme at any time prior to the Effective Date in any manner;

(c) give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme, whether by reason of any directive or orders of any Appropriate Authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Demerged Company or the Resulting Company, as the case may be); and

(d) do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

Provided that any modification to the Scheme by the Companies, after receipt of the Sanction Order, shall be made only with the prior approval of the NCLT.

23.2 Any question that may arise as to whether a specific asset (tangible or intangible), any liability, employee or proceeding pertains or does not pertain to the Demerged Units as stated above or whether it arises out of the activities or operations of the Demerged Units or not, shall be mutually decided by the Boards of the Companies.

23.3 In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of the Companies shall have complete power to mutually take the most sensible interpretation so as to render the Scheme operational.

23.4 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorised person of the Demerged Company and/or the Resulting Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on the Companies, in the same manner as if the same were specifically incorporated in this Scheme.

23.5 If, upon the Scheme becoming effective and upon the transfer and vesting of the assets and liabilities of the Demerged Undertaking into the Resulting Company and pursuant to the provisions of Applicable Law, the Resulting Company is not permitted under the Applicable Law to carry on the certain business or hold assets, licenses, etc., transferred and vested pursuant to this Scheme, the Board of the Resulting Company shall be permitted and/or entitled to divest such business or assets, licences, etc., in the manner as it may deem appropriate.



## 24. CONDITIONS PRECEDENT

24.1 This effectiveness of this Scheme is and shall be conditional upon and subject to:

24.1.1 the sanction or approval of the Appropriate Authorities, including the Competition Commission of India, and other sanctions and approvals (as may be required by Applicable Law) in respect of this Scheme being obtained in respect of any of the matters in respect of which such sanction or approval is required or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;

24.1.2 approval of the Scheme by the requisite majority of each class of shareholders / creditors of the Demerged Company and the Resulting Company as may be required under the Act and SEBI Circulars or as may be directed by the NCLT. It is clarified that the Scheme is conditional upon it being approved by the public shareholders through e-voting in terms of Part -I (A)(10)(a) and (b) of SEBI Master circular No. SEBI/HO/CD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

24.1.3 receipt of such other approvals, sanctions and fulfilment of conditions as may be agreed in writing between the Demerged Company and the Resulting Company;

24.1.4 Sanction Order, under Sections 230 to 232 and other relevant provisions of the Act being obtained by the Demerged Company and the Resulting Company from the NCLT; and

24.1.5 certified/authenticated copy of the Sanction Order, being filed with the Registrar of Companies by the Demerged Company and the Resulting Company in relation to this Scheme.

24.2 It is hereby clarified that submission of the Scheme to the NCLT and to Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Demerged Company and/or the Resulting Company may have under or pursuant to Applicable Law.

24.3 On the approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Demerger, as the case may be, set out in this Scheme, related matters and this Scheme itself.

## 25. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION/WITHDRAWAL OF THE SCHEME

25.1 In the event any of the conditions set out in Clause 24.1 above, not being fulfilled, obtained or waived, as the case may be, on or before December 31, 2022 or within such further period or periods as may be agreed upon between the Demerged Company and the Resulting Company through their respective Boards, the Scheme shall stand terminated and become null and void and the Demerged Company shall bear and pay its costs, charges and expenses for and/or in connection with the Scheme.

25.2 Without prejudice to the generality of the aforesaid clause, the Companies (jointly and not severally) shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Boards of the Companies prior to the Effective Date.

25.3 In the event of revocation/withdrawal under Clauses 25.1 and 25.2 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and/or the Resulting Company or their respective shareholders or creditors or employees or any other





person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Company shall bear its own costs, unless otherwise mutually agreed.

## **26. SCHEME AS A WHOLE**

The provisions contained in this Scheme are inextricably interlinked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Boards of the Companies.

## **27. SEVERABILITY**

If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Demerged Company and the Resulting Company through their respective Boards, affect the validity or implementation of the other parts and/or provisions of this Scheme.

## **28. RESIDUAL PROVISIONS**

28.1 Upon this Scheme becoming effective, the accounts of the Companies, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.

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

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

All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) arising out of or incurred in connection with and in implementing this Scheme and matters incidental thereto shall be borne equally by the Demerged Company and the Resulting Company; provided that all costs, charges and expenses arising out of or incurred in connection with the Share Transfers shall be borne by the Promoter Groups in a manner as may be mutually agreed between them.

Dated: 29<sup>th</sup> August 2022

*Rayhita*

