Annexure-2

SCHEME OF ARRANGEMENT

(Pursuant to Sections 230 and 232 of the Companies Act, 2013)

BETWEEN

SHRISTI INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

AND

EAST KOLKATA INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED

AND

VIPANI HOTELS & RESORTS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

FOR

AMALGAMATION OF EAST KOLKATA INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED WITH SHRISTI INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

AND

DEMERGER OF HOSPITALITY BUSINESS OF SHRISTI INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED TO VIPANI HOTELS & RESORTS PRIVATE LIMITED

PART – I

(Preliminary)

1. Definitions:

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

1.1 **"Act"** means the Companies Act, 2013 or any statutory modifications or re-enactment thereof.

1.2 "**Appointed Date**" means the 1st day of January, 2017.

1.3 **"Effective Date"** means the date or last of the dates on which all the requisite approvals and sanction to the Scheme are obtained and certified copies of the order of the Hon'ble National Company Law Tribunal (NCLT) sanctioning the Scheme are filed with the Registrar of Companies by EKIDPL, VHRPL and SIDCL.

1.4 **"EKIDPL"** means East Kolkata Infrastructure Development Private Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning

Certified True Copy
Shristi Infrastructure
Development Corporation Ltd.
Company Secretary

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

of the Act, having its registered office at Plot No.X-1, 2 & 3, Block EP, Sector V, Salt Lake City, Kolkata 700 091 in the State of West Bengal.

1.5 **"Hospitality Division"** means the undertaking of SIDCL engaged in and having interest in the hospitality business, including development of hotels and serviced apartments, and shall mean and include all property, rights and powers and all debts, liabilities, duties and obligations of SIDCL comprised in and/or pertaining to the Hospitality Division, including:

i. all properties and assets, moveable or immovable, freehold or leasehold, real or personal, tangible or intangible, corporeal or incorporeal, in possession or reversion, present or contingent, of whatsoever nature and wherever situated wheresoever situate, as on the Appointed Date relating to the Hospitality Division, including all lands, buildings, plant and machinery, vehicles, equipment, furniture, investments in shares and securities, (including investments in shares of Shristi Hotel Private Limited, Shristi Udaipur Hotels & Resorts Private Limited and Shristi Urban Infrastructure Development Limited), sundry debtors, inventories, cash and bank balances, bills of exchange, deposits, loans and advances and other assets as appearing in the books of account of SIDCL in relation to the Hospitality Division, leases, tenancies and agency of SIDCL pertaining to the Hospitality Division, and all other interests or rights in or arising out of or relating to the Hospitality Division together with all respective powers, interests, charges, privileges, benefits, entitlements, industrial and other licenses, registrations, quotas, patents, copyrights, brand names, trademarks, other intellectual property rights, liberties, easements and advantages, subsidies, grants, taxes, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, excise duty, service tax, etcetera), deferred tax benefits and other benefits appertaining to the Hospitality Division and/or to which SIDCL is entitled to in respect of the Hospitality Division of whatsoever kind, nature or description held, applied for or as may be obtained thereafter together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records relating to the Hospitality Division;

ii. all debts, liabilities, duties and obligations of SIDCL in relation to the Hospitality Division, including liabilities on account of secured loans, unsecured loans and sundry creditors, bonus, gratuity, service tax and other taxation and contingent liabilities of SIDCL pertaining to the Hospitality Division; and

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

iii. all employees of SIDCL engaged in or in relation to the Hospitality Division.

1.6 **"NCLT"** mean the Hon'ble National Company Law Tribunal .

1.7 **"Record Date"** means the date to be fixed by the Board of Directors of VHRPL in consultation with SIDCL for the purpose of determining the members to whom shares of VHRPL will be issued and allotted in terms of Clause 19 of this Scheme.

1.8 **"Scheme"** means this Scheme of Arrangement pursuant to Sections 230 and 232 of the Act in the present form or with such modification(s) as sanctioned by the Hon'ble NCLT.

1.9 **"SIDCL"** means Shristi Infrastructure Development Corporation Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Plot No.X-1, 2 & 3, Block EP, Sector V, Salt Lake City, Kolkata 700 091 in the State of West Bengal.

1.10 "**Undertaking of EKIDPL**" means and includes:

(a) all the properties, assets, rights and powers of EKIDPL;

(b) all the debts, liabilities, duties and obligations of EKIDPL; and

(c) all the employees of EKIDPL.

Without prejudice to the generality of the foregoing clause, the said Undertaking shall include all rights, powers, interests, authorities, privileges, liberties and all properties and assets, moveable or immovable, freehold or leasehold, real or personal, tangible or intangible, corporeal or incorporeal, in possession or reversion, present or contingent, of whatsoever nature and wherever situated, including all lands, buildings, plant and machinery, office equipments, inventories, investments in shares, debentures, bonds and other securities, sundry debtors, cash and bank balances, loans and advances, leases and all other interests and rights in or arising out of such properties together with all liberties, easements, advantages, exemptions, approvals and licenses, if any, held, applied for or as may be obtained hereafter by EKIDPL or which EKIDPL is entitled to, together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records of EKIDPL.

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

1.11 **"VHRPL"** means Vipani Hotels & Resorts Private Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at D-2, 5th Floor, Saket Place, Saket, New Delhi -110017 in the National Capital Territory of New Delhi. VHRPL is in the process of shifting its registered office to Plot No.X-1, 2 & 3, Block EP, Sector V, Salt Lake City, Kolkata 700 091 in the State of West Bengal with requisite approvals. Accordingly, upon such shifting being effective, the existing address of the registered office of VHRPL stated above will be substituted by the new address and this definition shall stand modified and updated accordingly.

1.12. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

2. Share Capital:

The Authorised, Issued, Subscribed and Paid-up Share Capital of EKIDPL, SIDCL and VHRPL as on the date of approval of this Scheme by the respective Board of Directors of EKIDPL, SIDCL and VHRPL, i.e as on 14th February, 2017, is as under:

i. EKIDPL

Authorised Share Capital:	(Amount in Rs.)
1,00,000 Equity Shares of Rs.10/- each	10,00,000/-
Issued and Subscribed Share Capital:	
1,00,000 Equity Shares of Rs. 10/- each fully paid up	10,00,000/-

ii. SIDCL

Authorised Share Capital:	(Amount in Rs.)
3,05,00,000 Equity Shares of Rs.10/- each	30,50,00,000/-
Issued and Subscribed Share Capital:	
2,22,00,000 Equity Shares of Rs. 10/- each fully paid up	22,20,00,000/-

iii. VHRPL

Authorised Share Capital:	
5,00,000 Equity Shares of Rs.10/- each	50,00,000/-
Issued, Subscribed and Paid Up Share Capital:	
4,96,000 Equity Shares of Rs.10/- each fully paid up	49,60,000/-

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

All Equity Shares issued by EKIDPL and VHRPL are held by SIDCL and its nominees and, accordingly, EKIDPL and VHRPL are wholly owned (100%) subsidiaries of SIDCL at present.

3. Objects and Reasons:

i. SIDCL is a well established infrastructure development and construction company, having interests primarily in the business of construction on contract basis for other parties and providing allied services, including consultancy; and infrastructure development and real estate, including hospitality. Such businesses are carried on by SIDCL directly and also through its various subsidiaries. The hospitality business is relatively new and includes development and running of hotels and serviced apartments. In its hospitality business, SIDCL is making serviced apartments in the complex of the Westin hotel developed at Rajarhat in Kolkata by its subsidiary, Shristi Hotel Limited. SIDCL also has interests in such business through Shristi Udaipur Hotels & Resorts Private Limited ("SUHRPL") which is pursuing a project for developing a hotel at Udaipur. 60.61% of the Equity Shares of the said SUHRPL is held by Shristi Urban Infrastructure Development Limited, which is a direct subsidiary of SIDCL, while the balance 39.39% of the Equity Shares of SUHRPL is held by SIDCL itself. The said SUHRPL is thus also a step down subsidiary of SIDCL.

ii. EKIDPL is a real estate company which is pursuing a project for development of a housing and commercial complex at Topsia in Kolkata. EKIDPL is a wholly owned subsidiary of SIDCL. VHRPL is another wholly owned subsidiary of SIDCL incorporated with the main object of undertaking hospitality business. VHRPL is a pursuing a project for development of a hospitality complex at Puducherry, including hotel and serviced apartments. Apart from such hospitality business, VHRPL does not have interest in any other business.

iii. The respective businesses carried on by SIDCL have evolved and grown over the years. The hospitality business of SIDCL, including its interests therein, has hitherto been carried on and held as part of the entire business and undertaking of SIDCL. However, such hospitality business represents a distinct line of business having differing financial needs and strategic imperatives from the other businesses of SIDCL. The hospitality business of SIDCL and the other businesses of SIDCL have good potential as independent businesses. The differing financial needs and strategic imperatives can be better addressed by separation of the hospitality business and the other businesses under two focussed entities. Further, the real estate development business of EKIDPL can be combined and carried on together with the real estate development business of SIDCL

SHRISTI INFRASTRUCTURE DEV. CORP. KOLKATA

more conveniently and advantageously since SIDCL is already pursuing such business on a much larger scale.

iv. In the circumstances it is considered desirable and expedient to reorganise and reconstruct the said Companies by (1) amalgamating EKIDPL with SIDCL and (2) demerging the Hospitality Division of SIDCL to VHRPL in the manner and on the terms and conditions stated in this Scheme of Arrangement.

v. The respective businesses and interests will stand realigned appropriately in two companies pursuant to the amalgamation and demerger under the Scheme, i.e. (1) SIDCL engaged and having interests in business of construction and providing allied services and development of real estate, including infrastructure consultancy and (2) VHRPL engaged and having interests in hospitality business, including development of hotels and serviced apartments. Such amalgamation and demerger under the Scheme will enable the said respective businesses to be pursued and carried on more conveniently and advantageously with greater focus and attention through such two separate companies, i.e. SIDCL and VHRPL, each having their own management team and administrative set up. The business considerations and factors applicable to the said businesses will be addressed more effectively and adequately by the respective companies.

vi. The Scheme will enable independent evaluation of the hospitality business and said other businesses through two separate companies, VHRPL and SIDCL. Investors tend to prefer to invest in "pure play" companies, being companies with operations in a single industry focusing on core competencies, as this attracts investors with specific understanding of and interest in that industry. Separation of the hospitality business from the other businesses is thus expected to improve investor's perspective vis-à-vis each company. The demerger will facilitate running and operation of the respective businesses and growth and development plans thereof to be funded independently and unlock shareholders value.

vii. The amalgamation will enable appropriate consolidation of the real estate business and undertaking of EKIDPL with the real estate business and undertaking of SIDCL. The amalgamation will lead to such business of the amalgamated SIDCL being carried on more efficiently and economically with better operating parameters. The same would result, inter alia, from, pooling and more effective utilisation of their resources, elimination of duplication of work, and overall reduction of overheads and savings in costs which will be facilitated by and follow the amalgamation.

SHRISTI INFRASTRUCTURE DEV. CORPN. KOLKATA

viii. The Scheme will facilitate optimum growth and development of the said hospitality business and other businesses as independent lines of business and better realisation of the potential thereof with independent evaluation and funding on the basis of their own strengths, risks and rewards respectively applicable to them.

ix. The Scheme will have beneficial results for the said Companies, their shareholders and all concerned and is proposed to their advantage.

PART - II

(Amalgamation of EKIDPL with SIDCL)

4. Transfer of Undertaking:

4.1 With effect from the Appointed Date, EKIDPL shall stand amalgamated with SIDCL, as provided in the Scheme. Accordingly, the Undertaking of EKIDPL shall, pursuant to the provisions contained in Section 232 and other applicable provisions of the Act, stand transferred to and vest in and be deemed to be transferred to and vested in SIDCL, as a going concern without any further act, deed, matter or thing so as to become on and from the Appointed Date, the Undertaking of SIDCL.

4.2 All debts, liabilities, duties and obligations of EKIDPL as on the Appointed Date shall also be transferred to SIDCL, without any further act, deed, matter or thing pursuant to the provisions contained in Section 232 of the Act, so as to become the debts, liabilities, duties and obligations of SIDCL.

4.3 The transfer of the Undertaking of EKIDPL, as aforesaid, shall be subject to the existing charges, if any, over or in respect of any of the assets or any part thereof, provided however that such charges shall be confined only to the relative assets of EKIDPL or part thereof on or over which they are subsisting on transfer of such assets to SIDCL and no such charges shall extend over or apply to any other asset(s) of SIDCL. Any reference in any security documents or arrangements (to which EKIDPL is a party) to any assets of EKIDPL shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of SIDCL. Similarly, SIDCL shall not be required to create any additional security over assets acquired by it under this Scheme for any loans, debentures, deposits or other financial assistance already availed/to be availed by it and the charges in respect of such indebtedness of SIDCL shall not extend or be deemed to extend or apply to the assets so acquired by SIDCL.

SHRISTI INFRASTRUCTURE DEV CORP LTD KOLKATA

4.4 For the removal of doubts, it is clarified that to the extent that there are obligations, balances or other outstandings as between EKIDPL and SIDCL, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of SIDCL for the reduction of such assets or liabilities, as the case may be, and there shall be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

4.5 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates and no-objection certificates obtained by EKIDPL for its operations and/or to which EKIDPL is entitled to in terms of the various Statutes / Schemes / Policies etc. of Union and State Governments, shall be available to and vest in SIDCL, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of SIDCL. Since the Undertaking of EKIDPL will be transferred to and vested in SIDCL as a going concern without any break or interruption in the operations thereof, SIDCL shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations, eligibility certificates and no-objection certificates as enjoyed by EKIDPL and to carry on and continue the operations of the Undertaking of EKIDPL on the basis of the same upon this Scheme becoming effective. Further, all benefits, including under Income Tax, Sales Tax etcetera, to which EKIDPL is entitled to in terms of the various Statutes / Schemes / Policies etc. of Union and State Governments, shall be available to and vest in SIDCL upon this Scheme becoming effective.

4.6 Consequent to and as part of the amalgamation of EKIDPL with SIDCL herein, the Authorised Share Capital of EKIDPL shall stand merged into and combined with the Authorised Share Capital of SIDCL pursuant to the Scheme, without any further act or deed, and without payment of any registration or filing fee on such combined Authorised Share Capital, EKIDPL and SIDCL having already paid such fees. Accordingly, the Authorised Share Capital of SIDCL resulting from the amalgamation of EKIDPL with SIDCL shall be a sum of Rs.31,50,00,000/- divided into 3,15,00,000 Equity Shares of Rs.10/- each and Clause V of the Memorandum of Association and Article 4 of the Articles of Association of SIDCL shall stand altered accordingly.

4.7 The amalgamation of EKIDPL with SIDCL shall be deemed to have taken place and come into effect prior to demerger of the Hospitality Division of SIDCL to VHRPL in terms of this Scheme.

SHRISTI INFRASTRUCTURE DEV. CORP. LTD. KOLKATA

5. **Legal Proceedings:**

If any suits, actions and proceedings of whatsoever nature (hereinafter called "**the Proceedings**") by or against EKIDPL are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of EKIDPL with SIDCL or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against SIDCL as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against EKIDPL, in the absence of the Scheme.

6. **Contracts and Deeds:**

Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, engagements and other instruments of whatsoever nature to which EKIDPL is a party or to the benefit of which EKIDPL may be eligible and which have not lapsed and are subsisting on the Effective Date shall remain in full force and effect against or in favour of SIDCL, as the case may be, and may be enforced by or against SIDCL as fully and effectually as if, instead of EKIDPL, SIDCL had been a party or beneficiary thereto.

7. **Saving of Concluded Transactions:**

The transfer and vesting of the Undertaking of EKIDPL under Clause 4 above, the continuance of Proceedings by or against SIDCL under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above shall not affect any transaction or proceeding already concluded by EKIDPL on or before the Effective Date to the end and intent that SIDCL accepts and adopts all acts, deeds and things done and executed by and on behalf of EKIDPL as acts, deeds and things done and executed by and on behalf of SIDCL.

8. **Employees:**

On and from the Effective Date:

8.1 All the employees of EKIDPL in service on the Effective Date shall become the employees of SIDCL on the same terms and conditions on which they are engaged by EKIDPL without treating it as a break, discontinuance or interruption in service on the said date.

8.2 Accordingly the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with EKIDPL.

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

8.3 It is expressly provided that the Provident Funds, Gratuity Funds, Superannuation Fund or any other Fund or Funds created or existing for the benefit of the employees, as applicable, of EKIDPL shall be continued by SIDCL and SIDCL shall stand substituted for EKIDPL for all purposes whatsoever, including in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof to the end and intent that all rights, duties, powers and obligations of EKIDPL in relation to such Fund or Funds shall become those of SIDCL.

9. Dissolution ofEKIDPL:

EKIDPL shall be dissolved without winding up pursuant to the provisions of Section 232 of the Act.

10. Conduct of business till Effective Date:

With effect from the Appointed Date and upto the Effective Date:

i. EKIDPL shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its assets for and on account of and in trust for SIDCL.

ii. EKIDPL shall carry on its businesses and activities with due diligence and business prudence and shall not charge, mortgage, encumber, alienate or otherwise deal with its assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business without the prior written consent of SIDCL.

iii. All profits or income accruing or arising to EKIDPL (including taxes paid thereon) or expenditure or losses arising or incurred by EKIDPL on and after the Appointed Date shall, for all purposes, be deemed to have accrued as the profits or income (including taxes paid) or expenditure or losses, as the case may be, of SIDCL.

11. Cancellation of Shares:

Upon the Scheme becoming effective, all shares issued by EKIDPL and held by SIDCL shall stand cancelled without any further act or deed and in lieu thereof no allotment of any new shares or any payment shall be made by SIDCL to any person.

12. Accounting:

12.1 The amalgamation shall be accounted for in the books of account of SIDCL according to the purchase method under Accounting Standard (AS) 14, 'Accounting for

SMRISHTI INFRASTRUCTURE DEVL CORPN LTD. KOLKATA

Amalgamations' ("AS14") annexed to the Companies (Accounting Standards) Rules, 2006.

12.2 Accordingly on and from the Appointed Date and subject to the provisions hereof, identifiable assets and liabilities of EKIDPL, including identifiable assets and liabilities not recorded in the financial statements of EKIDPL, shall be recorded in the books of accounts of SIDCL at their fair values. The difference between (i) the net assets (fair value of assets less liabilities) so recorded in the books of SIDCL and (ii) carrying amount of the investment of SIDCL in the shares of EKIDPL, which shall stand cancelled in terms of this scheme, shall, be adjusted in Capital Reserves/ Goodwill Account in the books of SIDCL, as the case may be.

12.3 In case of any difference in accounting policy between EKIDPL and SIDCL, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of SIDCL to ensure that the financial statements of SIDCL reflect the financial position on the basis of consistent accounting policy.

PART – III

(Demerger of Hospitality Division of SIDCL to VHRPL)

13. Transfer of Undertaking:

13.1 With effect from the Appointed Date, the Hospitality Division of SIDCL shall stand demerged to VHRPL. Accordingly, the Hospitality Division of SIDCL shall, pursuant to the provisions contained in Section 232 and other applicable provisions of the Act stand transferred to and vest in and be deemed to be transferred to and vested in VHRPL, as a going concern with effect from the Appointed Date for all the estate and interest of SIDCL therein.

13.2 All debts, liabilities, duties and obligations of SIDCL relating to the Hospitality Division as on the close of business on the day immediately preceding the Appointed Date and all other debts, liabilities, duties and obligations of SIDCL relating to the Hospitality Division which may accrue or arise from the Appointed Date but which relate to the period upto the day immediately preceding the Appointed Date shall also be transferred to VHRPL, without any further act or deed, pursuant to an order passed under the provisions of Section 232 of the Act, so as to become the debts, liabilities, duties and obligations of VHRPL.

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

13.3 The transfer and vesting of the Hospitality Division of SIDCL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof.

13.4 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates obtained by SIDCL for the operations of the Hospitality Division/or to which SIDCL is entitled to in relation to the Hospitality Division in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in VHRPL, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of VHRPL. Since the Hospitality Division will be transferred to and vested in VHRPL as a going concern without any break or interruption in the operation thereof, VHRPL shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates and to carry on and continue the operations of the Hospitality Division on the basis of the same upon this Scheme becoming effective. Further, all benefits, including, under Income Tax, Excise (including Modvat/Cenvat), Sales Tax etc to which SIDCL is entitled in relation to the Hospitality Division in terms of the various Statutes and / or Schemes of Union and State Governments shall be available to and vest in VHRPL upon this Scheme becoming effective.

14. Legal Proceedings:

All legal or other proceedings by or against SIDCL and relating to the Hospitality Division shall be continued and enforced by or against VHRPL only. If proceedings are taken against SIDCL, SIDCL will defend on notice or as per advice of VHRPL at the costs of VHRPL and VHRPL will indemnify and keep indemnified SIDCL from and against all liabilities, obligations, actions, claims and demands in respect thereof.

15. Contracts and Deeds:

Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Hospitality Division to which SIDCL is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of VHRPL and may be enforced as fully and effectually as if instead of SIDCL, VHRPL had been a party thereto.

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

16. Saving of Concluded Transactions:

The transfer and vesting of the properties and liabilities of the Hospitality Division and the continuance of the proceedings by or against VHRPL as per the provisions hereof shall not affect any transaction or proceeding relating to the Hospitality Division already completed by SIDCL on or before the Effective Date to the end and intent that VHRPL accepts all acts, deeds and things relating to the Hospitality Division done and executed by and/or on behalf of SIDCL as acts deeds and things done and executed by and on behalf of VHRPL.

17. Employees:

17.1 VHRPL undertakes to engage all the employees of SIDCL engaged in the Hospitality Division on the Effective Date on the same terms and conditions on which they are engaged by SIDCL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Hospitality Division to VHRPL.

17.2 Accordingly, the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with SIDCL.

17.3 The accumulated balances, if any, standing to the credit of the employees of the Hospitality Division in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds of which they are members will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by VHRPL and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognised by the concerned authorities by VHRPL. Pending the transfer as aforesaid, the dues of the employees of the Hospitality Division relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.

18. Conduct of business of Hospitality Division in trust for VHRPL:

With effect from the Appointed Date and upto and including the Effective Date:

18.1 SIDCL undertakes to carry on the business of the Hospitality Division in the ordinary course of business and SIDCL shall be deemed to have carried on and to be carrying on all business and activities relating to the Hospitality Division for and on account of and in trust for VHRPL.

18.2 All profits accruing to SIDCL or losses arising or incurred by it and all taxes paid in relation to such profits relating to the Hospitality Division for the period falling on and after the Appointed Date shall for all purposes, be treated as the profits or losses and taxes, as the case may be of VHRPL.

18.3 SIDCL shall be deemed to have held and stood possessed of the properties to be transferred to VHRPL for and on account of and in trust for VHRPL and, accordingly, SIDCL shall not (without the prior written consent of VHRPL) alienate, charge or otherwise deal with or dispose of the Hospitality Division or any part thereof except in the usual course of business.

19. Consideration:

19.1 Upon the Scheme coming into effect and without further application, act or deed, VHRPL shall, in consideration of the demerger and transfer of the Hospitality Division, issue and allot to the members of SIDCL holding fully paid up Equity Shares in SIDCL and whose names appear in the Register of Members of SIDCL on such date ("**Record Date**") as the Board of Directors of SIDCL shall determine in consultation with VHRPL, Equity Shares of Rs.10/- each in VHRPL, credited as fully paid up with rights attached thereto as hereinafter mentioned ("**New Equity Shares**") in the following entitlement ratio:

5 (Five) New Equity Shares of Rs.10/- each in VHRPL credited as fully paid up for every 1 (One) Equity Share of Rs.10/- each fully paid-up held by them in the capital of SIDCL.

19.2 All the New Equity Shares to be issued and allotted by VHRPL to the Equity Shareholders of SIDCL under this Scheme shall rank pari passu in all respects with the existing Equity Shares of VHRPL. Further such Equity Shares shall pursuant to circular dated 30th November 2015 bearing No. CIR/CFD/CMD/16/2015 issued by the Securities and Exchange Board of India (SEBI), including any modification or revision thereof, and subject to compliance with requisite formalities be listed and/or admitted to trading on the relevant stock exchange(s) where the existing Equity Shares of SIDCL are listed and/or admitted to trading.

19.3 No fractional shares shall be issued by VHRPL in respect of the fractional entitlements, if any, to which the members of SIDCL may be entitled on issue and allotment of New Equity Shares in VHRPL as above. The Board of Directors of VHRPL or a committee thereof shall consolidate all such fractional entitlements, and issue and allot the New Equity Shares in lieu thereof to a Director and / or Officer(s) of VHRPL on the express understanding that such Director and / or Officer(s) to whom such New Equity Shares

SHRISTI INFRASTRUCTURE DEV. CORP. LTD. KOLKATA

are allotted shall sell the same in the market and pay to VHRPL the net sale proceeds thereof, whereupon VHRPL shall distribute such net sale proceeds to the members of SIDCL in proportion to their fractional entitlements.

19.4 In respect of the shareholding of the members in SIDCL held in the dematerialised form, the New Equity Shares in VHRPL shall, subject to applicable regulations, also be issued to them in the dematerialised form pursuant to clause 19.1 above with such New Equity Shares being credited to the existing depository accounts of the members of SIDCL entitled thereto, as per records maintained by the National Securities Depository Limited and / or Central Depository Services (India) Limited on the Record Date.

19.5 In respect of the shareholding of the members in SIDCL held in the certificate form, the New Equity Shares in VHRPL shall be issued to such members in certificate form. Members of SIDCL desirous of receiving the New Equity Shares in VHRPL in dematerialised form should have their shareholding in SIDCL dematerialised on or before the Record Date.

19.6 The New Equity Shares in VHRPL allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.

19.7 There shall be no change in the shareholding pattern or control in VHRPL between the Record Date and the listing which may affect the status of the approval of the Stock Exchanges to this Scheme.

19.8 Upon the Scheme coming into effect, VHRPL shall take necessary steps to increase its Authorised Share Capital suitably to enable it to issue and allot the New Equity Shares required to be issued and allotted by it to the shareholders of SIDCL in terms of this Scheme.

20. Cancellation of Existing Shares of VHRPL:

All existing shares held by SIDCL in VHRPL, i.e. 4,96,000 Equity Shares of Rs.10/- each shall stand cancelled, without any further act or deed, upon the new Equity Shares being issued by VHRPL to the shareholders of SIDCL as on the Record Date consequent to the Scheme becoming effective. In lieu of such cancellation no payment shall be made to any person.

INFRASTRUCTURE DEVELOPMENT CORPORATION LTD. KOLKATA

21. Accounting:

21.1 Books of SIDCL

In the books of account of SIDCL, the difference between the book values of the assets and liabilities of the Hospitality Division, a summary statement whereof is set out in Schedule I hereto, shall be adjusted in Capital Reserves of SIDCL.

21.2 Books of VHRPL

The demerger shall be accounted for in the books of account of VHRPL as on the Appointed Date as follows:-

(a) The identifiable assets and liabilities of the Hospitality Division of SIDCL, shall be recorded in the books of accounts of VHRPL at their fair values.

(b) The aggregate face value of the new Equity Shares issued and allotted by VHRPL shall be credited to the Share Capital Account of VHRPL.

(c) The difference between the fair value and face value of the New Equity Shares issued and allotted, as above, shall be credited to the Securities Premium Account of VHRPL.

(d) The difference between (i) the net assets (fair value of assets less liabilities) so recorded in the books of VHRPL and (ii) the aggregate amount credited to Share Capital and Securities Premium Account, as above, shall, if surplus, be debited to Goodwill Account in the books of VHRPL. Conversely, if such difference is a deficit, the same shall be credited to Capital Reserves in the books of VHRPL.

21.3 Subject to the aforesaid, the Board of Directors of SIDCL and VHRPL shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the demerger in the respective books of account of the said Companies.

22. Change of Name

For the business of the Hospitality Division to be continued and carried on by VHRPL more effectively and beneficially pursuant to the demerger, it is desirable and expedient that the name of VHRPL is changed to "Shristi Hotels & Resorts Limited". The name of VHRPL shall stand accordingly consequent to this Scheme. VHRPL shall take necessary steps to give effect to such change of name.

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

PART – IV

(General/ Miscellaneous Provisions)

23. Applications:

SIDCL, EKIDPL and VHRPL shall, with all reasonable dispatch, make necessary applications pursuant to Sections 230 and 232 of the Act to the Hon'ble NCLT for sanction and carrying out of the Scheme and for consequent dissolution of EKIDPL without winding up. SIDCL, EKIDPL and VHRPL shall also apply for such other approvals as may be necessary in law, if any, for bringing the Scheme into effect. Further, SIDCL, EKIDPL and VHRPL shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

24. Approvals and Modifications:

SIDCL, EKIDPL and VHRPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize) are empowered and authorized:

24.1 To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble NCLT and / or any authorities under law may deem fit to approve or direct or as may be otherwise deemed expedient or necessary by the respective Board of Directors as being in the best interest of the said companies and their shareholders.

24.2 To settle all doubts or difficulties that may arise in carrying out the Scheme; to give their approval to all such matters and things as is contemplated or required to be given by them in terms of this Scheme; and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

Without prejudice to the generality of the foregoing SIDCL, EKIDPL and VHRPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

25. Scheme Conditional Upon:

The Scheme is conditional upon and subject to:

25.1 Approval of the Scheme by the requisite majorities of the members of SIDCL, EKIDPL and VHRPL and such other classes of persons, if any, as may be directed by the Hon'ble NCLT

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

pursuant to Sections 230 and 232 of the Act. In so far as approval of shareholders of SIDCL, as aforesaid, is concerned, it is clarified that in terms of paragraphs I(A)9(a) and I(A)9(b) of Annexure I of SEBI Circular dated 30th November 2015 (including any modification or revision thereof), the Scheme shall be acted upon only if the votes cast by the public shareholders of SIDCL in favour of the Scheme are more than the number of votes, if any, cast by them against it.

25.2 Approval of the Scheme by the Stock Exchanges where SIDCL is listed in terms of the said SEBI Circular dated 30th November 2015; and

25.3 Sanction of the Scheme by the Hon'ble NCLT.

Accordingly, the Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the date or last of the dates on which all the aforesaid approvals and sanction are obtained and certified copies of the order of the Hon'ble NCLT sanctioning the Scheme are filed with the Registrar of Companies by SIDCL, EKIDPL and VHRPL.

26. Costs, Charges and Expenses:

All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto upto the stage of sanction of this Scheme, shall be borne and paid by SIDCL. Subsequent to the said stage or in the event the Scheme does not take effect or stands withdrawn for any reason whatsoever, each Company shall pay and bear their own costs.

27. Residual Provisions:

27.1 Save as provided in Clause 19 above, SIDCL, EKIDPL and VHRPL shall not at any time during the period commencing from the date of approval of this Scheme by the Board of Directors of the said Companies and ending with the Effective Date make any change in their capital structure either by way of increase (by issue of equity shares on a rights or preferential allotment basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner except by mutual consent of the respective Boards of Directors of SIDCL, EKIDPL and VHRPL.

27.2 On the approval of the Scheme by the members of SIDCL, EKIDPL and VHRPL pursuant to Sections 230 and 232 of the Act, it shall be deemed that the said members have also

SHRISTI INFRASTRUCTURE DEV. CORP. LTD. KOLKATA

accorded all relevant consents under Sections 13 and 62(1)(c) of the Act or any other provisions of the Act to the extent the same may be considered applicable.

27.3 Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of existing Share Capital of VHRPL in terms of Clause 20 of this Scheme is only consequential to the amalgamation and shall be effected as an integral part of this Scheme. Such cancellation does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital. Further, since such cancellation is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that notwithstanding such cancellation of Share Capital of VHRPL, it shall not be required to add "And Reduced" as suffix to its name.

27.4 The demerger and transfer and vesting of the Hospitality Division of SIDCL to VHRPL under this Scheme has been proposed in compliance with the provisions of Section 2(19AA) of the Income-Tax Act, 1961 and the amalgamation of the EKIDPL with SIDCL has been proposed in compliance with the provisions of Section 2(1B) of the said Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section(s) at a later date including resulting from an amendment of law, including judicial or executive interpretation, or for any other reason whatsoever, the provisions of the said Section(s) of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said Section(s). Such modification will however not affect the other parts of the Scheme.

27.5 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights or liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.

SHRISTI INFRASTRUCTURE DEV. CORPN. LTD. KOLKATA

Schedule I

Statement of Assets and Liabilities of Hospitality Division as on December 31, 2016

Particulars	Rs. Crores
Assets	
Fixed Assets	122.92
Investments	133.82
Current Assets, Loans and Advances	
Inventories	133.35
Trade receivables	16.53
Loans & Advances	145.84
Total Assets (A)	**552.46**
Current Liabilities & Provisions	
Trade payables	8.94
Other Current Liabilities	105.71
Non-Current Liabilities	
Long Term Borrowings	86.45
Total Liabilities (L)	**201.10**
Net Assets (A – L)	**351.46**