Annexure A – Amended Scheme

SCHEME OF ARRANGEMENT

BETWEEN

HG INDUSTRIES LIMITED

(FORMERLY KNOWN AS HIMALAYA GRANITES LIMITED)

(AS THE TRANSFEROR COMPANY)

AND

GREENLAM INDUSTRIES LIMITED

(AS THE TRANSFEREE COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND ALL CONCERNED

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER

A. Preamble

This Scheme of Arrangement (**Scheme**) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (**Act**) and the rules and regulations made thereunder, for the amalgamation of HG Industries Limited (**Transferor Company**) with and into Greenlam Industries Limited (**Transferee Company**), the consequent dissolution of the Transferor Company without winding up and matters incidental thereto.

B. Parts of the Scheme

This Scheme is divided into the following parts:

Part I - Which deals with preliminary matters, definitions of the terms used in the Scheme and sets out the objects, share capital, of the Transferor Company and the Transferee Company and rationale for the Scheme;

Part II - Which deals with the amalgamation of the Transferor Company with and into the Transferee Company; and

Part III - Which deals with the general terms and conditions applicable to this Scheme.

PART I – PRELIMINARY, DEFINITIONS AND INTERPRETATIONS

1. PRELIMINARY

1.1 The Transferor Company was incorporated on 11 December 1987 as Himalaya Granites Private Limited under the Companies Act, 1956. The Transferor Company's Corporate Identification Number is L20100TN1987PLC015161 and its registered office is situated at Panchalam Village, Melpettai Post, Tindivanam, Tamil Nadu – 604307. Subsequently, the Transferor Company was converted into a public limited company pursuant to a shareholders' resolution dated 28 February 1994 and a fresh certificate of incorporation was issued to the Transferor Company by the Registrar of Companies, Tamil Nadu at

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Chennai on 21 March 1994. Pursuant to the said conversion, the name of the Transferor Company was changed from Himalaya Granites Private Limited to Himalaya Granites Limited. The name of the Transferor Company was changed from Himalaya Granites Limited to HG Industries Limited on 2 July 2021 pursuant to a fresh certificate of incorporation issued by the Registrar of Companies, Chennai. On 13 December 2021, the Board of Directors of the Transferor Company passed a resolution approving, *inter alia*, shifting its registered office from the State of Tamil Nadu to the National Capital Terriotry of Delhi. The members of the Transferor Company approved this shifting of registered office by passing a special resolution on 21 January 2022. Subsequently, the Transferor Company initated the relevant process under the Act.

1.2 The Transferee Company was incorporated on 12 August 2013 under the Companies Act, 1956. The Transferee Company's Corporate Identification Number is L21016DL2013PLC386045 and its registered office is situated at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi – 110 037.

1.3 The main objects of the Transferor Company as set out in its memorandum of association are as under:

"The main objects to be pursued by the Company on its incorporation are:

(1) To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers including installers, commission agents, of plywood of all sizes and descriptions, paper boards, hardboards, blockboards, insulation boards, teakwood, firewood, commercial and teak plywood, packing cases, medium density fibreboard, high density fibreboard, laminates of all sizes and descriptions, veneers, pre-laminated board, decorative laminates, decorative laminated sheets, high pressure laminates, post forming laminates, decorative veneers, ready to install doors, door sets, fire rated doors, panel doors, flush doors, windows, veneered engineered flooring and flooring of all kinds and descriptions and chipboards, particle board of all kinds and descriptions and other requisites of construction works and other paper based, wood based and plastic based products of all kinds and descriptions and industrial laminated sheets, compact laminates of every descriptions, post formed panels, whether laminated or not, restroom cubicles, lockers and every type of partition systems and to act as decorators and manufacturers and deal in housing furniture and fittings, interior decorators, commercial and industrial furniture and fittings and implements and tools of all descriptions and provide consultancy in total interior and exterior decoration and furniture solutions.

(2) To sell, lease or let out its land, building, office, factory sheds, building, guesthouse and land appurtenant thereto, wholly or partly, which are not in the immediate requirement of the Company to any person, firm, company, etc. either individually or in any combination thereof.

(3) To engage in the business of dealer, distributor, trader, stockiest, agent including clearing and forwarding agent for all kind of goods, products and merchandise."

1.4 The main objects of the Transferee Company as set out in its memorandum of association are as under:

"The main objects to be pursued by the Company on its incorporation are:

To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers including installers, commission agents, of laminates of all sizes and descriptions, veneers, pre-laminated board, decorative laminates, decorative

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laminated sheets, high pressure laminates, post forming laminates, decorative veneers, ready to install doors, door sets, fire rated doors, Veneered Engineering Flooring and flooring of all kinds and descriptions and Particle Board of all kinds and descriptions and other paper based, wood based and plastic based products of all kinds and descriptions and industrial laminated sheets, compact laminates of every descriptions, post formed panels, whether laminated or not, restroom cubicles, lockers and every type of partition systems and to act as decorators and manufacturers and deal in housing furniture and fittings, interior decorators, commercial and industrial furniture and fittings and implements and tools of all descriptions and provide consultancy in total interior and exterior decoration and furniture solution."

1.5 The Transferor Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products.

1.6 The Transferee Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products through its factories situated at – a. Behror, Rajasthan, and b. Nalagarh, Himachal Pradesh, and is in the process of commencing manufacturing of laminates at its recently acquired plant at Prantij, Gujarat. The Transferee Company has branches and dealers' network spread all over the country and also exports its products to various countries overseas.

1.7 The Transferor Company is a subsidiary of the Transferee Company. The Transferor Company's equity shares are listed on the BSE Limited (**BSE**). The Transferee Company's equity shares are listed on the BSE and the National Stock Exchange of India Limited (**NSE**) (together, the **Stock Exchanges**). Further, the non-convertible debentures of the Transferee Company are listed on the NSE.

1.8 The Scheme does not affect the rights of the creditors of the Transferor Company and the Transferee Company as there will not be any reduction in amounts payable to the creditors of the Transferor Company and the Transferee Company post sanctioning of the Scheme. The Scheme also does not affect the rights of the creditors of the Transferor Company and the Transferee Company as they are financially sound, solvent and the Transferee Company is profit making as may be evidenced by its financial statements.

2. DEFINITIONS

2.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meanings as set-out hereunder:

2.1.1 **Act** means the Companies Act, 2013 and the rules made thereunder;

2.1.2 **Applicable Law(s)** means central, state, provincial, local or municipal law, common law, ordinance, rule, regulation, order, writ, injunction, directive, judgment, decree, or policy or guideline having the force of law for the time being in the Republic of India;

2.1.3 **Appointed Date** means 1 April 2022 or such other date as the Board of Directors of the Transferor Company or the Transferee Company may determine or as the Securities and Exchange Board of India, the Stock Exchanges or the Tribunal(s) may direct;

2.1.4 **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, including, but not limited, to the Securities and Exchange Board of India, Stock Exchanges, Department for Promotion of Industry and

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Internal Trade, Registrar of Companies, Competition Commission of India, National Company Law Tribunal, Insurance Regulatory and Development Authority of India, Reserve Bank of India and the High Courts;

2.1.5 **Board of Directors** or **Board** means the board of directors of the Transferee Company or the Transferor Company, as the case may be, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including any committee of directors) or any person authorized by the board of directors or by any such committee;

2.1.6 **BSE** means the BSE Limited;

2.1.7 **Effective Date** or **coming into effect of this Scheme** or **upon the Scheme becoming effective** or **effectiveness of the Scheme** means the date on which the certified copy of the order of the Tribunal(s) under Sections 230 to 232 of the Act sanctioning the Scheme is filed with the relevant Registrar of Companies. In case the certified copy of the order of the Tribunal(s) are filed with the relevant Registrar of Companies on different dates, then the later of such date of filing(s) will be the Effective Date;

2.1.8 **Encumbrance or Encumbered** means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, deposit by way of security, bill of sale, claims, right to acquire, 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 any 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; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, interest, option, right of pre-emption, right of first offer, refusal or transfer restriction in favour of any person; and (iv) any adverse claim as to title, possession or use;

2.1.9 **NSE** means the National Stock Exchange of India Limited;

2.1.10 **Record Date** means the date to be fixed by the respective Board of Directors of the Transferor Company and the Transferee Company in mutual consultation with each other, to determine the shareholders of the Transferor Company to whom equity shares of the Transferee Company will be issued pursuant to this Scheme;

2.1.11 **Registrar of Companies** means the relevant Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company;

2.1.12 **Scheme** means this Scheme of Amalgamation in its present form or with any modification(s) and amendments made under Clause 21 of this Scheme from time to time and with appropriate approvals and sanctions as imposed or directed by the Tribunal(s) or such other competent authority, as may be required under the Act, as applicable, and under all other Applicable Law;

2.1.13 **SEBI** means the Securities and Exchange Board of India;

2.1.14 **SEBI Listing Regulations** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

2.1.15 **SEBI Merger Circulars** means the Master Circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 issued by SEBI and as amended from time to time;

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2.1.16 **Stock Exchange** means the BSE and / or the NSE, and **Stock Exchanges** shall mean both together;

2.1.17 **Transferee Company** means Greenlam Industries Limited, (E-mail id: prakash.biswal@greenlam.com) (CIN: L21016DL2013PLC386045) a public listed company incorporated on 12 August 2013 under the Companies Act, 1956 and having its registered office at 203, 2nd Floor, West Wing, Worldmark 1, Aerocity, IGI Airport, Hospitality District, New Delhi – 110 037;

2.1.18 **Transferor Company** means HG Industries Limited (Email id: investors@hgl.co.in), (CIN: L20100TN1987PLC015161), a public listed company incorporated on 11 December 1987 under the Companies Act, 1956 and having its registered office at Panchalam Village, Melpettai Post, Tindivanam, Tamil Nadu – 604307 and currently in the process of shifting its registered office to the National Capital Territory of Delhi pursuant to a resolution passed by its Board of Directors on 13 December 2021 and a special resolution passed by its members on 21 January 2022;

2.1.19 **Transition Period** means the period starting from the date immediately after the Appointed Date and ending on the Effective Date; and

2.1.20 **Tribunal(s)**means the relevant bench of National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company.

2.2 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 and other Applicable Law, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.

2.3 In this Scheme, unless the context otherwise requires:

2.3.1 references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

2.3.2 the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provision of this Scheme;

2.3.3 any phrase introduced by the terms "including", "include" or any similar expression shall be construed without limitation;

2.3.4 references to one gender includes all genders;

2.3.5 words in the singular shall include the plural and *vice versa*; and.

2.3.6 any reference to any statute or statutory provision shall include:

a. all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and

b. such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

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3. SHARE CAPITAL

3.1 The share capital of the Transferor Company as on 31 March 2022 is:

Particulars	Amount (in INR)
Authorised share capital	
80,00,000 equity shares of INR 5 each	4,00,00,000
TOTAL	**4,00,00,000**
Issued, subscribed and fully paid-up share capital	
46,33,568 equity shares of INR 5 each	**2,31,67,840**
TOTAL	**2,31,67,840**

As on the date of approval of the Scheme by the Board of Directors of the Transferor Company, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company.

The shares of the Transferor Company are listed on the BSE.

3.2 The share capital of the Transferee Company as on 31 March 2022 is:

Particulars	Amount (in INR)
Authorised share capital	
15,00,00,000 equity shares of INR 1 each	15,00,00,000
TOTAL	**15,00,00,000**
Issued, subscribed and fully paid-up share capital	
12,06,81,870equity shares of INR 1 each	12,06,81,870
TOTAL	**12,06,81,870**

As on the date of approval of the Scheme by the Board of Directors of the Transferee Company, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company. However, the Board of Directors of the Transferee Company in their meeting held on 20 June 2022 has, subject to the approval of shareholders of the Transferee Company, approved the issuance of upto 63,10,680 fully paid up equity shares of the Transferee Company having a face value of INR 1 (Rupee One Only) each.

The equity shares of the Transferee Company are listed on the Stock Exchanges.

4. RATIONALE FOR THE SCHEME

4.1 The Transferee Company holds 74.91% of the share capital of the Transferor Company which was acquired in the financial year (FY) 2021-22. The Transferee Company is engaged in the business of, *inter alia*, manufacturing of laminates, decorative veneers, engineered wooden flooring, engineered wooden doors and allied products and the Transferor Company is in the process of setting-up a manufacturing plant at Tindivanam, Tamil Nadu for manufacturing of plywood and allied products. The business activities of the Transferor Company and the Transferee Company complement each other. The amalgamation pursuant to this Scheme, would, *inter alia*, have the following benefits:

4.1.1 it would enable the Transferee Company to leverage its combined assets and to create a more competitive business, both in scale and operations;

4.1.2 it would consolidate the businesses of the Transferor Company and the Transferee Company which will result in focused growth, operational efficiencies, business synergies and unlock the value of the assets of the Transferor Company;

4.1.3 it would enhance operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources and ultimately enhancing overall shareholders value;

4.1.4 it would achieve synergies in costs (particularly in respect of customer relationship management and establishing sales and marketing channels), operations, stronger and wider capital and financial base for future growth;

4.1.5 it would allow for an integrated and coordinated approach to investment strategies and more efficient allocation of capital and cash management;

4.1.6 it would broaden the Transferee Company's product portfolio by adding plywood and allied products;

4.1.7 it would prevent overlap of sales and marketing channels of the Transferor Company and the Transferee Company;

4.1.8 it would consolidate administrative and managerial functions and elimination of multiple record-keeping, *inter alia*, other expenditure and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs thus resulting in reduced expenditure.

4.2 The amalgamation pursuant to the Scheme is in the interest of both the Transferor Company and the Transferee Company, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

5. EFFECTIVENESS OF THE SCHEME AND OPERATIVE DATE

The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the Securities and Exchange Board of India (**SEBI**), the Stock Exchanges or the Tribunal(s) from the Appointed Date but shall be operative from the Effective Date.

PART II - AMALGAMATION OF THE TRANSFEROR COMPANY

6. TRANSFER AND VESTING OF THE TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY

6.1 Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferor Company together with all its properties, assets, investments, liabilities, rights, benefits, interests, title or power of every kind, nature, description and obligations therein shall, pursuant to the provisions of Sections 230 to 232 of the Act and in accordance with Section 2(1B) of the Income-Tax Act, 1961, without any further act, deed, matter or thing, be and stand merged and transferred to, and vested in, and shall be deemed to be transferred to and vested in the Transferee Company on a going concern basis in the manner described hereunder, and shall become the property of and an integral part of the Transferee Company.

6.2 Without prejudice to the generality of Clause 6.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the assets of, or used for the Transferor Company, as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery including without limitation plant and machinery, whether leased or otherwise, other fixed assets, vehicles, furniture, fixtures and appliances, computers and office equipment pertaining to the Transferor Company, shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the asset or property being vested, and the title to such asset or property shall be deemed to have been transferred and vested accordingly.

6.3 In respect of movable assets of the Transferor Company, other than those dealt with in Clause 6.2 above, including all current assets, investments in shares and any other securities, sundry debts, receivables, bills, credits, loans and advances related to Transferor Company, if any, whether recoverable in cash or in kind or for value to be received, deposits including accrued interest, bank balances, cash balances, development rights, advances paid to any parties for any business purpose, earnest money, security deposits, retention monies and any deposits with any government, quasi government, local or other authority or body or with customers or any company or other person, upon the coming into effect of this Scheme and with effect from the Appointed Date, the same shall, without any further act, instrument or deed, stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and / or the Transferee Company, and without any approval or acknowledgement of any third party.

6.4 All immovable properties in connection with the Transferor Company, including land together with the buildings and structures thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold (including any right to use) or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in / or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and / or the Transferee Company, and without any approval or acknowledgement of any third party. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent, charges, and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the Appropriate Authority pursuant to the sanction of this Scheme by the Tribunal(s) in accordance with the terms hereof. The Transferor Company shall take all steps as may be

necessary to ensure that lawful and peaceful possession, right, title, interest of such immovable property of the Transferor Company is transferred to and vested in the Transferee Company in accordance with the terms hereof.

6.5 Without prejudice to the generality of the Clauses above, upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all intellectual property rights, know-how, patents, trademarks and confidential information which are owned by or licensed to the Transferor Company, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world including any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks, appertaining to the Transferor Company, if any, shall stand transferred to and vested in the Transferee Company. The Transferee Company and the Transferor Company shall, post the Effective Date, intimate the Appropriate Authority in relation to the transfer of these intellectual property rights from the Transferor Company to the Transferee Company pursuant to this Scheme, if required under Applicable Law.

6.6 Loans, borrowings and other liabilities of the Transferor Company shall, without any further act or deed, become loans, borrowings and liabilities of the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall stand transferred to and vested in, and shall be exercised by or against the Transferee Company as if it had entered into such loans, incurred such borrowings and assumed such liabilities. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Transferee Company.

6.7 Any contracts inter-se the Transferor Company and the Transferee Company shall stand cancelled and cease to operate upon the coming into effect of this Scheme.

6.8 If and to the extent there are loans, deposits or balances or other remaining outstanding inter-se the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Effective Date, come to an end and suitable effect shall be given in the books of the Transferee Company.

6.9 In so far as the existing Encumbrance, if any, in respect of the loans, borrowings, debts, liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in Transferor Company which have been in respect of the liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the assets of the Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

6.10 The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any assets of the Transferor Company. The Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Transferor Company, and the Transferee Company shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise.

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6.11 In so far as the existing security in respect of the loans or borrowings of the Transferor Company and other liabilities of the Transferor Company are concerned, such security shall, without any further act, instrument or deed be continued with the Transferee Company. The Transferor Company and the Transferee Company shall file necessary particulars and/or modification(s) of charge, with the relevant Registrar of Companies to give formal effect to the above provisions, if required.

6.12 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities, duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for the Transferor Company, shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing. The Transferee Company shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any.

6.13 Where any of the liabilities and obligations attributed to the Transferor Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.

6.14 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all records, files, papers, engineering and process information, product and service information (including documentation, designs, formulae, drawings, data, specifications, manuals and instructions), computer programs, software, manuals, data catalogues, quotations, sales and advertising materials, business plans, budgets, forecasts and estimates, list of present and former customers and suppliers, customers credit information, customers pricing information, tax records, records to be maintained under any Applicable Law, rule or regulation, and other records, whether in physical, machine readable or other form, in connection with or relating to the Transferor Company, shall stand transferred to or vested in the Transferee Company.

6.15 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall, if so required under any Applicable Law or otherwise, execute deeds of confirmation, assignment or novation or other writings or arrangement with any party to any contracts, deeds, bonds, agreements, commitments, understandings, binding arrangements, licenses, purchase orders and all other forms of engagements, arrangements and agreements in relation to the Transferor Company and any offers, tenders, permits, rights, subsidies, concessions, entitlements, clearances, licenses (including the licenses granted to any governmental, statutory or regulatory bodies) or the like and other instruments of whatsoever nature to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.

6.16 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all existing and future incentives, unavailed credits and exemptions, benefits, advantages, privileges, remissions, grants, subsidies, carried forward tax losses (including depreciation) and other statutory benefits, including in respect of income tax (including and not limited to advance income tax, taxes deducted at source, MAT credits), excise (including modvat /

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cenvat), customs, sales tax, VAT, service tax, GST, etc., to which the Transferor Company is entitled to shall be available to and vest in the Transferee Company. The Transferor Company and the Transferee Company shall be entitled, wherever necessary, to revise their returns filed under various laws, as may be applicable, including returns filed under the income tax, wealth tax, commercial tax, trade tax, sales tax, VAT, entry tax, GST, central excise laws, and also, without limitation, the TDS / TCS certificates.

6.17 Upon coming into effect of the Scheme and with effect from the Appointed Date, the Transferee Company is also expressly permitted to revise its income tax returns and other returns filed under the tax laws and to claim refunds, advance tax including MAT and withholding tax credits, etc., pursuant to the provisions of this Scheme.

6.18 It is clarified that the taxes paid by the Transferor Company relating to the period on or after the Appointed Date including by way of deduction at source, which pertain to the Transferor Company, will be deemed to be the taxes paid by the Transferee Company and the Transferee Company shall be entitled to claim credit for such taxes deducted / paid against its tax liabilities notwithstanding that the certificates / challans or other documents for payment of such taxes are in the name of the Transferor Company.

6.19 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act.

6.20 All licenses, permits, brands, trade marks including rights to use brands / trademarks, any other rights / entitlements, quotas, consents, exemptions, registrations, no-objection certificates, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations and benefits, subsidies, concessions, grants, rights, electricity, gas, water and other service connections, telephone connections, communication facilities, installations, utilities, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the licenses, permits, quotas, consents, exemptions, registrations, no-objection certificates, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), permissions, registrations, incentives, accumulated tax losses, tax deferrals and benefits, subsidies, concessions, grants, rights, electricity, gas, water and other service connections, telephone connections, communication facilities, installations, utilities, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

7. EMPLOYEES

7.1 Upon the Scheme becoming effective, all staff and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company

shall not be less favourable than those applicable to them with reference to their employment in the Transferor Company.

7.2 With effect from the date of filing of the Scheme with the Tribunal(s) and up to and including the Effective Date, the Transferee Company agrees that any accumulated balances and benefits standing to the credit of the employees of the Transferor Company in the existing provident fund, gratuity fund and / or superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation fund nominated by the Transferee Company or to the government provident fund. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds. The Transferee Company will also file relevant intimations in respect of the transfer of employees of the Transferor Company with the statutory authorities concerned who shall take the same on record and substitute the name of the Transferor Company with the Transferee Company.

7.3 With effect from the date of filing of the Scheme with the Tribunal(s) and up to and including the Effective Date, the Transferor Company shall not vary the terms and conditions of employment of any of the employees of the Transferor Company except in the ordinary course of business or without prior consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company.

8. CONSIDERATION AND CANCELLATION OF SHARES

8.1 As on date of receipt of approval of the Board of Directors of each of the Transferor Company and the Transferee Company, the Transferee Company holds 74.91% of the entire issued and paid up share capital of the Transferor Company. The remaining 25.09% of the Transferor Company is held by public shareholders which include bodies corporate, non-resident Indians and trusts.

8.2 Upon the coming into effect of this Scheme and with effect from Appointed Date, the 34,70,966 equity shares aggregating to 74.91% of the entire issued and paid up share capital of the Transferor Company held by the Transferee Company shall automatically stand cancelled without any further application, act or deed and there shall be no obligation in that behalf of the Transferee Company.

8.3 As far as the balance shareholding of 25.09% held by the public shareholders of the Transferor Company are concerned, after giving effect to Clause 8.2 above and upon the coming into effect of this Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application, act or deed and in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**SEBI Listing Regulations**) read with the SEBI Master Circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 as amended from time to time (**SEBI Merger Circulars**), issue and allot, at the earliest 1 number of equity share of INR 1 each fully paid up in its share capital in respect of 2 equity shares of INR 5 each fully paid up in the share capital of the Transferor Company to the shareholders of the Transferor Company whose names appear in its register of members and/or the records of the depositories (or to such of their respective heirs, executors, administators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee Company) as on the Record Date (**New Equity Shares**). If any shareholder of the Transferor Company becomes entitled to a fractional of a New Equity Share, entitlements or credit on the issue and allotment of the

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New Equity Shares by the Transferee Company, all the fractional entitlements of various shareholders shall be aggregated and without any further act, deed or thing to be done, such consolidated New Equity Shares shall stand vested in a trust to be set up by the Board of the Transferee Company. Such trust shall dispose of the aggregate of all such fractional holdings and distribute the net proceeds (after deduction of expenses incurred) to the respective shareholders of the Transferor Company in proportion to their respective fractional entitlements. The physical share certificates held by such shareholders in the Transferor Company shall, without any further application, act, instrument or deed will be deemed to have been automatically cancelled and such shareholders will not be required to surrender the physical share certificates.

8.4 New Equity Shares issued in terms of the Scheme shall, in compliance with applicable regulations, be listed and admitted to trading on the Stock Exchange where the equity shares of the Transferee Company are listed and admitted to trading.

8.5 Upon the coming into effect of the Scheme and with effect from Appointed Date, the New Equity Shares of the Transferee Company to be issued and allotted to the shareholders of the Transferor Company as provided in the Scheme shall be subject to the provisions of the Articles of Association of the Transferee Company and shall rank *pari passu* from the date of allotment in all respects with the existing equity share of the Transferee Company including entitlement in respect of dividends, which are declared post the Appointed Date.

8.6 Upon the Scheme coming into effect and with effect from the Appointed Date, the entire issued, subscribed and paid-up equity capital of the Transferor Company shall, *ipso facto,* without any further application, act, deed or instrument stand extinguished and cancelled.

8.7 The New Equity Shares issued to the shareholders of the Transferor Company by the Transferee Company shall be issued in dematerialised form by the Transferee Company, provided that details of the depository accounts of the shareholders of the Transferor Company are made available to the Transferee Company prior to the Record Date. In the event details of the depository account of any such shareholder are not made available to the Transferee Company, it shall issue the New Equity Shares to such shareholders in physical form in accordance with the Applicable Law.

8.8 In the event the Transferor Company or the Transferee Company restructures their equity share capital by way of any corporate action including share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio, as per clause 8.3 above, shall be adjusted accordingly, to take into account the effect of any such corporate actions on the valuation of the equity shares.

9. AGGREGATION OF AUTHORISED CAPITAL

9.1 The provisions of this Clause shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

9.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable, if any, to the relevant Registrar of Companies by the authorised share capital of the Transferor Company as on the Effective Date and the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the

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Transferee Company to the Scheme or any dispensation that may be granted by the Tribunal(s), shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the provisions of the Act would be required to be separately passed. For this purpose, the filing fees and stamp duty, if any, already paid by the Transferor Company on its authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.

9.3 Pursuant to the Scheme becoming effective and consequent upon the amalgamation of the Transferor Company into the Transferee Company, the authorised share capital of the Transferee Company will be as under:

Particulars	**Amount (in INR)**
Authorised share capital	
19,00,00,000 equity shares of INR 1 each	19,00,00,000
TOTAL	**19,00,00,000**

9.4 It is clarified that no special resolution under Sections 13 or 14 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for increase in the authorized share capital of the Transferee Company pursuant to the Scheme and Clause V of the memorandum of association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

"*The Authorised Share Capital of the Company is Rs. 19,00,00,000 (Rupees Nineteen Crore only) divided into 19,00,00,000 (Nineteen Crore) equity shares of Re. 1 (Rupee One only) each, with the right, privileges and conditions attached thereto as are provided by the Regulations of the Company for the time being, with the power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the Regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Regulations of the Company.*"

However, if the Authorised Share Capital of the Transferor Company and/or the Transferee Company undergoes any change during the Transition Period, either as a consequence of any corporate action or otherwise, then the Authorised Share Capital of the Transferee Company as mentioned under Clause 9.3 and 9.4 above shall authomatically stand modified/adjusted to take into account the effect of such change.

10. ACCOUNTING TREATMENT

Notwithstanding anything to the contrary contained herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in relation to the amalgamation in its books of account in accordance with Ind AS 103 – 'Business

Combinations' read with Appendix C to Ind AS 103 – 'Business Combinations'. As the Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under this Scheme in the books of the Transferor Company.

10.1 The Transferee Company shall record the assets and liabilities including reserves of the Transferor Company vested in it pursuant to the Scheme,at their respective carrying values as appearing in the books of Transferor Company.

10.2 No adjustments shall be made to reflect fair values, or recognize any new assets or liabilities. The only adjustments made, will be made so as to harmonize the accounting policies.

10.3 The balance of the retained earnings appearing in the financial statements of the Transferor Company shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company. Alternatively, it may be transferred to the general reserve, if any.

10.4 The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.

10.5 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, inter-company balances between Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled. Further, the value of investments held by Transferee Company in the Transferor Company shall stand cancelled.

10.6 The difference between net assets (assets minus liabilities) of the Transferor Company and share capital issued as consideration after factoring adjustment in clauses 10.1 to 10.5 as mentioned above shall be transferred to capital reserve.

11. TAX TREATMENT

11.1 Upon coming into effect of the Scheme, any refund under the applicable tax laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall be receivable by and stand vested with the Transferee Company.

11.2 The Transferor company is currently following the old regime of the income tax laws and has unabsorbed depreciation and carry forward losses, and the Transferee Company is in the new regime. Consequently, upon coming into effect of the Scheme, the Transferee Company shall not take benefit of the unabsorbed depreciation and carry forward losses of the Transferor Company.

12. CONDUCT OF BUSINESS DURING THE TRANSITION PERIOD

12.1 The Transferor Company and the Transferee Company have agreed that during the Transition Period, the business of the Transferor Company and the Transferee Company shall be carried out with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law.

12.2 During the Transition Period:

a. the Transferor Company shall carry on, and be deemed to have carried on the business, operations or activities of the Transferor Company and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the assets, properties, rights, title, interest, liabilities, authorities, contracts, investments and decisions relating to Transferor Company for and on account of, on behalf of and / or in trust for, the Transferee Company.

b. all profits or income accruing or arising to the Transferor Company, or losses arising or expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), in relation to the Transferor Company, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the Transferee Company. The Transferor Company shall not incur any expenditure except in the ordinary course of business.

c. any of the rights, powers, authorities, privileges attached to or exercised by the Transferor Company shall be deemed to have been exercised by it for and on behalf of, and in trust for and as an agent of the Transferee Company.

d. the Transferor Company shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or Encumber or deal, except: (i) when the same is expressly provided in this Scheme; or (ii) when the same is in the ordinary course of business as carried on the date of filing of this Scheme with the Tribunal(s); or (iii) when a written consent of the Transferee Company has been obtained in this regard.

e. all assets howsoever acquired by the Transferor Company for carrying on the business, operations or activities and the liabilities shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company; however, no onerous or extraordinary asset shall have been acquired by, or onerous liability shall be incurred by the Transferor Company after the Appointed Date without prior written consent of the Transferee Company.

f. the Transferor Company shall not utilize the profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Transferee Company.

12.3 The Transferor Company shall, pending sanction of the Scheme, apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals, sanctions, registration, exemptions as may be required / granted under any Applicable Law for the time being in force which the Transferor Company and the Transferee Company require in relation to the amalgamation of the Transferor Company into the Transferee Company or which the Transferee Company requires to own the assets and liabilities of the Transferor Company and carrying on the business of the Transferor Company on a going concern basis.

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12.4 The transfer of assets, properties and liabilities of Transferor Company and the continuance of proceedings relating thereto by or against the Transferor Company shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds things done and duly executed by the Transferor Company, in regard thereto as done executed by the Transferee Company on behalf of itself.

12.5 For the sake of clarity, it is confirmed that all assets or investments, properties, right, title or interest acquired by or the liabilities incurred by the Transferor Company after the Appointed Date but prior to the Effective Date in relation to the Transferor Company shall also, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.

13. LEGAL PROCEEDINGS

13.1 If any suit, appeal and other proceedings of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this merger or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. In the event that the legal proceedings referred to herein require the Transferor Company and the Transferee Company to be jointly treated as parties thereto, Transferee Company shall be added as party to such proceedings and shall prosecute and defend such proceedings in cooperation with the Transferor Company.

13.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 13.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of Transferor Company.

13.3 On and from the Effective Date, the Transferee Company shall, and may, if required, initiate, continue any legal proceedings in relation to the Transferor Company.

14. CONTRACTS, DEEDS OTHER INSTRUMENTS

14.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements (including agreements for sale of immovable property), commitments, understandings, binding arrangements, licenses, purchase orders and all other forms of engagements, arrangements and agreements and any offers, tenders or the like and other instruments of whatsoever nature to which the Transferor Company is a party, or the benefit to which the Transferor Company may be eligible, subsisting or operative immediately on or before the Effective Date, entered into and which are in effect (in whole or in part) prior to or on the Appointed Date in accordance with the terms and conditions thereof, and those which are entered into by the Transferor Company between the Appointed Date and the Effective Date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

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14.2 Further, without prejudice to the amalgamation of the Transferor Company with and into the Transferee Company, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings, assignment and / or novation or enter into any arrangements, confirmations, on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company, to give effect to the provisions of this Scheme or at any time after this Scheme becomes effective, if so required or becomes necessary. The contracts entered into by the Transferor Company till the Effective Date shall be vested in the Transferee Company and unless required under such contract, the Transferee Company would not be required to carry out assignment of such contracts with any party whatsoever.

14.3 Pursuant to this Scheme, the Transferee Company shall be deemed to be authorised to bid for any tender of any private entity or any Government or public sector undertaking and to implement to the same extent as it would or might have been carried on by the Transferor Company. For calculating any pre-qualification criteria such as financial, technical, etc. for the Transferor Company, the track record and qualifications of the Transferor Company shall be considered and shall deemed to automatically vest in the Transferee Company pursuant to the Scheme for purpose of such tenders.

14.4 As a consequence of the amalgamation of the Transferor Company with and into the Transferee Company in accordance with and pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Transferor Company to the Transferee Company, whether relating to any license, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of business and the continuance of proceedings by or against the Transferor Company, to the extent it relates to the Transferor Company above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

16. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound-up. Further, on and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies.

17. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then, the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the limits in the Transferee Company.

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PART III - GENERAL CLAUSES, TERMS AND CONDITIONS

18. APPLICATION TO THE TRIBUNAL(S) OR SUCH OTHER COMPETENT AUTHORITY

The Transferor Company and the Transferee Company shall make all necessary applications to the SEBI, the Stock Exchanges, and all applications / petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal(s) for sanction of this Scheme under the provisions of Applicable Law.

19. APPROVAL OF MEMBERS OF THE TRANSFEROR COMPANY AND TRANSFEREE COMPANY

Subject to any dispensation that may be granted by the Tribunal(s), each of the Transferor Company and the Transferee Company undertake that the approval of the members of each of the Transferor Company and the Transferee Company, respectively, shall be sought for the Scheme, in a meeting of such members with voting occurring through postal ballot and e-voting in accordance with the provisions of the Act. The explanatory statement to the notice sent to the members for convening such meeting shall provide all requisite details as may be material for the members to consider whilst voting on the Scheme.

20. APPROVAL OF CREDITORS OF THE TRANSFEROR COMPANY AND TRANSFEREE COMPANY

Subject to any dispensation that may be granted by the Tribunal(s), each of the Transferor Company and the Transferee Company undertake that the approval of the creditors of each of the Transferor Company and the Transferee Company, respectively, shall be sought for the Scheme, in a meeting of such creditors. The explanatory statement to the notice sent to the creditors for convening such meeting shall provide all requisite details as may be material for the creditors to consider whilst voting on the Scheme.

21. MODIFICATIONS / AMENDMENTS TO THE SCHEME

21.1 Subject to the approval of the SEBI, the Stock Exchanges and the Tribunal(s), the Transferor Company and the Transferee Company by their respective Board of Directors or any duly authorized committee may make or consent to, on behalf of all persons concerned, any modifications or amendments to the Scheme, or to any conditions or limitations that the Tribunal(s) or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by the respective Board of Directors of committees, including withdrawal of this Scheme and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect. No modification or amendment to the Scheme will be carried out or effected by the Board without the approval of the SEBI, the Stock Exchanges and the Tribunal(s).

21.2 The Transferor Company and the Transferee Company shall be at liberty to withdraw from this Scheme, in case of any condition or alteration imposed by the SEBI, the Stock Exchanges or the Tribunal(s) or any other authority or any bank or financial institution is unacceptable to them or otherwise if so mutually agreed.

21.3 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Transferor Company and the Transferee Company or any other duly authorized committee thereof are authorized severally to give such directions including directions for setting any question of doubt or difficulty that may arise under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation

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thereof or in any matter whatsoever connected therewith and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.

22. CONDITIONALITY OF THE SCHEME

22.1 The Scheme is conditional upon and subject to the following:

a. the Scheme being approved by the respective requisite majorities of the members and / or creditors of the Transferor Company and the Transferee Company as required under the Act and as may be directed by the Tribunal(s) and / or any other competent authority and it being sanctioned by the Tribunal(s) and / or any other competent authority, as may be applicable, subject to any dispensation granted by the Tribunal(s) from conveing meetings of the members and / or creditors received by the Transferor Company and / or the Transferee Company;

b. the Scheme being approved by the public shareholders of the Tansferor Company and the Transferee Company including through e-voting in accordance with the SEBI Merger Circulars, if required;

c. the requisite sanctions, approvals, no-objections or consents of the SEBI, the Stock Exchanges or any governmental or regulatory authority, as may be required by Applicable Law; and

d. the certified copy of the order of the Tribunal(s) sanctioning the Scheme, being filed with the relevant Registrar of Companies by the Transferor Company and the Transferee Company.

23. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferee Company and all concerned parties without any further act, deed, matter or thing.

24. EXECUTING DEEDS OR ARRANGEMENTS TO GIVE EFFECT TO THE SCHEME

The Transferee Company will, at any time after the Transition Period and in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferor Company to which any of the Transferor Company is a party in order to give formal effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Company.

25. COSTS

All costs, charges, taxes including duties, levies and all other expenses if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

26. STOCK EXCHANGE DISCLOSURES

Each of the Transferor Company and the Transferee Company shall make the necessary disclosures of the Scheme to the Stock Exchanges in terms of the SEBI Listing Regulations and the SEBI Merger Circulars, as amended from time to time.

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27. SEVERABILITY

If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future Applicable Law, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Transferor Company and the Transferee Company (acting through thseir respective Boards of Directors) shall attempt to bring about appropriate modification to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

For HG INDUSTRIES LIMITED

Company Secretary