SCHEME OF ARRANGEMENT
UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013

BETWEEN

JASCH INDUSTRIES LIMITED
(DEMERGED COMPANY)

AND

JASCH GAUGING TECHNOLOGIES LIMITED
(RESULTING COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

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INTRODUCTION

A. PREAMBLE

This Scheme of Arrangement has been propounded for (i) the demerger and vesting of the **Demerged Undertaking** (as defined hereinafter) of **Jasch Industries Limited** ('Demerged Company'), as a going concern to **Jasch Gauging Technologies Limited** ('Resulting Company') pursuant to Sections 230 to 232 read with other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, and also read with Section 2(19AA), Section 2(19AAA), Section 2(41A) and other applicable provisions of the Income Tax Act, 1961 in consideration for issue of equity shares by the Resulting Company; (ii) the reorganization and reduction of the paid up equity share capital of Demerged Company (without payment of consideration), in terms of section 66 of the Companies Act, 2013; and (iii) listing of the equity shares of Resulting Company on the Stock Exchange (as defined hereinafter). Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

B. BACKGROUND OF COMPANIES

I. **Jasch Industries Limited ('Demerged Company')** is a public company, limited by shares and listed on the BSE. The Demerged Company was incorporated under the Companies Act, 1956 on December 11, 1985 and is presently having its registered office situated at 502, Block-C, NDM-2, Netaji Subhash Place, Pitampura, Delhi - 110 034.

   The Corporate Identification Number ('CIN') of the Demerged Company is L24302DL1985PLC383771 and the Permanent Account Number ('PAN') of the Demerged Company is AAACJ0766B. Demerged Company is engaged in manufacturing and dealing of coated fabrics, PU Resins and Industrial Gauges.

II. **Jasch Gauging Technologies Limited ('Resulting Company')** was incorporated under the Companies Act, 2013 on May 25, 2021, as a public company, limited by shares, having its registered office situated at 502, Block-C, NDM-2, Netaji Subhash Place, Pitampura, Delhi - 110 034.

   The CIN of the Resulting Company is U33111DL2021PLC381513 and the PAN of the Resulting Company is AAFCJ2071C.

   The Resulting Company has been recently incorporated. The Resulting Company has not changed its registered office address, name or objects since incorporation. The resulting company is currently not carrying any operations.

C. RATIONALE FOR THIS SCHEME OF ARRANGEMENT

The Demerged Company currently has the following business undertakings:

- To manufacture, sell, import, export, manipulate, treat process and deal in all types of polyurethane, resin polyester and PU/PVC coated fabrics and technical textiles.

- To manufacture industrial gauges and equipments for online measurement of coating and basis weight of various products including PU/PVC coated fabrics.

The Demerged Company would demerge its 'Industrial Gauges and Equipments' undertaking *(hereinafter referred to as the 'Demerged Undertaking')* to the Resulting Company and it would continue to run and operate the remaining business *(hereinafter referred to as the 'Remaining Undertaking')*. The underlying business rationale and objectives are as follows:

1. Demerged Undertaking and the Remaining Undertaking have their own set of strengths and dynamics in the form of nature of risks, competition, challenges, opportunities and business methods, leading to different growth potentials. Hence, segregation of the undertakings would enable a focused management to explore the potential business opportunities effectively and efficiently;

2. The demerger would result in achieving efficiency in operational processes by designing and implementing independent strategies specifically designed for the three businesses and in optimizing profitability. This would in turn enhance the shareholders' wealth.

3. Targeting and attracting new investors with specific focus and expertise in the separate businesses, thereby providing the necessary funding impetus to the long-term growth strategy of the two businesses;

4. The demerger will help in growth of Demerged Company and Resulting Company by providing scope of independent collaboration and expansion.

5. Consequent to the demerger of the Demerged Undertaking, the issued, subscribed and paid up equity share capital of the Demerged Company will also be reorganized by way of reduction of such proportion of the paid up equity share capital of the Demerged Company which has been issued as fully paid up equity shares in the Resulting Company as on the Record Date in terms of Clause 16.1 of this Scheme. The reorganization and consequent reduction of the paid up share capital of the Demerged Company will result in improved financial ratios.

6. Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on the Stock Exchange. Therefore, the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective. Such shareholders would then be able to choose whether they want to remain invested in either or both the businesses / operations of the Demerged Company, giving them flexibility in managing their investment in the two businesses having differential dynamics.

The Board of Directors of the Demerged Company and the Resulting Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its minority shareholders for the reasons aforesaid.

PARTS OF THE SCHEME

This Scheme of Arrangement (as defined hereinafter)is divided into the following parts:

PART – A	Deals with definitions of the terms used in this Scheme of Arrangement, share capital of the companies and the Operations of this Scheme

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PART – B	Deals with the demerger of the Demerged Undertaking of the Demerged Company and vesting the same in the Resulting Company
PART – C	Deals with the reduction and cancellation of share capital of the Demerged Company and the Resulting Company
PART – D	Deals with general terms and conditions applicable to this Scheme

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PART A

1. DEFINITIONS

In this Scheme (*as defined hereinafter*), unless repugnant to or inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

1.1. **"Act" or "the Act"** means the Companies Act, 2013 and the Rules, regulations, notifications, circulars issued thereunder including any statutory modifications, re-enactments or amendments thereof and also mean and refer to corresponding and enforceable Sections of Companies Act, 1956 and rules, regulations made thereunder, to the extent applicable;

1.2. **"Applicable Laws"** mean any applicable statute, law, regulation, ordinance, rule, judgment, rule of law, orders, decree, ruling, bye-laws, approvals of any Competent Authority, directive, guideline, policy, clearance, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Competent Authority, statutory authority, court, tribunal having jurisdiction over the matter in question, whether in effect as of the date of this Scheme or at any time thereafter;

1.3. **"Appointed Date"** means opening of business hours on April 01, 2021, or such other date as may be directed / allowed by the Competent Authority;

1.4. **"Competent Authority"** means

(i) the Central Government (*as defined hereinafter*);
(ii) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, Tribunal, central bank, commission, or other authority thereof;
(iii) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi- governmental authority including (without limitation) stock exchange, the Securities and Exchange Board of India, Reserve Bank of India, Ministry of Corporate Affairs, the Registrar of Companies, the NCLT (*as defined hereinafter*) and the Competition Commission of India; and
(iv) any Stock Exchange.

The term Competent Authorities shall be construed accordingly.

1.5. **"Assets"** shall mean and include without limitation, assets or properties of every kind, nature, character and description whether movable, immovable, tangible, intangible, including mutual fund investments, patent and trademark, whether owned or leased or otherwise acquired or possessed;

1.6. **"Demerged Company"** shall mean Jasch Industries Limited, a Company incorporated under Companies Act, 1956 and having its Registered Office at 502, Block-C, NDM-2, Netaji

Subhash Place, Pitampura, Delhi - 110 034. The Corporate Identification Number ('CIN') of the Demerged Company is L24302DL1985PLC383771;

1.7. "**Demerged Undertaking**" or "**Gauging Undertaking**" means and includes all activities, business operations of such undertaking, properties, Assets and Liabilities of whatsoever nature and kind and wheresoever situated, of and relating to the business of manufacturing of industrial gauges and equipments of the Demerged Company as detailed below:

(i) The business relating to "Demerged Undertaking" of the Demerged Company and other ancillary business connected therewith, on a going concern basis.

(ii) All Assets and property, wherever situated, including in possession of third parties, whether movable or immovable, leasehold or freehold, tangible or intangible including but not limited to any and all rights, title and interest in connection with any land (together with the buildings and structures standing thereon), capital work-in-progress, plant and machinery, leasehold improvements, vehicles, furniture, fixture, office equipment, computer installations, software and related data, electrical appliance, accessories, investments; including investments in mutual funds made out of the surplus generated from the operations of "Demerged Undertaking", stocks, stock in transit, wrapping supply and packaging items, debtors, intellectual properties, technical knowhow, patents, copy rights, licenses, approvals pertaining to or relatable to the operations of "Demerged Undertaking" of the Demerged Company.

(iii) All debts and Liabilities, secured and unsecured, exclusively relating to the operations of "Demerged Undertaking", as per the records of the Demerged Company, including borrowings, contractual liabilities, guarantees, provisions and security deposits.

(iv) For the purpose of this Scheme, it is clarified that liabilities pertaining to the operations of "Demerged Undertaking" include:
   a) The liabilities which arise out of the activities of "Demerged Undertaking"; and
   b) Specific loans and / or borrowing raised, incurred and / or utilised solely for the activities of the "Demerged Undertaking".

(v) All employees of the Demerged Company substantially engaged in the operations of the "Demerged Undertaking" and those employees that are determined by the Board of Directors of the Demerged Company to be substantially engaged in or in relation to the Demerged Undertaking on the date immediately preceding the Effective Date.

(vi) All rights and licenses, membership, all assignments and grants thereof, all permits, registrations, quota, rights (including rights under any agreement, contracts, applications, letter of intent, or any other contract), subsidies, grants, tax credits, incentives or scheme of central / state governments, quality certifications and approval, product registrations (both Indian or foreign), regulatory approvals, entitlements, industrial and other licenses, municipal permissions, goodwill, approvals, consents, tenancies, if any, in relation to the office and / or residential properties for the employees, investments and / or interest (whether vested, contingent or otherwise) in projects undertaken by the Demerged Undertaking either solely or jointly with other parties, cash balances, bank balances, bank account, deposits, advances, recoverable receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank

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guarantees issued on behalf of Demerged Company in relation to the operations of the "Demerged Undertaking", funds belonging to or proposed to be utilised for the operations of the "Demerged Undertaking", privileges all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company in relation to the operations of the "Demerged Undertaking" or any power of attorney issued in favour of the Demerged Company or from or by virtue of any proceedings before a legal quasi-judicial authority or any other statutory authority to which the Demerged Company was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the operations of the "Demerged Undertaking";

(vii) All books, records, files, papers, computer programs along with their licenses, manuals and back-up, copies, drawing, other manuals, data catalogue, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customers pricing information, and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the operations of the "Demerged Undertaking";

(viii) All advances, deposits and balance with Government, semi-Government, Local and other authorities and bodies, customers and other person, earnest money and / or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the operations of the "Demerged Undertaking";

In case of any question that may arise as to whether any particular asset (including common assets *viz.* cash / bank balances) or liability and / or employees or any other matter pertains or does not pertain to the operations of the "Demerged Undertaking" of the Demerged Company, the same shall be decided mutually by the Board of Directors of the Demerged Company and the Resulting Company and the said decision shall be final;

1.8. **"Effective Date"** means the date on which the last of the conditions mentioned in Clause 22.2 of the Scheme is fulfilled and the Scheme is made effective with effect from the Appointed Date. Any references in this Scheme to the "date of coming into effect of this Scheme" or "Effectiveness of the Scheme" or "Scheme taking effect" shall mean the Effective Date;

1.9. "**Encumbrance**" means: (a) any encumbrance including, without limitation, any claim, mortgage, negative lien, pledge, equitable interest, charge (whether fixed or floating), hypothecation, lien, deposit by way of security, security interest, trust, guarantee, commitment, assignment by way of security, or other encumbrances or security interest of any kind securing or conferring any priority of payment in respect of any obligation of any person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any law, contract or otherwise, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (b) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer

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restriction; (c) any adverse claim as to title, possession or use; and/ or (d) any agreement, conditional or otherwise, to create any of the foregoing, and the term 'encumber' shall be construed accordingly;

1.10. **"IND AS"** means the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015;

1.11. **"IT Act"** means the Income Tax Act, 1961 and the rules made there under, as may be amended or re-enacted from time to time;

1.12. **"Liability(ies)"** means liabilities of every kind, nature and description and includes secured loans, unsecured loans, borrowings, statutory liabilities, contractual liabilities and guarantees;

1.13. **"LODR Regulations"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all the amendments or statutory modifications thereto or re-enactments thereof;

1.14. **"National Company Law Tribunal" or "NCLT" or "The Tribunal"** means the Hon'ble National Company Law Tribunal, having jurisdiction over the Demerged and Resulting Company;

1.15. "**Record Date**" means the date to be fixed by the Board of Directors of the Resulting Company and / or the Demerged Company after the Effective Date, for the purpose of (i) determining the shareholders of the Demerged Company, for the purpose of issue and allotment of Equity Shares of the Resulting Company and (ii) reorganised by way of reduction and cancellation of the paid up equity share capital of the Demerged Company to the extent of allotment of shares by the Resulting Company to the shareholders of the Demerged Company, in terms of Clause 16 of this Scheme;

1.16. **"Remaining Undertaking"** means all the business assets and liabilities and activities of the Demerged Company, other than the business assets and liabilities of Demerged Undertaking, which upon this Scheme becoming effective, shall remain vested with the Resulting Company, as provided in this Scheme;

1.17. **"Resulting Company"** shall mean Jasch Gauging Technologies Limited, a Company incorporated under the Act and having its Registered Office at 502, Block-C, NDM-2, Netaji Subhash Place, Pitampura, Delhi - 110 034. The CIN of the Resulting Company is U33111DL2021PLC381513;

1.18. "**Scheme of Arrangement**" or "**the Scheme**" or "**this Scheme**" means this Scheme of Arrangement in its present form including any modification(s) or amendments thereon, approved or imposed or directed by the SEBI and / or Hon'ble NCLT;

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

1.20. **"SEBI Circular"** means the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, and any amendments thereof, on schemes of arrangement by listed

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companies or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;

1.21. **"Stock Exchange"** means the BSE Limited;

1.22. **"Trustee - Demerged Company"** shall have the meaning ascribed to it in Clause 16.6 in this Scheme.

1.23. **"Trustee - Resulting Company"** shall have the meaning ascribed to it in Clause 16.5 in this Scheme.

The expressions which are used in this Scheme and not defined in this Scheme, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning as ascribed to them under the Act, IT Act, Indian Accounting Standard, as may be applicable and other Applicable Laws, rules, regulations, byelaws, as the case may be, or any statutory modification or re-enactment thereof from time to time. Wherever reference is made to the Hon'ble NCLT in the Scheme, the reference would include, if appropriate, reference to the concerned Bench of Hon'ble NCLT or such other forum or authority as may be vested with the powers of the Hon'ble NCLT under the Act.

2. SHARE CAPITAL

2.1 The Authorised, Issued, Subscribed and Paid-Up Share Capital of the Demerged Company as on June 30, 2021 is as under:

Particulars	Amount (INR)
Authorized Equity Share Capital 1,40,00,000 Equity Shares of INR 10/- each	14,00,00,000
Issued, Subscribed and Paid-up Equity Share Capital 1,13,30,000 Equity Shares of INR 10/- each	11,33,00,000
There has been no change in the Authorized, Issued, Subscribed and Paid-Up Share Capital of the Demerged Company after June 30, 2021.	

2.2 The Authorized, Issued, Subscribed and Paid-Up Share Capital of the Resulting Company as on June 30, 2021 is as under:

Particulars	Amount (INR)
Authorized Equity Share Capital 40,00,000 Equity Shares of INR 10/- each	4,00,00,000
Issued, Subscribed and Paid-up Equity Share Capital 50,000 Equity Shares of INR 10/- each	5,00,000
The entire issued, subscribed and paid up equity share capital of the Resulting Company has been subscribed by the Demerged Company and its nominees and presently the Resulting Company is a wholly owned subsidiary of the Demerged Company. There has been no change in the Authorized, Issued, Subscribed and Paid-Up Share Capital of the Resulting Company since incorporation.	

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2.3 **MAIN OBJECTS OF THE DEMERGED COMPANY**

1. To manufacture, purchase, sell, import, export, manipulate, treat process and otherwise deal in all types of polyuretherane, resins, synthetic resins, polyols, polyester, PVC cotton fabrics, plastiks, emulsions and formulations thereof including all kinds of resins for surface coating and allied industries, adhesives, mouldings, insulations, textiles, all types of synthetic leathercloth, plastic foam and sheets, footwear material, packaging materials, all types of synthetic rubber and elastomers, latices and formulations thereof and all kinds of rubber products.
2. To carry on business as manufacturers of and dealers in all kinds of equipments, machineries and accessories required to manufacture and process PU/PVC coated cotton fabrics synthetic fabrics resins and plastiks, synthetic rubber and other products.
3. To manufacture, purchase, sell, import, export, treat , manipulate and otherwise deal in all kinds of chemicals, insecticides, fumigants, weedicides, pesticides, coloring materials, pigments and cakes, painst, surface coatings, enamels, varnishes, laquers, dyes, perfumes and flavouring chemicals, rubber chemicals, photographic chemicals, plastic and resinous materials, elastomers, gums, glues and other adhesive compositions, surface active agents, tanning agents, coatings, oils, softners, synthetic fibres and all types of drugs and chemicals , and by-products thereof.

2.4 **MAIN OBJECTS OF THE RESULTING COMPANY**

1. To carry on in India or elsewhere the business as designers, researchers, developers, manufacturers, buyers, assemblers, modifiers, installers, re-conditioners, providers of technical know-how and/or licenses and/or consultancy, sellers, hirers, sub-lessors, market makers, dismantlers, repairers, operators, exporters, importers, distributors or otherwise to deal in the following:
   a) apparatus based on the use of X-rays or of alpha, beta or gamma radiations, whether for industrial, medical, surgical, dental or veterinary uses or otherwise, including parameter control/measurement apparatus, radiography or radiotherapy apparatus, x-ray tubes and other radiation generators, high tension generators, control panels and desks, screens, examination or treatment tables, chairs and the like and parts thereof.
   b) apparatus based on the use of X-rays or of alpha, beta or gamma radiations, used for special operations like (but not restricted to) production control, quality control, parameter control, plant automation and improvement of production lines or for general operations like (but not restricted to) measurement, display units and testing, and whether operated by human, or using electrical, magnetic, electromagnetic, chemical, electrochemical, photochemical, solar, tidal wind, nuclear, thermal, thermonuclear or other forms of energy or input and their parts, products, assemblies, components, gadgets, circuits, micro circuits and to do all incidental acts and things necessary for the attainment of the above said objects.

3. **DATE WHEN THIS SCHEME COMES INTO OPERATION**

The Scheme set out herein in its present form or with modification(s), approved or imposed or directed by the SEBI and / or Hon'ble NCLT, although operative from the Appointed Date, shall become effective from the Effective Date.

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4. COMPLIANCE WITH TAX LAWS

This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from amendment of law or for any other reason whatsoever, the provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will, however, not affect other parts of the Scheme. The power to make such modifications / amendments, as may become necessary, shall vest with the Board of Directors of the Demerged Company, which can exercise the power at any time and shall be exercised in the best interest of the Demerged Company and the Resulting Company.

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PART B

TRANSFER AND VESTING OF GAUGING UNDERTAKING (DEMERGED UNDERTAKING) OF JASCH INDUSTRIES LIMITED (DEMERGED COMPANY) TO JASCH GAUGING TECHNOLOGIES LIMITED (RESULTING COMPANY)

5. TRANSFER AND VESTING OF DEMERGED UNDERTAKING

Upon this Scheme becoming effective and with effect from the Appointed Date and pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Act and pursuant to the Orders of the Hon'ble NCLT or other Appropriate Authority or forum, if any, sanctioning the Scheme, without any further act, instruments, deed, matter or thing, the Demerged Undertaking shall stand demerged and transferred and be vested in the Resulting Company as a going concern, together with all its properties, assets, liabilities, obligations, rights, titles, benefits and interests therein.

6. TRANSFER OF ASSETS

Without prejudice to the generality of clause 5 above:

6.1 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all assets relating to the Demerged Undertaking, as are movable in nature or are otherwise capable of transfer by physical or constructive delivery, or by endorsement and acknowledgement of possession, pursuant to this Scheme, shall stand transferred and vested as such by the Demerged Company and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

6.2 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all movable properties of the Demerged Company relating to the Demerged Undertaking, other than those specified in clause 6.1 above, including sundry debtors, outstanding loans and advances, financial assets, investments, and other current assets, if any, recoverable in cash or in kind or for value to be received, cash & bank balance and deposits, shall without any further act, instrument or deed, or without any intimation to any third party, be transferred to and vested in and / or be deemed to be transferred to and vested in and become the property of the Resulting Company.

6.3 All immovable properties relating to the Demerged Undertaking, including land together with the buildings and structures standing thereon and rights and interests in immovable properties pertaining to the Demerged Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Resulting Company, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law without any further act or deed done or being required to be done by the Demerged Company and/or the Resulting Company, pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. The Demerged Company shall be entitled to exercise

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all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties, upon the sanctioning of Scheme by the NCLT and the Scheme becoming effective. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Resulting Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Resulting Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the Appropriate Authority shall suffice as record of continuing titles with the Resulting Company and shall be constituted as a deemed mutation and substitution thereof;

6.4 Without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, pertaining to the Demerged Undertaking, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Demerged Company in any properties including leasehold/ licensed properties of the Demerged Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company automatically without requirement of any further act or deed, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law including without the requirement of payment of any transfer charges or any other charges. The Resulting Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Resulting Company shall continue to comply with the terms, conditions and covenants thereunder.

6.5 Upon this Scheme becoming effective and with effect from the Appointed Date, all assets, estate, right, title, interest, investments and properties acquired by the Demerged Company after the Appointed Date but prior to the Effective Date pertaining to the Demerged Undertaking, shall also, without any further act, instrument or deed, or without any intimation to any third party, be transferred to and vested in and / or be deemed to be transferred to and vested in and become the property of the Resulting Company.

6.6 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all intangible assets including intellectual property rights, trade and service names and marks, brands, patents, copyrights, licenses, marketing authorizations, approvals, any rights of commercial nature including those attached to goodwill, or any other rights or intangible assets of whatsoever nature, of the Demerged Company, relating to the Demerged Undertaking, whether or not recorded in the books of accounts of the Demerged Company, if any, shall without any further act, instrument or deed, or without any intimation to any third party, be transferred to and vested in and / or be deemed to be transferred to and vested in and become the property of the Resulting Company.

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6.7 Upon this scheme becoming effective and with effect from the Appointed Date, the past track record of the Demerged Company relating to the Demerged Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Resulting Company for all commercial and regulatory purposes, including for the purposes of eligibility, standing, evaluation and participation of the Resulting Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

6.8 The transfer and vesting of movable and immovable properties as stated above, shall be subject to encumbrances, if any, affecting the same.

7. TRANSFER OF LIABILITIES AND RELATED SECURITIES / CHARGES:

7.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities and obligations, secured and unsecured, relating to the Demerged Undertaking *(hereinafter referred to as "Transferred Liabilities")* shall without any further act, instrument or deed, or without any intimation to any third party, be transferred to and / or be deemed to be transferred to and become the debts, liabilities of the Resulting Company. The Resulting Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Demerged Company.

7.2 All the debts and liabilities, secured and unsecured relating to the Remaining Undertaking shall continue to be the debts and liabilities of the Demerged Company.

7.3 Upon this Scheme becoming effective and with effect from the Appointed Date, where any of the debts and liabilities of the Demerged Undertaking as on the Appointed Date, deemed to be transferred to the Resulting Company, have been met, discharged and / or satisfied by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge and / or satisfaction shall be deemed to have been taken for and on account of the Resulting Company.

7.4 All loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date, shall be deemed to have been raised, used and / or incurred, as the case may be, for and on behalf of the Resulting Company, and to the extent they are outstanding on the Effective date, shall also form part of the Transferred Liabilities defined hereinabove and, without any further act, instrument or deed, or without any intimation to any third party, be transferred to and / or be deemed to be transferred to and become the loans, liabilities and or obligations of the Resulting Company, which shall meet, discharge and satisfy the same.

7.5 Upon this Scheme becoming effective and with effect from the Appointed Date, in so far as the existing security in respect of the Transferred Liabilities of the Demerged Undertaking is concerned, such security shall continue to extend and operate over the assets comprised in the Demerged Undertaking, as the case may be, which have been charged in respect of the Transferred Liabilities, as transferred to the Resulting Company pursuant to this Scheme. Provided, however, that if any of the assets comprised in the Demerged Undertaking, which

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have not been charged or secured in respect of the Transferred Liabilities, such assets shall be transferred to the Resulting Company as unencumbered assets and in the absence of any formal amendment, which may be required by a lender or third party, shall not affect the operation of the above and this Scheme shall not operate so as to require any charge or security to be created on such assets in relation to the Transferred Liabilities.

7.6 Without prejudice to the provisions of the foregoing sub-clause and upon the Scheme becoming effective, the Demerged Company and the Resulting Company, if required, may execute any instruments or documents or do all acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the Registrar of Companies, to give formal effect to the above provisions.

7.7 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities and the Demerged Company shall not have any obligations in respect of the Transferred Liabilities, and the Resulting Company shall indemnify the Demerged Company in this behalf, as may be necessary.

7.8 It is expressly provided that, save as mentioned in this clause, no other term(s) or condition(s) of the Transferred Liabilities is / are modified by virtue of this Scheme except to the extent that such amendment, if any, is required by necessary implications.

7.9 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, if approved by Hon'ble NCLT, notwithstanding anything to the contrary contained in any instruments, deeds or writings or the terms of sanction or issue or any security documents; all such instruments, deeds or writings shall stand modified and / or superseded by the foregoing provisions.

8. TRANSFER OF CONTRACTS, AGREEMENTS, MOUs, PERMITS, QUOTAS AND LICENSES OF DEMERGED UNDERTAKING

8.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all contracts, agreements, memoranda of agreements, memoranda of agreed points, letter of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, tenancy, leasehold or hire purchase agreements and other instruments of whatsoever nature in relation to the Demerged Undertaking, to which the Demerged Company is a party or to the benefits of which, the Demerged Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect, on or against or in favour, as the case maybe, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder.

8.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all permits, quotas, rights, entitlements, licenses including those relating to tenancies, privileges, power, facilities of every kind and description of whatsoever nature, leave and license agreements, trade mark licenses, copyrights including application for registration of trademarks or copyrights, storage & warehousing agreements, commission agreements,

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lease agreements, hire purchase agreements, franchise agreements in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefits of which the Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against Resulting Company as the case may be, and may be enforced as fully and effectually, as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder.

8.3 Upon coming into effect of this Scheme and with effect from the Appointed Date, any and all statutory licenses, no objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses (including but not limited to registered trademark of "Jasch"), copyrights , including application for registration of trade mark licenses, copyrights, including those relating to privileges, power, facilities of every kind and description of whatsoever nature and the benefits thereto, in relation to the Demerged Undertaking shall stand transferred to or vested in the Resulting Company without any further act or deed done by the Demerged Company and the Resulting Company, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company upon the vesting and transfer of the Demerged Undertaking pursuant to this Scheme.

8.4 The benefit of all statutory and regulatory permissions, licenses and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Undertaking shall vest in and become available to the Resulting Company pursuant to the Scheme becoming effective.

8.5 All contracts hitherto engaged by the Demerged Company in relation to the Demerged Undertaking, upon the coming into effect of this Scheme and with effect from the Appointed Date, shall be deemed to be engaged by the Resulting Company for the same purpose on the same terms and conditions.

9. REMAINING UNDERTAKING

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

9.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or any court of law) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter relating to the Remaining Undertaking or any property, right, power, liability, obligations or duties of the Demerged Company shall be continued and enforced against the Demerged Company.

10. EMPLOYEE MATTERS

10.1 On the Scheme of Arrangement taking effect as aforesaid, all officers and employees of the Demerged Company, engaged in the Demerged Undertaking, as identified by the Demerged

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Company and in employment on the Effective Date, shall become the officers and employees of the Resulting Company on such date as if they were in continuous service without any break or interruption in service and on same terms and conditions as to remuneration, subsisting with reference to the Demerged Company, as on the said date. All funds and benefits accumulated in respect of the above officers and employees shall also be transferred to the Resulting Company.

10.2 The Resulting Company agrees that the services of all such employees with the Demerged Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits payable by the Resulting Company to such employees subsequently. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past service with the Demerged Company shall also be taken into account and agrees and undertakes to pay the same, as and when payable.

10.3 In so far as the existing provident fund, gratuity fund and pension and / or superannuation fund or benefits created by the Demerged Company for the benefit of the employees related to the Demerged Undertaking, whether mandatory or voluntary, (collectively referred to as the *"Funds"*) are concerned, such Funds and the investments made by the Funds which are referable to the employees related to the Demerged Undertaking being transferred to the Resulting Company in terms of clause 10.1 above, shall be transferred to the Resulting Company and shall be held for their benefit.

10.4 The Resulting Company in its sole discretion, will establish necessary funds to give effect to the above transfer or deposit the same in the Scheme governed under the applicable laws and rules made thereunder, as amended from time to time, namely Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and / or Employees State Insurance Act, 1948 and / or Payment of Gratuity Act, 1972. In the event the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue or contribute to the relevant funds of the Demerged Company, until such time that the Resulting Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees related to Demerged Undertaking shall be transferred to the funds created by the Resulting Company.

11. LEGAL PROCEEDING

11.1 If any suit, appeal or other proceedings of whatsoever nature (legal, taxation and other proceedings whether civil or criminal including before any statutory or quasi-judicial authority or tribunal or any court of law), unless exclusively related to the Demerged Undertaking, by or against the Demerged Company is pending or instituted thereafter, the same shall be continued, prosecuted and enforced, by or against the Demerged Company, in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

11.2 In the event of any difference or difficulty on whether any specific legal or other proceedings relates to the Demerged Undertaking or not, the decision of the Board of Directors of the

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Demerged Company and Resulting Company, as mutually agreed, in this regard shall be conclusive and binding on the Demerged Company and Resulting Company.

12. TREATMENT OF TAXES

12.1 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes and duties (including but not limited to income tax, Goods and Services Tax, etc.) paid or payable by Demerged Company, and relating to the operations of the Demerged Undertaking, including all advance tax payments, tax deducted at source, credits for minimum alternate tax, shall, for all purposes, be treated as tax, duty or cess liability, advance tax payments, tax deducted at source, credits for minimum alternate tax, as the case may be, of the Resulting Company.

12.2 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall be permitted to revise from the Appointed Date, their respective financial statements and returns along with prescribed forms, filings and annexures under the Income-tax Act, 1961, Goods and Services Tax Laws, Customs Law and other tax laws, and to claim refunds and / or credit for taxes paid (including minimum alternate tax, tax deducted at source, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme and to claim refunds / credits, pursuant to provisions of this scheme.

12.3 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company would undertake appropriate filings under the Goods and Services Tax Rules, to facilitate claim of refunds and / or transfer of credit for taxes paid and for matters incidental thereto in relation to the Demerged Undertaking, available with the Demerged Company.

12.4 All disallowances under section 43B of the Income-tax Act, 1961, in the hands of Demerged Company, in relation and pertaining to the Demerged Undertaking, shall be claimed as a deduction under section 43B of the Income-tax Act, 1961 by the Resulting Company when the payment is made by the Resulting Company against such expenses.

12.5 Any refunds or credits (including credits for minimum alternate tax, advance tax and tax deducted at source under the provisions of Income-tax Act, 1961), benefit or carry forward losses and other statutory benefits under the Income-tax Act, 1961, Service Tax laws, Central Sales Tax, Goods and Services Tax, applicable State Value Added Tax Laws or other applicable laws / regulations dealing with taxes /duties/ levies, due to the Demerged Company, relating to Demerged Undertaking, including refunds, benefits or credits consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.

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

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

13. OTHER PROVISIONS

13.1 The Demerged Company and the Resulting Company may, after the Scheme becomes effective, for the sake of good order, execute amended and re-stated arrangements or confirmations or other writings, if required, for the ease of the Demerged Company, the Resulting Company and the counter party concerned in relation to the Remaining Business and / or the Demerged Undertaking, without any obligations to do so and without modification of any commercial terms or provisions in relation thereto.

13.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall secure the change in record of rights and any other records relevant for mutating the legal ownership of any immovable property vested with the Resulting Company and relating to the Demerged Undertaking. The Demerged Company and the Resulting Company are jointly and severally authorised to file such declarations and other writings to give effect to this Scheme and to remove any difficulties in implementing the terms hereof.

14. CONDUCT OF BUSINESS

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

(a) The Demerged Company undertakes to carry on and shall be deemed to carry on all business and activities relating to the Demerged Undertaking for and on account of and in trust for the Resulting Company.

(b) All income, expenditures including management costs, profits accruing to the Demerged Company and all taxes thereof or losses arising or incurred by it relating to the Demerged Undertaking shall, for all purposes, be treated as the income, expenditure, profits or losses, as the case may be, of the Resulting Company.

(c) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Demerged Company and exercised by or available to the Demerged Company, in relation to the Demerged Undertaking shall be deemed to have been exercised by the Demerged Company for and on behalf of and as an agent for the Resulting Company. Similarly, any of the obligations and commitments attached, relating or pertaining to the Demerged Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Resulting Company.

14.2 With effect from the Effective Date, the Resulting Company shall be duly authorised to carry on the business of the Demerged Undertaking previously carried on by the Demerged Company. The Resulting Company agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Demerged Undertaking with effect from the Appointed Date, in order to give effect to the foregoing provisions.

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14.3 To avoid any undue hardship to the Demerged Company or the Resulting Company on account of disruption of business post the Effective Date, the Resulting Company shall be entitled to use all the business authorizations, including licenses, contracts etc., having the name of the Demerged Company in connection with the Demerged Undertaking, till such authorizations are issued afresh / transferred / renewed in the name of the Resulting Company.

14.4 On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate the bank accounts of the Demerged Company pertaining to the Demerged Undertaking, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company.

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking shall not in any manner affect any transaction or proceedings, contracts or deeds already concluded by the Demerged Company (in respect of the Demerged Undertaking) on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all such acts, deeds and things done and executed by and / or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

16. ISSUE OF EQUITY SHARES BY THE RESULTING COMPANY

16.1 Upon the Scheme coming into effect on the Effective Date and upon the demerger of the Demerged Undertaking and vesting of the same with the Resulting Company, the Board of Directors of the Resulting Company and / or the Demerged Company, shall determine a record date, being a date on or subsequent to the Effective Date ("Record Date") for the purpose of (i) determining the shareholders of the Demerged Company, for the purpose of issue and allotment of Equity Shares of the Resulting Company and (ii) reorganisation by way of reduction and cancellation of the paid up equity share capital of the Demerged Company to the extent of allotment of shares by the Resulting Company to the shareholders of the Demerged Company, as on the Record Date.

16.2 The entitlement ratio stated in Clause 16.3 of Part B of this Scheme and the reorganisation by way of reduction and cancellation of the paid up equity share capital of the Demerged Company to the extent of allotment of shares by the Resulting Company to the shareholders of the Demerged Company stated in Clause 16.4 of Part B of this Scheme has been determined by the respective boards of directors of the Demerged Company and the Resulting Company or committees thereof based on their independent judgment after

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taking into consideration the fairness opinion provided by an independent merchant banker on the share entitlement ratio.

16.3 The respective boards of directors of the Demerged Company and the Resulting Company or committees thereof have determined the share entitlement ratio such that:

"For every 5 (Five) equity shares of face value Rs. 10 (Rupees ten only) each held in the Demerged Company as on the Record Date, the equity shareholders of the Demerged Company shall be issued 2 (Two) equity shares of face value Rs. 10 (Rupees Ten only) each as fully paid-up in the Resulting Company. Accordingly, a total of 45,32,000 (Forty Five Lakh Thirty Two Thousand) new equity shares of face value Rs. 10 (Rupees Ten only) each will be issued by the Resulting Company."

The Resulting Company shall, without any further act, instrument or deed, issue and allot to every equity shareholder of the Demerged Company as on the Record Date, the requisite number of equity shares in the Resulting Company.

16.4 Consequent to the demerger of the Demerged Undertaking, the issued, subscribed and paid-up equity share capital of the Demerged Company would be reorganised by way of reduction and cancellation of the paid up equity share capital of the Demerged Company to the extent of allotment of shares by the Resulting Company to the shareholders of the Demerged Company. Accordingly:

"The existing issued, subscribed and paid up Equity share capital of the Demerged Company shall be reduced from Rs. 11,33,00,000 divided into 1,13,30,000 Equity Shares of Rs. 10 (Rupees Ten only) each fully paid up to Rs. 6,79,80,000 divided into 67,98,000 Equity Shares of Rs. 10 (Rupees Ten only) each and that such reduction be effected by cancellation of 45,32,000 Equity Shares of Rs. 10 each amounting to Rs. 4,53,20,000, which is equivalent to the extent of allotment of shares by the Resulting Company to the shareholders of the Demerged Company.

Accordingly, an Equity share holder holding 5 (Five) Equity shares of Rs. 10 each in the Demerged Company, then post reduction, will continue to hold 3 (Three) Equity shares of face value Rs. 10 each and the remaining shares will be extinguished. The face value of Equity share will remain at Rs. 10 only."

The Reduction of capital of the Demerged Company will be on proportionate basis and all the pre-scheme shareholders will remain as the shareholder of the Demerged Company even after effectiveness of the Scheme in the same proportion, except the shareholders who are entitled to fractional shares which will be paid in terms of the Scheme.

16.5 It is hereby clarified that no equity shares shall be issued by the Resulting Company to any equity shareholder of the Demerged Company in respect of fractional entitlements, if any, as on the Record Date, of such equity shareholder, at the time of issue and allotment of such equity shares by the Resulting Company. The board of directors of the Resulting Company shall instead consolidate all such fractional entitlements, (ignoring any fraction remaining after such consolidation), and thereupon shall issue and allot equity shares in lieu thereof to a director or officer of the Resulting Company or such other person as the board of directors

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of the Resulting Company shall appoint in this behalf ("**Trustee - Resulting Company**") who shall hold such equity shares in trust for all such equity shareholders of the Demerged Company who are entitled to such fractional balances, with the express understanding that such Trustee, be bound by the express understanding to cause the sale of such shares at such time(s), at such price(s) and to such person(s) as the Trustee may deem fit and the net sale proceeds thereof, deposited with the Resulting Company (i.e., after deduction there from of expenses incurred in connection with the sale), shall be distributed by the Resulting Company to the relevant equity shareholders in proportion to their respective fractional entitlements.

16.6 Consequent to the reorganisation of the issued, subscribed and paid-up equity share capital of the Demerged Company by way of reduction and cancellation of the paid up equity share capital of the Demerged Company as per Clause 16.4 of the Scheme, the equity shareholders of the Demerged Company shall not be entitled to the fractional entitlements arising in the Demerged Company, if any, as on the Record Date. The board of directors of the Demerged Company shall instead consolidate all such fractional entitlements, (ignoring any fraction remaining after such consolidation), and thereupon shall issue and allot equity shares in lieu thereof to a director or officer of the Demerged Company or such other person as the board of directors of the Demerged Company shall appoint in this behalf ("**Trustee - Demerged Company**") who shall hold such equity shares in trust for all such equity shareholders of the Demerged Company who are entitled to such fractional balances, with the express understanding that such Trustee shall cause the sale of such shares at such time(s), at such price(s) and to such person(s) as the Trustee may deem fit and the net sale proceeds thereof, shall be deposited with the Demerged Company (i.e., after deduction there from of expenses incurred in connection with the sale), shall be distributed by the Demerged Company to the relevant equity shareholders in proportion to their respective fractional entitlements.

16.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of Demerged Company, the Board of Directors of Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in Demerged Company as if such changes in registered holder were operating as on the Record Date.

16.8 Where the new equity shares of Resulting Company are to be allotted, pursuant to Clause 16.3 above, to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of Demerged Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title, satisfactory to the Board of Directors of Resulting Company.

16.9 The equity shares of the Resulting Company will be issued to the shareholders of the Demerged Company in dematerialized form, to the account, in which the shares of the Demerged Company are held by them or such other account, as may be intimated by the shareholders of the Demerged Company to the Demerged Company or the Resulting Company in writing before the Record Date. All the shareholders of the Demerged Company, who hold shares in physical form shall also have the option to receive the equity shares of the Resulting Company in dematerialized form, provided the details of their account with the Depository Participant are intimated to the Demerged Company or the Resulting Company in writing before the Record Date. For the shareholders who fail to provide such

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information, shall be issued equity shares in physical form. On Scheme becoming effective, the existing share certificates held by shareholders of Demerged Company in physical form shall stand automatically cancelled irrespective of the possession of share certificates.

Notwithstanding the above, if as per Applicable laws, the Resulting Company is not permitted to issue and allot the new equity shares in physical form and it has still not received the demat account details of such shareholders of the Demerged Company, the Resulting Company shall issue and allot such equity shares, in lieu of the share entitlement of the shareholders of the Demerged Company, into the Demat Suspense Account, which shall be operated by one of the directors of the Resulting Company, authorized in this regard. Subsequently, on receipt of the appropriate evidence from the shareholders as to their entitlements, the Board of Directors will transfer such shares from the Demat Suspense Account to the individual demat account of such claimant shareholders.

16.10 The issue and allotment of equity shares to the members of the Demerged Company as provided in this Scheme, is an integral part thereof and shall be deemed to be made in compliance with the procedure laid down under Section 62 and other applicable provisions of the Act and no separate approvals / procedures etc. required to be carried out under the Act. The approval of the members for the Scheme shall be deemed to be approval under Section 62 and other applicable provisions, if any, of the Act.

16.11 Upon Scheme coming into effect on the Effective Date, the authorized share capital of Resulting Company of Rs. 4,00,00,000 (Rupees Four Crore) divided into 40,00,000 (Forty Lakh) equity shares having face value of Rs. 10 (Rupees Ten) each, in terms of Clause V of its Memorandum of Association shall stand enhanced to Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) equity shares having face value of Rs. 10 (Ten) each, without any further act or deed by the Resulting Company for purpose of such enhancement of the authorized share capital of the Resulting Company.

16.12 Subsequent to enhancement of the authorized share capital of the Resulting Company as contemplated in Clause 16.11 above, the authorized share capital clause of the Memorandum of Association (Clause V) of the Resulting Company shall, without any further act, instrument or deed, be and stand altered, modified and amended suitably pursuant to Sections 13, 14, 61 and other applicable provisions of the Act as the case may be in the manner set out below and be replaced by the following:

"The authorized share capital of the Company is Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) equity shares having face value of Rs. 10 (Rupees Ten) each."

16.13 It is hereby clarified that for the purposes of clause 16.11 to 16.12 above the consent / approval given by the members of the Demerged Company and Resulting Company to this Scheme pursuant to Section 230 to 232 and other applicable provisions, if any, of the Act shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in the authorized share capital of the Resulting Company, if at all required, and no further resolutions or actions under Section 13, 14, 61 or under other provisions of the Act would be required to be separately passed or taken. However, the Resulting Company shall file the requisite forms / documents with the Registrar of Companies which has jurisdiction over the Resulting Company, for such alteration of its authorized share capital, as aforesaid.

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Balance fees if any payable, after the aforesaid adjustment by the Resulting Company shall be duly paid in accordance with law upon the sanctioning of the Scheme.

16.14 The Resulting Company shall apply to the Stock Exchange for listing and admission to trading, of all the equity shares issued under this Scheme, in terms of the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended or re-enacted from time to time. Further, the Resulting Company and the Demerged Company shall enter into such arrangements, complete such formalities and give such confirmations and / or undertakings to the Stock Exchange or any other Appropriate Authority, as may be necessary in accordance with the Applicable Laws for the listing of equity shares of the Resulting Company issued in pursuance of this Scheme.

16.15 The equity shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchange.

16.16 There shall be no change in the shareholding pattern of the Resulting Company between the Record Date and the listing date, which may affect the status of approval of the Stock Exchange to the Scheme.

16.17 Equity shares of the Resulting Company issued in lieu of locked-in shares equity shares, if any, of the Demerged Company, will be subject to the same lock-in requirement for the remaining period, as the shares of the Demerged Company. Additional lock-in requirements, if any, in terms of the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as amended or re-enacted from time to time shall apply in relation to equity shares issued by the Resulting Company in pursuance of this Scheme.

17. ACCOUNTING TREATMENT

17.1 Treatment in the books of the Demerged Company

The Demerged Company shall account for demerger of Demerged Undertaking, in its books as per the applicable accounting principles prescribed under the relevant Ind-AS. It shall *inter alia* include the following:

17.1.1 The Demerged Company shall in its books of accounts, reduce the respective carrying values of the assets and liabilities of the Demerged Undertaking being transferred to and vested in the Resulting Company at values appearing in Books of Accounts of the Demerged Company as on the Appointed Date.

17.1.2 The aggregate of the net assets (i.e., difference between the carrying value of assets and liabilities related to Demerged Undertaking) standing in the books of accounts of the Demerged Company, transferred to the Resulting Company on the Appointed Date, shall be transferred to Capital Reserve.

17.1.3 The reduction in Share Capital of the Demerged Company shall be effected as an integral part of this Scheme in accordance with the provisions of Section 52 and Section 66 of the Act and the order of the Hon'ble NCLT sanctioning this Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction.

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17.1.4 The investment of Demerged Company into the equity shares capital of the Resulting Company either itself or through its nominees, as on the effective date, if any, shall stand reduced and cancelled in accordance with Part C of the Scheme and shall be adjusted against the retained earnings in accordance with prescribed Ind-AS.

17.1.5 If considered appropriate for compliance with Accounting Standards, the Demerged Company may make suitable adjustment as may be permitted under the provisions of Companies Act 2013 and related applicable rules, to the accounting treatment and adjust the effect thereof in the manner determined by the Board of Directors of the Demerged Company.

17.2 **Treatment in the books of the Resulting Company**

The Resulting Company shall account for the demerger of Demerged Undertaking, using pooling of interest method in accordance with Appendix C 'Business Combinations of entities under common control' of Ind-AS 103 - 'Business Combinations'. It shall *inter alia* include the following:

17.2.1 The Resulting Company shall record all the assets and liabilities of the Demerged Undertaking transferred to it in pursuance of this Scheme at their respective carrying values appearing in the books of accounts of the Demerged Company as on the Appointed Date, which are set forth in the closing balance sheet of the Demerged Company as of the close of business hours on the date immediately preceding the Appointed Date.

17.2.2 The identity of the reserves of Demerged Company shall be preserved and the Resulting Company shall record the reserves of the Demerged Company in the same form, manner and at the same values as they appear in the financial statements of the Demerged Company.

17.2.3 The Resulting Company shall credit its share capital account with the aggregate face value of the equity shares issued by it to the equity shareholders of the Demerged Company pursuant to Clause 16.3 of this Scheme.

17.2.4 To the extent there are inter-company balance(s) and transaction(s) between the Resulting Company and the Demerged Undertaking, if any, the rights and obligations in respect thereof will stand cancelled.

17.2.5 The difference between the book value of assets and book value of liabilities so recorded in the books of Resulting Company in accordance with clause 17.2.1 as reduced by the amount credited as share capital in accordance with clause 17.2.2, shall be transferred to Capital Reserve.

17.2.6 In case of any differences in accounting policy followed by the Demerged Company in respect of Demerged Undertaking vis-à-vis the accounting policy followed by the Resulting Company, the impact of the same till the Appointed Date will be quantified and adjusted in Reserves of the Resulting Company, to ensure that upon coming into effect of

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this Scheme, the financial statements of the Resulting Company reflect the financial position on the basis of a consistent accounting policy.

17.2.7 If considered appropriate for compliance with Accounting Standards, the Resulting Company may make suitable adjustment as may be permitted under the provisions of Companies Act 2013 and related applicable rules, to the accounting treatment and adjust the effect thereof in the manner determined by the Board of Directors of the Resulting Company.

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PART C

18. **REDUCTION IN THE ISSUED, SUBSCRIBED AND PAID UP EQUITY SHARE CAPITAL OF THE RESULTING COMPANY AND REORGANISATION AND REDUCTION IN THE ISSUED, SUBSCRIBED AND PAID UP EQUITY SHARE CAPITAL OF THE DEMERGED COMPANY**

18.1 Upon the Scheme coming into effect on the Effective Date, the difference between the amount of assets, liabilities and accumulated accounting losses (if any), pertaining to the Demerged Undertaking being transferred by the Demerged Company pursuant to the Scheme, and the amount of investment held by the Demerged Company in the Resulting Company, shall be adjusted against the profit and loss account of the Demerged Company and to the extent of such adjustment, the profit and loss account of the Demerged Company shall stand reduced without any further act or deed on the part of the Demerged Company. The reduction in the profit and loss account of the Demerged Company shall be effected as an integral part of the Scheme in accordance with the provisions of Section 66 of the Act and/ or any other applicable provisions of the Act without any further act or deed on the part of the Demerged Company and without any approval or acknowledgement of any third party. The Order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to also be the order passed by the Honb'le NCLT under Sections 66 of the Act for the purpose of confirming such the reduction in the profit and loss account of the Demerged Company. It is hereby clarified that the provisions of Section 66 of the Act would not be applicable to the reduction in the profit and loss account of the Demerged Company. The aforesaid reduction in the profit and loss account of the Demerged Company would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital and the provisions of Section 66(1)(a) of the Act shall not be applicable. Notwithstanding the reduction in the profit and loss account of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name.

18.2 It is expressly clarified that for the purposes of Clause 18.1 of the Scheme, the consent of the shareholders of the Demerged Company to the Scheme and the consent of the secured and unsecured creditors of the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the reduction in the profit and loss account of the Demerged Company and no further resolution and/or action under Section 66(1)(a) of the Act and/ or any other applicable provisions of the Act and rules and regulations framed thereunder would be required to be separately passed or taken.

18.3 The reduction of the profit and loss account of the Demerged Company shall become effective as set out in Clause 18.2 of the Scheme and shall be conditional upon the Scheme becoming effective on the Effective Date and with effect from the Appointed Date. If this Scheme is, for any reason whatsoever, not sanctioned by the Honb'le NCLT, such reorganization resulting in reduction in the profit and loss account of the Demerged Company, as set out in this Clause 18.1 of the Scheme shall not become effective and shall be deemed to be redundant.

18.4 Upon the Scheme coming into effect on the Effective Date and immediately after issuance of the equity shares of the Resulting Company to the equity shareholders of the Demerged Company, 50,000 (fifty thousand) equity shares of the Resulting Company having face value of Rs. 10 (Rupees Ten only) each held by the Demerged Company comprising 100% (One

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Hundred per cent) of the total issued and paid-up equity share capital of the Resulting Company as on the Effective Date shall stand cancelled without any further act or deed on the part of the Resulting Company. The reduction in the issued and paid-up equity share capital of the Resulting Company shall be effected as an integral part of the Scheme in accordance with the provisions of Section 66 of the Act and / or any other applicable provisions of the Act without any further act or deed on the part of the Resulting Company and without any approval or acknowledgement of any third party. The order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to also be the order passed by the Hon'ble NCLT under Section 66 of the Act for the purpose of confirming such reduction. The aforesaid reduction would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital and the provisions of Section 66(1)(a) of the Act shall not be applicable. Notwithstanding the reduction in the issued and paid-up equity share capital of the Resulting Company, the Resulting Company shall not be required to add And Reduced" as suffix to its name.

18.5 It is expressly clarified that for the purposes of the Clause 18.4 of the Scheme, the consent of the shareholders and the secured and unsecured creditors of the Resulting Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the above reorganization in the issued and paid-up equity share capital of the Resulting Company resulting in a reduction in the equity share capital of the Resulting Company, and no further resolution and/or action under Section 66 of the Act and/or any other applicable provisions of the Act would be required to be separately passed or taken.

18.6 The reduction of the issued and paid-up equity share capital of the Resulting Company as contemplated in this Clause 18.4 shall become effective, in accordance with the provisions of Section 66(1)(a) of the Act and / or any other applicable provisions of the Act and rules and regulations framed thereunder, pursuant to the filing of the order of the Court sanctioning the aforesaid capital reduction by the Resulting Company with the RoC and upon registration by the RoC of such order of the Court and of the minutes approved by the Court, if any, showing, with respect to the issued and paid-up equity share capital of the Resulting Company as altered by the order, including (a) the amount of issued and paid-up equity share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minutes and order by the RoC. Such reduction in the issued and paid-up equity share capital of the Resulting Company as contemplated in Clause 18.4 of the Scheme shall be conditional upon this Scheme becoming effective on the Effective Date. If this Scheme is, for any reason whatsoever, not sanctioned by the Court, such reduction of issued and paid-up equity share capital as set out in the Clause 18.4 of the Scheme shall not become effective and shall be deemed to be redundant.

18.7 Upon the Scheme coming into effect on the Effective Date and immediately after issuance of the equity shares of the Resulting Company to the equity shareholders of the Demerged Company, the issued, subscribed and paid-up share capital of the Demerged Company shall stand reduced from Rs. 11,33,00,000/- (divided into 1,13,30,000 equity shares of Rs. 10/- each) to Rs. 6,79,80,000 (divided into 67,98,000 Equity Shares of Rs. 10/- each) by cancelling 45,32,000 Equity Shares of face value Rs. 10 each aggregating to share capital of Rs. 4,53,20,000 held by the shareholders of the Demerged Company comprising 40% (Forty percent) of the total issued and paid-up equity share capital of the Demerged Company as

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on the Effective Date shall stand cancelled without any further act or deed on the part of the Demerged Company. The reduction in the issued and paid-up equity share capital of the Demerged Company shall be effected as an integral part of the Scheme in accordance with the provisions of Section 66 of the Act and / or any other applicable provisions of the Act without any further act or deed on the part of the Demerged Company and without any approval or acknowledgement of any third party. The order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to also be the order passed by the Hon'ble NCLT under Section 66 of the Act for the purpose of confirming such reduction. The aforesaid reduction would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital and the provisions of Section 66(1)(a) of the Act shall not be applicable. Notwithstanding the reduction in the issued and paid-up equity share capital of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name.

18.8 It is expressly clarified that for the purposes of the Clause 18.7 of the Scheme, the consent of the shareholders and the secured and unsecured creditors of the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the above reorganization in the issued and paid-up equity share capital of the Demerged Company resulting in a reduction in the equity share capital of the Demerged Company, and no further resolution and/or action under Section 66 of the Act and/or any other applicable provisions of the Act would be required to be separately passed or taken.

18.9 The reduction of the issued and paid-up equity share capital of the Demerged Company as contemplated in the Clause 18.7 of this Scheme shall become effective, in accordance with the provisions of Section 66(5) of the Act and/ or any other applicable provisions of the Act and rules and regulations framed thereunder, pursuant to the filing of the order of the Hon'ble NCLT sanctioning the aforesaid capital reduction by the Demerged Company with the RoC and upon registration by the RoC of such order of the Hon'ble NCLT and of the minutes approved by the Hon'ble NCLT, if any, showing, with respect to the issued and paid-up equity share capital of the Demerged Company as altered by the order, including (a) the amount of issued and paid-up equity share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minutes and order by the RoC. Such reduction in the issued and paid-up equity share capital of the Demerged Company as contemplated in the Clause 18.7 of the Scheme shall be conditional upon this Scheme becoming effective on the Effective Date. If this Scheme is, for any reason whatsoever, not sanctioned by the Hon'ble NCLT, such reduction of issued and paid-up equity share capital as set out in the Clause 18.7 of the Scheme shall not become effective and shall be deemed to be redundant.

18.10 It is hereby clarified that the amount by which the issued, subscribed and paid up equity share capital of the Demerged Company is reduced in terms of Clause 18.7 above, shall not be paid to the shareholders of the Company, except payment for the fractional shares arising out of the division of issued and paid up equity share capital and all applicable accounting standards shall be followed while passing the necessary accounting entries in this connection.

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18.11 It is expressly clarified that the equity shares of the Demerged Company shall continue to be listed on the Stock Exchange where its equity shares are listed and the Demerged Company shall take all necessary steps for cancellation of shares as specified in Clause 18.7 of this Scheme. Upon the Scheme being effective, the new share certificates of the Demerged Company shall be issued to such members who are holding equity shares in physical form and demat accounts of those members of Demerged Company who are holding equity shares in demat form shall be credited with such number of equity shares proposed to be allotted to them under the Scheme in lieu of the equity shares held by them on the Record Date. Further, the old share certificates issued by the Demerged Company to its members in relation to their holding prior to Effective Date shall, without any further application, act, instrument or deed, be deemed to have been cancelled and be of no effect.

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PART D

GENERAL TERMS & CONDITIONS APPLICABLE TO THIS SCHEME

19. APPLICATION / PETITIONS TO THE HON'BLE NCLT AND APPROVALS

19.1 The Demerged Company and the Resulting Company shall make the requisite joint company applications / petitions under Sections 230 to 232 read with Section 66 of the Act, and other applicable provisions of the Act to the Hon'ble NCLT, as applicable, for seeking the sanctioning of this Scheme.

19.2 The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all agencies, departments and Appropriate Authorities concerned, as are necessary under any law, for such consents, approvals and sanctions which the Resulting Company may require to own and operate the Demerged Undertaking.

20. DIVIDENDS

20.1 For the avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent the Demerged Company and the Resulting Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the record date to be fixed by Board of Directors for the purpose of any such dividend.

20.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any equity shareholder of the Demerged Company or Resulting Company to deem or claim any dividends, which subject to the applicable provisions of the Act, shall be entirely at the discretion of the Board of Directors, of the respective Companies, as may be required.

21. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

21.1 The Demerged Company and the Resulting Company through their respective Board of Directors so nominated in that behalf, may assent to any modification or amendment to this Scheme or to any conditions or limitations that the SEBI / Hon'ble NCLT and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or proper for settling any question or doubt or difficulty that may arise for implementing and / or carrying out the Scheme in the best interest of all stake holders. All amendments / modifications pursuant to this clause shall be subject to approval of the SEBI / Hon'ble NCLT or any other authorities, as required under Applicable Law.

21.2 Subject to the approval of the SEBI / Hon'ble NCLT, as required, the Demerged Company and the Resulting Company through their respective Board of Directors or such other person or persons, as their respective Board of Directors may authorize, including any committee or sub-committee thereof, are hereby empowered and authorized to assent from time to time to any modifications or amendments or conditions or limitations which the SEBI / Hon'ble NCLT or any other Government Authority, as required by Applicable Law, may deem fit to impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and

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to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect.

22. GENERAL TERMS AND CONDTIONS

22.1 Upon this Scheme being approved by the requisite majority of the respective members and creditors of the Demerged Company and the Resulting Company, they shall apply to the Hon'ble NCLT for sanction of this Scheme under Sections 230 to 232 and Section 66 of the Act read with other applicable provisions of the Act for such Order or Orders, as the said Hon'ble NCLT may deem fit for bringing this Scheme into effect.

22.2 The Scheme is and shall be conditional upon and subject to:

(a) The Scheme being approved by the respective requisite majorities in value of such class of person including members and / or Creditors, of the Demerged Company and the Resulting Company and requisite Order or Orders being obtained.

(b) receipt of no-objection letter by the Demerged Company from the Stock Exchange and SEBI in accordance with the SEBI Circular and LODR Regulations in respect of the Scheme (prior to filing the Scheme with the NCLT), which shall be in form and substance acceptable to the Demerged Company, acting reasonably and in good faith; The sanctions of the Hon'ble NCLT being obtained, under Sections 230 to 232 and Section 66 of the Act and other applicable provisions, if any, of the Act in favour of Demerged Company and Resulting Company and certified true copies of the Order sanctioning the Scheme passed by the Hon'ble NCLT under Section 232 being filed with the Registrar of Companies and all other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

(c) Certified copies of the orders of the Court sanctioning this Scheme being filed with the RoC by the respective companies.

(d) The receipt of other requisite governmental or regulatory approvals and consents if any, in respect to the implementation of the Scheme.

(e) In the event of this Scheme failing to take effect finally, this Scheme become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own cost or as may be mutually agreed.

23. SEVERABILITY

23.1 Any failure of any provision(s) of this Scheme for lack of necessary approval from the members / creditors / Appropriate Authorities or for any other reason that the Board of Directors may deem fit shall not result in the whole scheme failing. If any clause of this Scheme is ruled invalid or illegal by any court of competent jurisdiction, or unenforceable under present or future laws, the same shall not, subject to the decision of the Demerged Company and Resulting Company, affect the validity or implementation of the other provision(s) of this Scheme. It shall be open to the Board of Directors concerned to consent to sever such provision(s) of the Scheme and implement the rest of the Scheme with such modification.

24. EFFECT OF NON-RECEIPT OF APPROVALS

24.1 In the event of any of the said sanctions and approvals referred to in the preceding clauses not being obtained and / or the Scheme not being sanctioned by the Hon'ble NCLT or such other competent authority within such further period or periods as may be agreed upon between the Demerged Company and Resulting Company through their respective Board of Directors (and which the Board of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

25. REVOCATION OF THE SCHEME

25.1 The Demerged Company and the Resulting Company, through their respective Board of Directors are empowered and authorized to withdraw this scheme prior to the Effective Date at any time and the same shall not be construed as any non-compliance of the Act.

25.2 In the event that any conditions are imposed by the SEBI / Hon'ble NCLT or any authorities, which the Board of Directors of the Demerged Company and the Resulting Company find unacceptable for any reason, the Demerged Company and the Resulting Company shall be at liberty to withdraw this Scheme.

26. COSTS

26.1 All costs, charges, taxes (including the stamp duty, if any, applicable in relation to this scheme), levies and all other expense, if any (save as expressly otherwise agreed) including stamp duty and registration fee etc. on any deed, documents, instruments or Hon'ble NCLT's Order arising out of and in carrying out and implementing this Scheme and matters incidental to the completion of demerger of the said Scheme of Arrangement shall be borne and paid by Resulting Company and the Demerged Company, as mutually agreed upon.

26.2 Stamp Duty, if any applicable, shall be payable in terms of Indian Stamp Act, 1899, as the registered office of Demerged Company and Resulting Company is located in New Delhi, by the respective company with respect to its obligations.

27. FILING / AMENDMENTS TO THE SCHEME

The Demerged Company and the Resulting Company are expressly permitted to file / revise their income tax, wealth tax, service tax, value added tax, withholding tax and other

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statutory returns, consequent to the Scheme becoming effective, notwithstanding that the period for filing / revising such returns may have lapsed. The Demerged Company and the Resulting Company are expressly permitted to amend tax deduction at source and other statutory certificates and shall have the right to claim refunds, advance tax credits, set offs and adjustments relating to their respective incomes / transactions from the Appointed Date.

28. REPEAL AND SAVINGS

Any act done on direction or order given by the NCLT under the provisions of the Companies Act, 2013 and further act done by the Demerged Company and the Resulting Company respectively based on such directions or order shall be deemed to be in accordance with direction or order of the NCLT sanctioning the Scheme under the Companies Act, 2013.

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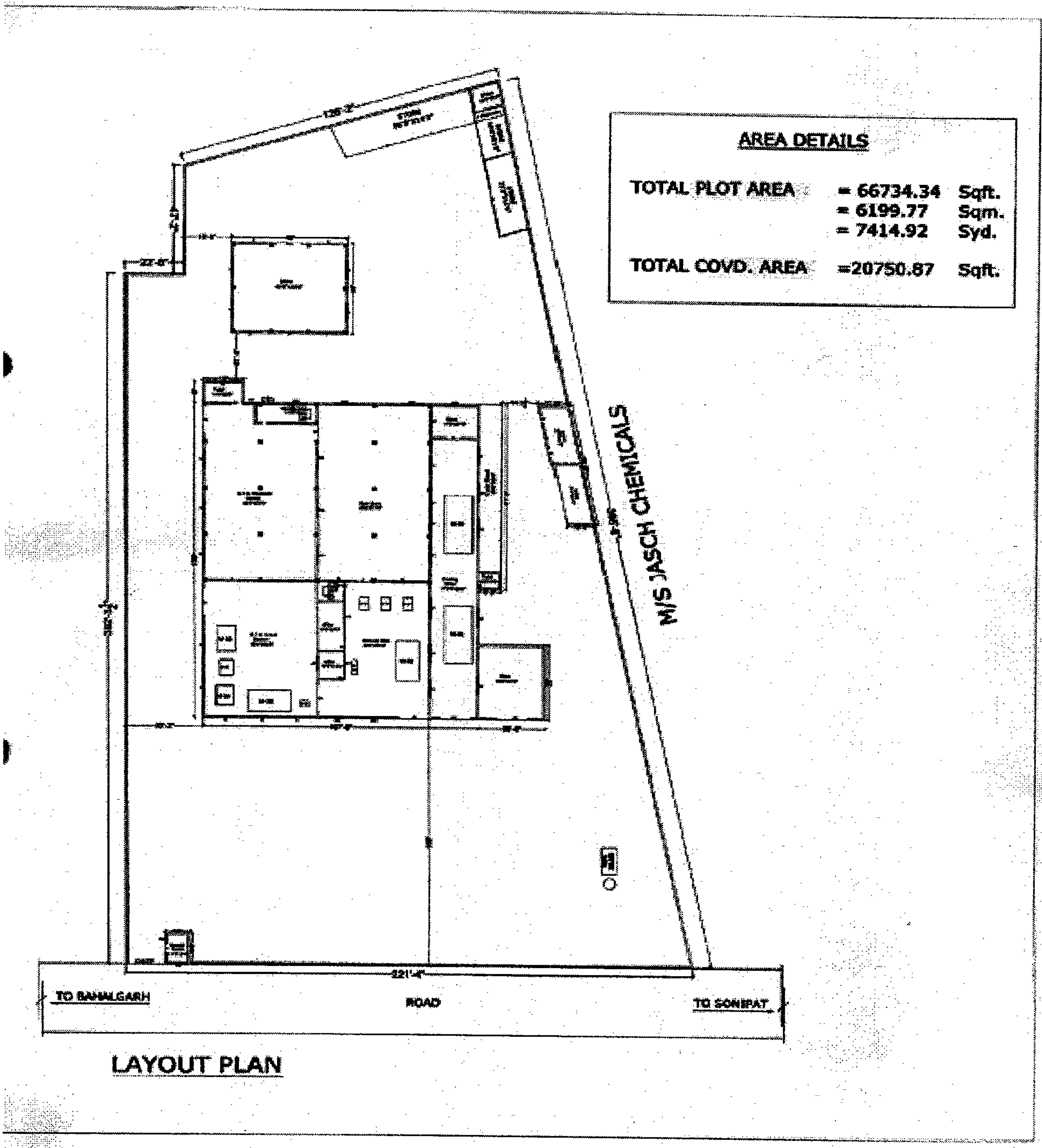
ANNEXURE TO THE SCHEME
(Area to be demerged to Resulting Company)



LAYOUT PLAN

For JASCH INDUSTRIES LIMITED

Director