

**Tagros Chemicals India Private Limited**

"Tagros House" No. 4, Club House Road,
Anna Salai, Chennai - 600 002. Tamil Nadu, India.
Phone : +91 44 - 4300 7300 / 4200 7400
Fax : +91 44 - 2858 7873 / 2851 7164
Web : www.tagros.com
CIN : U24294TN1992PTC024115

Date: August 12, 2022

To,

Unsecured Creditor

Dear Sir,

Re: Composite Scheme of Arrangement between D.K. Capital Market Private Limited and S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited and Tagros Chemicals India Private Limited and their respective shareholders.

Notice is hereby given in pursuance of sub-section (5) of section 230 of the Companies Act, 2013, that as directed by the Chennai Bench of the Hon'ble National Company Law Tribunal by an order dated 21.07.2022 under sub-section (1) of section 230 of the Act, a meeting of the unsecured creditors of Tagros Chemicals India Private Limited shall be held on 24.09.2022 at 4.30 pm at Tagros House, No.04 (Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002 to consider and approve the Composite Scheme of Arrangement between D.K. Capital Market Private Limited and S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited and Tagros Chemicals India Private Limited and their respective shareholders ("Scheme" or "Composite Scheme of Arrangement").

Accordingly, please find attached the notice of the meeting along with the explanatory statement for the meeting of unsecured creditors on 24.09.2022 at 4.30 pm.

We request you to kindly attend the meeting.

For Tagros Chemicals India Private Limited,

Sd/

V. Kailasam

Chairperson appointed for the meeting

Date: August 12, 2022

Place: Chennai

Enclosure:

Copy of notice with statement as required under section 230(3)



Mumbai : Unit No. 505, 5th Floor, Atrium - 2 (Kanakia), Andheri Kurla Road,
Near Hotel Courtyard Marriott, Andheri (E), Mumbai - 400 093. Phone : +91 22 - 61112700

Works 1 : A-4/1, 4/2, 4/4, 4/5 & 3/1, SIPCOT Industrial Complex, Pachayankuppam, Cuddalore - 607 005.
Tamil Nadu. Phone : + 91-04142 - 239373, 239374, 285340. Fax : +91 - 04142 - 239375

Works 2 : Plot No : 43/1 & 43/3, Amod Road, GIDC, Dahej 1, Taluka Vagra, Dist. Bharuch, Gujarat - 392 130.
Phone : +91-7043999575

Works 3 : Plot No : 2901 to 2906 & 2806, GIDC, Panoli, Ankleshwar, Dist. Bharuch, Gujarat - 394 116.
Phone : +91-7069045834,7069045836

Works 4 : Plot No : 133 & 134, GIDC Estate, Ankleshwar, Dist. Bharuch, Gujarat - 393 002. Phone : +91-7069045834

NOTICE UNSECURED CREDITORS

TAGROS CHEMICALS INDIA PRIVATE LIMITED

Registered Office: 'Tagros House', 4th Floor, No. 4 (Old 10), Club House Road, Anna Salai, Chennai 600002
Tel No – 044 - 4300 7300 / 4200 7400 CIN: U24294TN1992PTC024115 Website: www.tagros.com

NOTICE OF MEETING OF THE UNSECURED CREDITORS OF TAGROS CHEMICALS INDIA PRIVATE LIMITED

In the matter of Composite Scheme of Arrangement between D.K. Capital Market Private Limited (“DK Capital” or the “Amalgamating Company 1” or “Transferor Company 1”) and S R B Agencies Private Limited (“SRB Agencies” or the “Amalgamating Company 2” or “Transferor Company 2”) and D.K. Securities Private Limited (“DK Securities” or the “Amalgamating Company 3” or “Demerged Company” or “Transferor Company 3” or “Transferee Company 1”) and Rainbow Land Developers Private Limited (“Rainbow” or “Resulting Company”) and Tagros Chemicals India Private Limited (“Tagros” or “Transferee Company 2”) and their respective shareholders.

Day	Date	Time	Venue
Saturday	24.09.2022	4.30p.m.	Tagros House, No. 04 (Old. 10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002

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FORM NO. CAA.2

[pursuant to Section 230(3) and rule 6 and 7]

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH

COMPANY APPLICATION NO. C.A. (CAA)/47(CHE)/2022

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Composite Scheme of Arrangement between D.K. Capital Market Private Limited and S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited and Tagros Chemicals India Private Limited and their respective shareholders.

TAGROS CHEMICALS INDIA PRIVATE LIMITED having its registered office at "Tagros House", 4th Floor, No.4 (Old 10), Club House Road, Anna Salai, Chennai - 600 002 CIN: U24294TN1992PTC024115 PAN: AAACT2952K	Applicant Company 4 / Transferee Company 2
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**NOTICE CONVENING THE MEETING OF
UNSECURED CREDITORS OF
TAGROS CHEMICALS INDIA PRIVATE LIMITED**

To,

The Unsecured Creditors,

Notice is hereby given that by order dated 21.07.2022 the Chennai Bench of the Hon'ble National Company Law Tribunal has directed a meeting to be held of the Unsecured Creditors of the Transferee Company 2 for the purpose of considering, and if thought fit, approving with or without modification, the arrangement embodied in the Composite Scheme of Arrangement between D.K. Capital Market Private Limited and S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited and Tagros Chemicals India Private Limited and their respective shareholders

In pursuance of the said orders and as directed therein, notice is hereby given that the meeting of the Unsecured Creditors of the Transferee Company 2 will be held on 24.09.2022, at 4.30 pm at Tagros House, No.04(Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002, where the said Unsecured Creditors are requested to attend.

Copies of the said Composite Scheme of Arrangement and of the Explanatory Statement under section 230 are annexed to this notice and can be obtained free of charge at the registered office of the Company, or at the office of its Authorised Representative Mr. Harishankar Mani and Mr. Pawan Jhabhak, Advocates, at New No. 115, Luz Church Road, Mylapore, Chennai – 600 004. Persons entitled to attend- and vote at the meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the Company at Tagros House, No.04 (Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002 not later than 48 hours before the meeting.

Form of Proxy is also annexed to this notice or can be obtained from the registered office of the Company or from the office of the Advocates as mentioned above.

The Hon'ble Tribunal has appointed Mr.V.Kailasam, Sr. Vice President – Finance and failing him, Mr. P. Gopalakrishnan, Chief Financial Officer as the Chairperson of the said meeting. The above mentioned Composite Scheme of Arrangement, if approved by the meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.

TAKE NOTICE that the following resolution is proposed under Sections 230(3) of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the Memorandum of Association and Articles of Association of the Transferee Company 2, for the purpose of considering, and if thought fit, approving the Composite Scheme Arrangement between D.K. Capital Market Private Limited and S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited and Tagros Chemicals India Private Limited and their respective shareholders:

“RESOLVED THAT pursuant to the provision of Section 230 to 232 and Section 66 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the enabling clauses of the Memorandum of Association & Articles of Association of the Company and subject to requisite approval by the Hon’ble National Company Law Tribunal (‘NCLT’), having jurisdiction over the respective companies or such other competent authority as may be applicable and subject to approval of Central Government, or such other competent authority as may be directed by the NCLT, the approval of the Unsecured Creditors of the Company be and is hereby accorded to the Composite Scheme of Arrangement presented under Section 230 to 232 and Section 66 and other applicable provisions of Companies Act, 2013 (‘the Act’) between D.K. Capital Market Private Limited (‘DK Capital’ or the ‘Amalgamating Company 1’ or ‘Transferor Company 1’) and S R B Agencies Private Limited (‘SRB Agencies’ or the ‘Amalgamating Company 2’ or ‘Transferor Company 2’) and D.K. Securities Private Limited (‘DK Securities’ or the ‘Amalgamating Company 3’ or ‘Demerged Company’ or ‘Transferor Company 3’ or ‘Transferee Company 1’) and Rainbow Land Developers Private Limited (‘Rainbow’ or ‘Resulting Company’) and Tagros Chemicals India Private Limited (‘Tagros’ or ‘Transferee Company 2’) and their respective shareholders (‘the Scheme’) subject to modifications, if any, as may be imposed by any regulatory authority or the shareholders of the Company or the NCLT, pursuant to Section 230 to 232, and Section 66 and other applicable provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required and/or imposed by the NCLT while sanctioning the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

Dated this 12th August 2022

Registered office

Tagros House, No.04(Old.10),
Club House Road, Anna Salai
Chennai, Tamil Nadu 600002

Sd/
Mr. V. Kailasam
Chairperson of the meeting

Notes:

1. UNSECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE AN UNSECURED CREDITOR OF THE APPLICANT COMPANY 4. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 (forty-eight) hours before the commencement of the meeting. Proxies/ authorisations submitted on behalf of body corporate, societies etc. must be supported by appropriate resolution/ authority, as applicable.

A creditor shall not be entitled to appoint more than one proxy to attend on the same occasion.

2. The Authorized Representative of a body corporate which is Unsecured Creditor of the Applicant Company 4 may attend and vote at the Meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the Unsecured Creditors Meeting is deposited at the registered office of the Transferee Company 2 not later than 48 hours before the schedule time of the Meeting.
3. Unsecured Creditor or his Proxy is requested to bring the copy of the notice to the meeting and produce at the entrance of the meeting venue, the attendance slip duly completed and signed.
4. The NCLT has appointed Mr. Inbaraju, as the Scrutinizer for conducting the entire ballot process in a fair and transparent manner.
5. All documents referred to in the notice, and the explanatory statement attached hereto, are open for inspection up to one day prior to the said meeting, at the Registered Office of the Company between 10:00 a.m. and 05:00 p.m. on all working days, except Saturdays, Sundays and Public Holidays.

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH
COMPANY APPLICATION NO. C.A. (CAA)/47(CHE)/2022**

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with
Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Composite Scheme of Arrangement between D.K. Capital Market Private Limited and
S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited
and Tagros Chemicals India Private Limited and their respective shareholders

<p>TAGROS CHEMICALS INDIA PRIVATE LIMITED having its registered office at "Tagros House", 4th Floor, No.4 (Old 10), Club House Road, Anna Salai, Chennai - 600 002 CIN: U24294TN1992PTC024115 PAN: AACT2952K</p>	<p align="center">Applicant Company 4 / Transferee Company 2</p>
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EXPLANATORY STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 AND RULES 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to an Order 21.07.2022 passed by the Hon'ble National Company Law Tribunal Bench at Chennai in the C.A. (CAA)/47(CHE)/2022 referred to hereinabove, a meeting of the Unsecured Creditors of Tagros Chemicals India Private Limited is being convened and will be held at Tagros House, No.04 (Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002, on 24.09.2022 at 4.30 P.M. for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Composite Scheme of Arrangement between D.K. Capital Market Private Limited and S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited and Tagros Chemicals India Private Limited and their respective shareholders.

2. Background of the Companies involved in the Scheme is as under:

TAGROS CHEMICALS INDIA PRIVATE LIMITED('Transferee Company 2')

- a) Name of the company: Tagros Chemicals India Private Limited
- b) Corporate Identification Number (CIN): U24294TN1992PTC024115
- c) Permanent Account Number (PAN): AACT2952K
- d) Date of incorporation: 30th December 1992
- e) Type of the company: Private Limited Company
- f) Registered office address and e-mail address: Tagros House, No.04 (Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002

Email id: balu@tagros.com

g) Summary of main object as per the memorandum of association:

- 1. To carry on the business of manufacture of chemicals of all descriptions used in the formulation of chemicals in Pest Control in Agriculture, Public Health, Domestic, Industrial or other purpose and formulation of chemicals of all description used in Agriculture, Public, Health, Domestic, Industrial or other purposes.
- 2. To carry on the business of manufacturing and/or formulating hormones and such other chemicals used in Weed Control, Fungal Control and Chemicals used in growth stimulation or growth regulation of plants, etc.

3. To carry on business of Marketing of basic chemicals and formulation of Pesticides, Minerals, Weedicides, Hormones, Fungicides, Animal Feeds and other chemicals manufactured or otherwise use in industry and/or Agriculture.
 4. To carry on the business of manufacturers, importers, repackers, converters of and dealers in pharmaceutical formulations, medical, chemical biological biochemical, electrolytic drugs, fine chemicals, ingredients, products and compounds and manufacturers of basic drugs, analytical chemists, druggists drysalters.
 5. To manufacture, prepare, import, export, buy, sell, supply, distribute, store, stock, maintain and otherwise handle, deal in and carry on business in all kinds and varieties of patent and non-patent medicines, drugs, mixtures, formulations, capsules, tablets, pills, powders, pharmaceutical; chemical, medical and medicine products, preparation and materials, sterilised injections, vaccines, immunogens, phylacogens, chemicals and surgical dressings.
 6. To carry on business of Real Estate, acquire, buy, purchase, sell, let out on mortgage or otherwise and collect lease rental, hire or otherwise lands, buildings, civil works immovable property of any tenure or any interest in the same and to erect and construct civil work of every type on the land of the Company or immovable property belonging to the Company, pull down, rebuild, enlarge, alter and other conveniences and to deal with and improve, property of the Company or any other Immovable property in India or abroad
- h) Details of change of name, registered office and objects of the company during the last five years:
1. Change of name: There has been no change in name of the company in the last five years.
 2. Change of registered office: The Board of Directors at its meeting held on 1.9.2021 have approved the change of Registered office with effect from 16.09.2021. The registered office of the company has been changed from 72, Marshalls Road, “Jhaver” Centre, Rajah Annamalai Building, IV Floor, Egmore, Chennai 600 008, Tamil Nadu to ‘Tagros House’, 4th Floor, No.4(Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002.
 3. Change of objects: The details of change in objects of the company in the last five years are as follows:
The Shareholders at the Extraordinary General Meeting held on March 10, 2022 have approved the amendment to the objects clause of the Company.
The Object clause has been amended in order to align the existing Memorandum of Association (MOA) of the Company in line with Table A of the Schedule I of the Companies Act 2013 (Act). The Objects under Clause III(C)[OTHER OBJECTS] except Clause III(C) (7) has been merged with Clause III (B)[the Objects incidental or Ancillary to the attainment of the Main Objects] and was renumbered accordingly.
Object under Clause III(C) (7)[OTHER OBJECTS] added as Clause III (A) (6) [the main objects of the Company to be pursued in its incorporation].
Existing Clause III B containing the “Objects Incidental or Ancillary to the attainment of Main Objects” sub-clause no. 1 to 39 deleted and replaced by Clause III (B) “Matters which are necessary for furtherance of the Objects specified in Clause III (A) containing the sub-clause no. 1 to 45.
Existing Clause III C containing the “Other Objects” sub clause no. 1 to 7 deleted in full.
- i) Capital Structure of the Company as on 30th June 2022 is as under:

Particulars	Amount (INR)
Authorized Capital	
2,62,00,000 Equity shares having face value of Rs. 10/- each	26,20,00,000
1,00,000 Redeemable Preference shares having face value of Rs. 100/- each	1,00,00,000
Total	27,20,00,000
Issued, Subscribed and Paid-up Capital	
3,36,400 Equity shares having face value of Rs. 10/- each	33,64,000
Total	33,64,000

- j) The shares of the Applicant Company 4 are not listed in any of the stock exchange(s)
k) Names of the promoters and directors along with their addresses:

Promoters:

Sr. No.	Name	Address
1	Mr. Devkishan Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
2	Mr. Parikshith Jhaver	New No 21, Santhome High Road, Mylapore, Chennai 600004
3	Mr. Abhimanyu Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028

Directors:

Sr. No.	Name	Designation	Address
1	Mr. Parikshith Jhaver	Whole Time Director	New No 21, Santhome High Road, Mylapore, Chennai 600004
2	Mr. Devkishan Jhaver	Whole Time Director	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
3	Mr. Adesh Kumar Daga	Director	108 A-2, Landons Road, Alsa Cres Court, Kilpauk, Chennai 600010
4	Mr. Abhimanyu Jhaver	Whole Time Director	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
5	Mr. Kuppuswamy Rajagopal	Director	B-4, Anand Apartments, 50, L.B. Road, Thiruvanmiyur, Chennai 600041

D.K. Capital Market Private Limited

("Transferor Company 1" Or "Amalgamating Company 1" Or "DK Capital")

- a) Name of the company: D.K. Capital Market Private Limited
b) Corporate Identification Number (CIN): U65991TN1993PTC025568
c) Permanent Account Number (PAN): AABCD6024D
d) Date of incorporation: 6th August 1993
e) Type of the company: Private Limited Company
f) Registered office address and e-mail address: New No 4, Club House Road, Anna Salai, Chennai-600002.
Email id: dkcapital1993@yahoo.in
g) Summary of main object as per the memorandum of association:
- To carry on business of an investment trust Company and to underwrite, Sub-underwrite to invest in and acquire and hold, sell, buy, or otherwise deal in shares, debentures, debenture stocks, bonds, units, obligations and securities issued or guaranteed by Indian or foreign Governments, State, Dominions, Sovereign, Municipalities or authorities or Bodies as shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued and guaranteed by any Company, Corporation, firm or person whether incorporated or established in India or elsewhere.
 - To act as financial consultants, management consultants and provide advice services, consultancy in various fields, general administrative, secretarial, commercial, financial, legal, economic, labour, industrial, public relations, scientific, technical, direct, and indirect taxation and other levies, statistical, accountancy, quality control and data processing.

- c) To take part in the formation, supervision or control of the business of operations of any company or undertaking and for the purpose to act as an Issue House, Registrars and share Transfer Agents, Secretaries, Financial Advisers or Technical Consultants or in any other capacity and to appoint and remunerate any Directors, Administrators or other experts or agents.
- d) To receive money on deposit at interest or otherwise for fixed periods, and to lend money on any terms that may be thought fit and particularly to customers or other persons or corporations having dealings with the company. The Company shall not carry on any business of banking as defined by the Banking Companies Act, 1949, or any Statutory modification thereof.
- e) To manage investment pools, syndicate in share stocks, securities finance and real estate.
- h) Details of change of name, registered office and objects of the company during the last five years:
1. Change of name: There has been no change in the name of the company in the last 5 years.
 2. Change of registered office: On 21st January 2022, the registered office of the company has been changed from 179, T.H. Road, Tondiarpet, Chennai-600 081 to New No 4, Club House Road, Anna Salai, Chennai-600002.
 3. Change of objects: There has been no change in objects of the company in the last 5 years.
3. Capital Structure of the Company as on 30th June 2022 is as under:

Particulars	Amount (INR)
Authorised Capital	
2,50,000 equity shares having face value of Rs. 10 each	25,00,000
Total	25,00,000
Issued, Subscribed and Paid-up Capital	
2,17,800 equity shares having face value of Rs. 10 each	21,78,000
Total	21,78,000

4. The shares of the Applicant Company 1 are not listed in any of the stock exchange(s)
5. Names of the promoters and directors along with their addresses:

Promoters:

Sr. No.	Name	Address
1	Mr. Devkishan Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
2	Mr. Abhimanyu Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.

Directors:

Sr. No.	Name	Designation	Address
1	Mr. Kamal Kumar Binani	Director	38/C, Hunters Road, Jain Colony, Chennai 6000112
2	Mr. C. Balasubramanian Ravisankar	Director	2, Union Carbide Colony Thomas Nagar, Ullagaram, Madipakkam, Kancheepuram, Solinganallur, Tamilnadu
3	Mr. Abhimanyu Jhaver	Director	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.

D.K. Securities Private Limited (“Transferor Company 3” Or “Amalgamating Company 3” Or “Demerged Company” Or “Transferee Company 1” Or “DK Securities”)

- a) Name of the company: D.K. Securities Private Limited
- b) Corporate Identification Number (CIN): U65993TN1993PTC025739

- c) Permanent Account Number (PAN): AABCD5854H
- d) Date of incorporation: 7th September 1993
- e) Type of the company: Private Limited Company
- f) Registered office address and e-mail address: 5, Adyar Boat Club Road, 1st Street, Chamiers Road, Chennai - 600028.
Email id: sldpl.sundar@gmail.com

- g) Summary of main object as per the memorandum of association:
1. To buy, sell, develop, maintain, lease or sub-lease properties in India and abroad and to take up construction work and act as engineers, consultants, architects, contractors, to act as builders, developers, distributors of building materials, commission agents and consultants for goods materials and services relating to the development of the property.
 2. To carry on the business of developers of property, promoters of scheme of housing and/or flats, residential or commercial apartments, land, land development and layout scheme, builders, civil engineers, contractors and engineering consultants.
 3. To invest the funds of the Company in such assets, land, properties, securities, bullion, gold, silver, specie or investment or otherwise as may from time to time be determined by the Directors and from time to time to sell or vary all such investments.

- h) Details of change of name, registered office and objects of the company during the last five years:
1. Change of name: There has been no change in the name of the company in the last 5 years.
 2. Change of registered office: There has been no change in the registered office of the company in the last 5 years
 3. Change of objects: The company has changed its objects vide special resolution as mentioned below.
Special Resolution passed at AGM held on 30th November 2021, the Shareholders approved the amendments to the objects clause of the company. AND
Special Resolution passed at EGM held on 1st February, 2022 the Shareholders approved the amendments to the objects clause of the company

- i) Capital Structure of the Company as on 30th June 2022 is as under:

Particulars	Amount (INR)
Authorised Capital	
5,00,000 equity shares having face value of Rs. 10 each	50,00,000
Total	50,00,000
Issued, Subscribed and Paid-up Capital	
4,44,220 equity shares having face value of Rs. 10 each	44,42,200
Total	44,42,200

- j) The shares of the Applicant Company 2 are not listed in any of the stock exchange(s)
- k) Names of the promoters and directors along with their addresses:

Promoters:

Sr. No.	Name	Address
1	Mr. Devkishan Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
2	Mr. Abhimanyu Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.

Directors:

Sr. No.	Name	Designation	Address
1	Mr. Hiralal Goud	Director	4,Geetanjali, 7th Main Road, Dhandeeshwaram Nagar Velacherry, Chennai-600042
2	Mr. Abhimanyu Jhaver	Director	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
3	Mr. Sundar	Director	New No 45, A P Road, Choolai, Chennai 600112

S R B Agencies Private Limited (“Transferor Company 2” Or “Amalgamating Company 2” Or “SRB Agencies”)

- a) Name of the company: S R B Agencies Private Limited
- b) Corporate Identification Number (CIN): U63090WB1988PTC044096
- c) Permanent Account Number (PAN): AAFCS0278N
- d) Date of incorporation: 6thApril 1988
- e) Type of the company: Private Limited Company
- f) Registered office address and e-mail address: 14, Netaji Subhas Road, 1st Floor, Kolkata West Bengal- 700001.
- g) Email id: vfspl1995@gmail.com
- h) Summary of main object as per the memorandum of association:
 - 1 To carry on all kinds of agency businesses including that of clearing Agents, Freight contractors, streamer Agents, Forwarding Agents, Licensing Agents, General Brokers.
 2. To carry on business of exporters, importers, buyers, sellers, processor, cultivator, mediators, brokers, agents, consignment agents, marketing agent, commission agent, distributors, suppliers, factors traders, stockiest, advisors, partner of and dealers in all kinds of industrial, consumer (both durable and nondurable) and intermediated product of any silk saris, tea, tobacco, chemicals, pesticides fertilizers, yarn, cloth, jute & textiles, handicraft, engineering goods, stores and spares, humpray on nylon, plastics, wood, metals, sugar and sugarcane, coffee, electrical and electronics goods.
 - 3 To purchase, acquire, hire, build, improve, construct, alter, maintain, enlarge, equip, pull down, remove or replace and to work, manage and control any buildings, offices, factories, mills, shops, machinery plant, engines, motor cars, omnibus, motor lorries, utensils, roadways, tramways, railways, branches or sidings, rolling stock, electric works and conveniences which may seem calculated directly or indirectly to advance the main objects of the company and to join any other person or company in doing any of these things anywhere in the world.
 4. To trade in such goods and commodities as are produced or manufactured by the company in the country or elsewhere in the world.
 5. To import and purchase any machinery, implement, material, articles and stores and to do all things for developing the resources of the property, land by cleaning, draining, fencing, cultivating, planting, manuring, or by any other manner as the company may think best for the achievement of the company’s main objects.
 6. To apply for tender, purchase, or otherwise acquire any contracts, sub-contracts, licenses and concessions for or in relation to the main objects herein mentioned or any of them and to undertake, execute, carryout, dispose of or otherwise turn to account the same.
 7. To sell, exchange, mortgage, royalty or tribute, grant licenses, easements, options and other rights over and in any other manner deal with or dispose off the whole or any part of the undertaking, property, assets, rights and effects of the company for such consideration as may be thought fit.

8. To pay for any rights or property acquired by the company and to remunerate any person, firm or body corporate rendering services to the company either by cash payment or by allotment to him or them of shares or securities, of the company as paid up in full or in part or otherwise.
9. To undertake financial and commercial obligations, transactions and operations relating to the main objects.
10. Subject to the provisions of the Act to invest any money of the company in such investment (Other than shares or stock in the company) as may be thought proper and to hold, sell or otherwise deal with such investments.
11. To open Banking accounts and draw, make, accept, endorse, discount, negotiate, execute and issue bill of exchange, promissory notes, bills of lading, warrants, debenture and other negotiable or transferable instruments or securities.
12. To subscribe, donate, gift or guarantee money for any national, charitable, benevolent, public, general or useful object or to any institution, club, society, research, association, fund, university, college or any other person or body other than political purpose.
13. To hold in the names of others any property which the company is authorized to acquire.
14. To Undertake and execute any trusts the undertaking where of may seem desirable, either gratuitously or otherwise for the purpose of the business of the company.
15. To apply for purchase or otherwise acquire, any patents, patent rights, Copy rights, trade marks, formulate, licenses, concessions and the like or any secret or other information, , the acquisition of which may seem calculated directly or indirectly to benefit the company.
16. To amalgamate with any company or companies having objects altogether or in part similar to those of this company.
17. To do all or any of the above things in any part of the world, and as principals, commission agents, brokers, contractors, trustees, or otherwise and by or through trustees, sub-commission agents, sub-contractors or otherwise and, either alone or in conjunction with others.
18. To pay all the costs, charges and expenses of and incidental to the promotion and formation, registration and establishment of the company and to issue of its capital.
19. To distribute amongst the members of the company, in specie or in kind any property of the company, or any proceeds of sale or disposal of any property of the company in the event of the winding up of the company.
 - i) Details of change of name, registered office and objects of the company during the last five years:
 1. Change of name: There has been no change in the name of the company in the last 5 years.
 2. Change of registered office: There has been no change in the registered office of the company in the last 5 years.
 3. Change of objects: The Company has not changed its objects clause.

j) Capital Structure of the Company as on 30th June 2022 is as under:

Particulars	Amount (INR)
Authorised Capital	
13,40,000 equity shares having face value of Rs. 10 each	1,34,00,000
Total	1,34,00,000
Issued, Subscribed and Paid-up Capital	
13,32,740 equity shares having face value of Rs. 10 each	1,33,27,400
Total	1,33,27,400

- k) The shares of Transferor Company 2 are not listed in any of the stock exchange(s)
 l) Names of the promoters and directors along with their addresses:

Promoters:

Sr. No.	Name	Address
1	Mr. Devkishan Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
2	Mr. Abhimanyu Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.

Directors:

Sr. No.	Name	Designation	Address
1	Devkishan Jhaver	Director	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
2	Swami Nathan	Director	18, Rajlakshmi Complex, First Floor, 18 Chamiers Road, Nandanam, Chennai- 600035
3	Kapil Sharma	Director	9/2, 3rd Avenue, Boat Club Road, RA Puram, Chennai 600028

4. Rainbow Land Developers Private Limited (“Resulting Company” Or “Rainbow”)

- a) Name of the company: Rainbow Land Developers Private Limited
 b) Corporate Identification Number (CIN): U45202TN2004PTC053899
 c) Permanent Account Number (PAN): AACCR8676C
 d) Date of incorporation: 5thAugust 2004
 e) Type of the company: Private Limited Company
 f) Registered office address and e-mail address: New No. 4, Old No. 10, Club House Road, Anna Salai, Chennai – 600 002.

Email id:sldpl.sundar@gmail.com

- g) Summary of main object as per the memorandum of association:

1. To construct, erect, build repair, remodel, demolish, develop, improve, and maintain buildings, structures, houses, apartments, hospitals, schools, colleges, place of worship, cinema halls, theatres, conference halls, stadium, wedding places, shopping complexes, Industrial Complexes, Hotels, Motels, restaurants, dwelling units, highways, Industrials Park, amusement park, roads, paths, platforms, streets, sideways, courts, alleys, bridges, pavements and for these purpose to purchase, take on lease or otherwise acquire and hold any lands and prepare layout thereon, building of any tenure or description wherever situate or rights or interest therein or connected therewith.
2. To carry on the business to build, construct, alter, enlarge, develop, acquire, to take/give on lease, sale, purchase, to take or give on rights, manage any land, building, flats, bungalows, showrooms, shops, godowns, residential or/and office or/and commercial complexes and to act as service organization for providing administrative, advisory, and commercial services for any of the aforesaid matters.
3. To buy, sell, develop, maintain, properties in India and abroad and to take up construction work and act as engineers, consultants, architects, contractors, to act as builders, developers, distributors of building materials, commission agents and consultants for goods materials and services relating to the development of the property.

4. To carry on the business of developers of property, promoters of scheme of housing and/or flats, residential or commercial apartments, land, land development and layout scheme, builders, civil engineers, contractors, and engineering consultants.

h) Details of change of name, registered office and objects of the company during the last five years:

1. Change of name: There has been no change in the name of the company in the last 5 years.
2. Change of registered office: On 21st January 2022. There has been change in registered office of the company from No.122, Broadway, Chennai-600108 to New No.4, Old No.10, Club House Road, Anna Salai, Chennai - 600 002.
3. Change of objects: There has been no change in objects of the company in the last 5 years.

i) Capital Structure of the Company as on 30th June 2022 is as under:

Particulars	Amount (INR)
Authorised Capital	
1,00,000 equity shares having face value of Rs. 10 each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid-up Capital	
10,000 equity shares having face value of Rs. 10 each	1,00,000
Total	1,00,000

j) The shares of the Applicant Company 3 are not listed in any of the stock exchange(s)

k) Names of the promoters and directors along with their addresses:

Promoters:

Sr. No.	Name	Address
1	Mr. Devkishan Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.
2	Mr. Abhimanyu Jhaver	Old No.5, New No. 9/5, 3rd Avenue, Boat Club Road, Raja Annamalaipuram, Chennai 600028.

Directors:

Sr. No.	Name	Designation	Address
1	Mr. Kamal Kumar Binani	Director	38/C , Hunters Road, Jain Colony, Choolai, Chennai 600112
2	Mr. C. Balasubramanian Ravisankar	Director	2, Union Carbide Colony Thomas Nagar, Ullagaram Madipakkam, Kancheepuram, Solinganallur, Tamilnadu

6. Details of relationship subsisting between Applicant Companies:

- a) D.K. Capital Market Private Limited: SRB Agencies holds 48.21% and DK Securities holds 43.62% of share capital of DK Capital respectively.
- b) S R B Agencies Private Limited: DK Capital holds 9.98% and DK Securities holds 25.23% of the share capital of SRB Agencies respectively.
- c) D.K. Securities Private Limited: DK Securities holds 19.06% of the equity share capital of Tagros, SRB Agencies holds 45.02% and DK Capital holds 25.06% of share capital of DK Securities respectively.
- d) Rainbow Land Developers Private Limited: No direct relationship with the other Applicant Companies.
- e) Tagros Chemicals India Private Limited: DK Securities holds 19.06% of the share capital of Tagros.

7. The Board of Directors of **TAGROS CHEMICALS INDIA PRIVATE LIMITED** in their Board meeting held on 29th March 2022, and **D.K. SECURITIES PRIVATE LIMITED** in their Board Meeting held on 29th March 2022, and **S R B AGENCIES PVT LTD** in their Board Meeting held on 29th March 2022, and **D.K. CAPITAL MARKET PRIVATE LIMITED** in their Board Meeting held on 29th March 2022, and **RAINBOW LAND DEVELOPERS PRIVATE LIMITED** in their Board Meeting held on 29th March 2022 have approved and adopted the proposed Composite Scheme of Arrangement and none of the Directors have opposed the same.

8. **Salient features of the Scheme:**

a) **Parties involved in the Scheme of Arrangement.**

- **D.K. Capital Market Private Limited** (hereinafter referred to “Transferor Company 1” Or “Amalgamating Company 1” Or “DK Capital”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U65991TN1993PTC025568 and having its registered office situated at New No 4, Club House Road, Anna Salai, Chennai-600002. D.K. Capital is engaged in the business of investment in group companies. SRB Agencies holds 48.21% and DK Securities holds 43.62% of share capital of DK Capital respectively.
 - **S R B Agencies Private Limited** (hereinafter referred to “Transferor Company 2” Or “Amalgamating Company 2” Or “SRB Agencies”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U63090WB1988PTC044096 and having its registered office situated at 14, Netaji Subhas Road, 1st floor, Kolkata - 700001. SRB Agencies is a Non-Banking Financial Company registered with Reserve Bank of India. DK Capital holds 9.98% and DK Securities holds 25.23% of the share capital of SRB Agencies respectively.
 - **D.K. Securities Private Limited** (hereinafter referred to “Transferor Company 3” Or “Amalgamating Company 3” Or “Demerged Company” Or “Transferee Company 1” Or “DK Securities”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U65993TN1993PTC025739 and having its registered office situated at 5, Adyar Boat Club Road, 1st Street, Chamiers Road, Chennai - 600028. DK Securities is engaged in the business of trading and leasing and sub-leasing of immovable properties. Further, DK Securities is also engaged in investment activities. DK Securities holds 19.06% of the equity share capital of Tagros. Further, SRB Agencies holds 45.02% and DK Capital holds 25.06% of share capital of DK Securities respectively.
 - **Rainbow Land Developers Private Limited** (hereinafter referred to “Resulting Company” Or “Rainbow”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U45202TN2004PTC053899 and having its registered office situated at New No. 4, Old No. 10, Club House Road, Anna Salai, Chennai – 600 002. Rainbow is engaged in the business of real estate.
 - **Tagros Chemicals India Private Limited** (hereinafter referred to as “Transferee Company 2” OR “Tagros”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number CIN U24294TN1992PTC024115 and having its registered office at “Tagros House”, 4th Floor, No.4 (Old 10), Club House Road, Anna Salai, Chennai - 600 002. The Transferee Company 2 is engaged inter alia in the business of manufacturing and export of pesticides, agrochemicals and chemicals for industrial & other purposes.
- b) **“Appointed Date”** means 1st October 2021 or such other date as may be determined by the Board of Directors of the Companies or such other date as may be fixed or approved by the Hon’ble National Company Law Tribunal having jurisdiction over the respective company or such other competent authority
- c) **“Effective Date”** means the last of the dates on which all the conditions and matters referred to in Clause 42 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme.

d) Accounting Treatment:

FOR AMALGAMATION OF TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2 WITH THE TRANSFEREE COMPANY 1

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 1

As specified under Clause 12 of the Scheme, the Amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company 1 shall be accounted in the books of Transferee Company 1 in accordance with the “Pooling of Interest Method” prescribed under Accounting Standard – 14 - Accounting for Amalgamation.

TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING OF THE DEMERGED COMPANY TO AND IN THE RESULTING COMPANY

ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

As specified in clause 21 of the Scheme, the Demerged Company shall account for the Scheme in their books/ financial statements in accordance with the relevant accounting standard specified under Section 133 of the Act and the rules framed thereunder, as applicable.

ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY

As specified in clause 22 of the Scheme, the Board of Directors of the Resulting Company is authorized to account for any of these transactions / balances in any manner whatsoever, as may be deemed fit, in accordance with applicable accounting standards notified under the Act and read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act and generally accepted accounting principles adopted in India.

FOR AMALGAMATION OF TRANSFEROR COMPANY 3 WITH THE TRANSFEREE COMPANY 2

ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY 2

As specifies in clause 33 of the Scheme, the Transferee Company 2 shall account for the amalgamation of the Transferor Company 3 in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that

e) Consideration for Amalgamation of Transferor Company:

FOR AMALGAMATION OF D.K. CAPITAL MARKET PRIVATE LIMITED AND S R B AGENCIES PRIVATE LIMITED WITH THE D.K. SECURITIES PRIVATE LIMITED

Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company 1 and Transferor Company 2 in the Transferee Company 1 pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company 1 shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company 1 and Transferor Company 2, whose name is recorded in the register of members as member of the Transferor Company 1 and Transferor Company 2 respectively, as on the Record Date 1, as follows:

To the shareholders of Transferor Company 1

“1 (one) equity share of Transferee Company 1 having face value of INR 10 each fully paid up for every 1 (one) equity share held in Transferor Company 1 having face value of INR 10 each fully paid up”

To the shareholders of Transferor Company 2

“1 (one) equity share of Transferee Company 1 having face value of INR 10 each fully paid up for every 1 (one) equity shares held in Transferor Company 2 having face value of INR 10 each fully paid up”

FOR TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING OF D.K. SECURITIES PRIVATE LIMITED TO AND IN RAINBOW LAND DEVELOPERS PRIVATE LIMITED

Upon this Scheme becoming effective, the Resulting Company shall, in consideration for and without any further application or deed, issue and allot to shareholders of the Demerged Company, whose name appears in the Register of Members of the Demerged Company as on the Record Date 2, in the following manner:

“1 (one) equity share of Resulting Company having face value of INR 10 each fully paid up for every 1 (one) equity shares held in Demerged Company having face value of INR 10 each fully paid up”

FOR AMALGAMATION OF D.K. SECURITIES PRIVATE LIMITED WITH THE TAGROS CHEMICALS INDIA PRIVATE LIMITED

Upon the Scheme becoming effective, in consideration of the transfer and vesting of the Transferor Company 3 in the Transferee Company 2 in terms of the Scheme, the Transferee Company 2 shall subject to the provisions of the Scheme and without any further application or deed, issue and allot equal number of equity shares as held by the Transferor Company 3 in the Transferee Company 2 to members, or their respective heir, administrators, legal representatives, determined as on Record Date 3, whose name is recorded in the register of members of Transferor Company 3 in the following manner:

“64,104 (Sixty Four Thousand one hundred and four) fully paid-up equity shares of Rs. 10/- each of the Transferee Company 2 in proportion of their holding of equity shares of Rs. 10/- each of Transferor Company 3 as on Record Date 3”

f) Dissolution of the Transferor Companies:

Subject to an order being made by the under Section 230 to 232 of the Act, the Transferor Companies shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provision of the Act and the Rules made hereunder

g) Valuation Report Summary

FOR AMALGAMATION OF D.K. CAPITAL MARKET PRIVATE LIMITED AND S R B AGENCIES PRIVATE LIMITED WITH THE D.K. SECURITIES PRIVATE LIMITED

The shares of the transacting companies are ultimately held by same members of the family. Further apart from shares held by transacting companies in each other the shareholding pattern of the individuals in each of the above transacting companies is same in terms of shareholders and their respective shareholding percentage and would continue to enjoy entire economic interest in same proportion.

The detailed analysis and reasoning for use of method of valuation has been laid out in the valuation report.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above we recommend the share entitlement ratio as follows:

To the shareholders of Transferor Company 1

“1 (one) equity share of Transferee Company 1 having face value of INR 10 each fully paid up for every 1 (one) equity share held in Transferor Company 1 having face value of INR 10 each fully paid up”

To the shareholders of Transferor Company 2

“1 (one) equity share of Transferee Company 1 having face value of INR 10 each fully paid up for every 1 (one) equity shares held in Transferor Company 2 having face value of INR 10 each fully paid up”

FOR TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING OF D.K. SECURITIES PRIVATE LIMITED TO AND IN RAINBOW LAND DEVELOPERS PRIVATE LIMITED

1 (one) equity share of Resulting Company having face value of INR 10 each fully paid up for every 1 (one) equity shares held in Demerged Company having face value of INR 10 each fully paid up”

FOR AMALGAMATION OF D.K. SECURITIES PRIVATE LIMITED WITH THE TAGROS CHEMICALS INDIA PRIVATE LIMITED (“TAGROS”)

Based on discussion with management we understand that D.K. Securities Private Limited derive major its value from the investment hold in Tagros Chemicals India Private Limited.

The shareholders of D.K. Securities Private Limited i.e., promoters of Tagros indirectly enjoy the economic interest in Tagros.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above we recommend the share entitlement ratio as follows:

“64,104 (Sixty Four Thousand one hundred and four) fully paid-up equity shares of Rs. 10/- each of the Transferee Company 2 in proportion of their holding of equity shares of Rs. 10/- each of Transferor Company 3 as on Record Date 3”

h) There is no debt restructuring proposed under the Scheme.

i) The Transferor Companies, Resulting Company and Transferee Company 1 has no secured and unsecured creditors. The Transferee Company 2 has 4 Secured Creditors amounting to INR 1,16,891.75 lakhs and 360 Unsecured Creditors amounting to INR 62,333.74 lakhs as on 31.07.2022.

j) Rationale and Benefits for the Scheme:

The Transferor Companies (as defined below), Resulting Company and the Transferee Companies are part of the Jhaver Group. The Transferor Company 1, Transferor Company 2 and Transferor Company 3 holds shares in each other which has resulted in a cross holding amongst the Transferor Companies. Further Transferor Company 3 also holds 19.06% stake in Tagros. With an intent to simplify the shareholding structure and reduction of shareholding tiers and demonstrate direct commitment to and engagement with Tagros of / by the promoters of Jhaver Group, the Board of Directors of the Transferor Companies and Transferee Companies proposes to amalgamate the Transferor Companies with the Transferee Companies as per this Scheme of Arrangement. Further, the Board of Directors of Transferor Company 3 also proposes to carve out Demerged Undertaking (as defined hereinafter) of Transferor Company 3 into Resulting Company. The proposed Composite Scheme of Arrangement would inter alia have the following benefits:

- i. Consolidation of Companies to augment future growth and enable the promoters to unlock consolidated value and have direct involvement / participation in the management of the consolidated entity*
- ii. Simplify the holding structure and reduce multiple holding companies which would result in cost savings, standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses*
- iii. Would result in financial resources being efficiently merged and pooled leading to more effective and centralized management of funds, greater economies of scale, stronger base for future growth and reduction of administrative overheads, optimize the valuation of the consolidated entity and enable fund raising for future expansion.*
- iv. Would improve and consolidate internal controls and functional integration at various levels of the organisation such as information technology, human resources, finance, legal and general management leading to an efficient organisation capable of responding swiftly to volatile and rapidly changing market scenarios.*
- v. Consolidation of companies would result in reduction in regulatory and legal compliances and avoid multiple records keeping.*
- vi. Further, the carve out of Demerged Undertaking from the Transferor Company 3 into a Resulting Company would result in focused management attention to the Demerged Undertaking and thereby eliminate any conflict of interest in the growth strategies of the Jhaver Group.*

vii. The Composite Scheme of Arrangement would be in the best interests of the shareholders, creditors, employees and other stakeholders of the Companies, as it would result in enhancement of shareholder value, operational efficiencies and greater focus and would enable the management of each of the companies to vigorously pursue revenue growth and expansion opportunities through organic and inorganic growth.

9. Disclosure about the effect of the compromise or arrangement on:

- a. Key managerial personnel ("KMP"): None of the KMP or their relatives are interested except to the extent of their shareholdings in the Transferee Companies, Resulting Company and the Transferor Companies, if any
- b. Directors: None of the Directors or their relatives are interested except to the extent of their shareholdings in the Transferee Companies, Resulting Company and the Transferor Companies, if any.
- c. Promoters: The proposed Scheme does not have any adverse effect on the interest of the Promoters of the Transferee Companies, Resulting Company and the Transferor Companies, except to the extent of their shareholdings in the Transferee Companies, Resulting Company and the Transferor Companies, if any.
- d. Non-Promoter Members: All the companies involved in the Scheme are held by the same group thus there are no non-promoter members in any of the companies.
- e. Depositors: The Transferee Companies, Resulting Company and the Transferor Companies, does not have any public deposits.
- f. Creditors: Interest of the Creditors of the Transferee Companies, Resulting Company and the Transferor Companies is not affected pursuant to the present Scheme
- g. Debenture holders: The Transferee Companies, Resulting Company and the Transferor Companies does not have any Debenture Holders.
- h. Deposit trustee and debenture trustee; The Transferee Companies, Resulting Company and the Transferor Companies does not have any Deposit Trustee, Debenture Trustee.
- i. Employees of the company: All employees of the Transferor Companies in service on the Effective Date shall, on and from the Effective Date, become the employees, of the Transferee Companies on the terms and conditions not less favourable than those on which they were engaged on the Effective Date.

10. Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel (KMP) and debenture trustee.

As mentioned above, the Key Managerial Personnel (KMP) / Directors have no material interests in the Scheme, except to the extent of their shareholdings in the Transferee Companies, Resulting Company and the Transferor Companies if any. Since the Companies involved in the Scheme have not issued debentures, the issue of interest of debenture trustee does not arise.

- 11.** There are no investigations or proceedings under the provisions of Chapter XIV of the Companies Act, 2013 or winding - up proceedings instituted and/or pending against the Transferee Companies/Resulting Company and the Transferor Companies,
- 12.** Inspection of the following documents may be had at the Registered Office of Transferee Company 2 up to one day prior to the ensuing meeting, between 10:00 a.m. and 05.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays:
 - a) Latest audited financial statements of the Applicant Companies.
 - b) Certified copy of the Order passed on 21.07.2022 of Hon'ble National Company Law Tribunal, Chennai Bench, passed in the C.A. (CAA)/47(CHE)/2022, directing the convening of the meeting of the Unsecured Creditors of the Transferee Company 2.
 - c) Composite Scheme of Arrangement.

- d) Memorandum of Association and Articles of Association.
 - e) Valuation Report dated 28 March 2022 (“Valuation Report”) issued by Niranjana Kumar, Registered Valuer –Securities or Financial Assets.
 - f) Certificate issued by Statutory Auditors of the Transferee Company 2, to the effect that the accounting treatment proposed in the Composite Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013
 - g) Report adopted by the Board of Directors of the Transferee Company2 under section 232(2)(c) of the Companies Act, 2013;
- 13.** The approval of Registrar of Company, Regional Director, Official Liquidator and Reserve Bank of India for the said Composite Scheme of Arrangement is pending. The Applicant Companies are in process of serving the notices to respective authorities. We have filed the form GNL-1 with the Registrar of Companies on 05.08.2022 vide SRN F19053016.

This Statement may be treated as the Statement under Section 230(3) read with Section 102 of the Companies Act, 2013. A copy of this Scheme, Explanatory Statement, Form of Proxy and Attendance Slip may be obtained free of charge on any working days prior to the date of the meeting, from the Registered Office of the Transferee Company 2 situated at Tagros House, No.04 (Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002.

Sd/-

Mr. V. Kailasam

Chairperson appointed for the meeting

COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

D.K. CAPITAL MARKET PRIVATE LIMITED
**(“TRANSFEROR COMPANY 1” OR “AMALGAMATING COMPANY 1”
OR “DK CAPITAL”)**

AND

S R B AGENCIES PRIVATE LIMITED
**(“TRANSFEROR COMPANY 2” OR “AMALGAMATING COMPANY 2”
OR “SRB AGENCIES”)**

AND

D.K. SECURITIES PRIVATE LIMITED
**(“TRANSFEROR COMPANY 3” OR “AMALGAMATING COMPANY 3”
OR “DEMERGED COMPANY” OR
“TRANSFeree COMPANY 1” OR “DK SECURITIES”)**

AND

RAINBOW LAND DEVELOPERS PRIVATE LIMITED
(“RESULTING COMPANY” OR “RAINBOW”)

AND

TAGROS CHEMICALS INDIA PRIVATE LIMITED
(“TRANSFeree COMPANY 2” OR “TAGROS”)

AND

THEIR RESPECTIVE SHAREHOLDERS

(UNDER THE PROVISIONS OF SECTION 230 TO 232 READ WITH
SECTION 66 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013)

I) PREAMBLE AND BACKGROUND

1. This Composite Scheme of Arrangement (hereinafter referred to as “the Scheme” or “this Scheme” or the “Scheme of Arrangement” or the “Composite Scheme of Arrangement” as defined hereinafter) is presented under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (“the Act”), and provides for:
 - a. Amalgamation of D.K. Capital and SRB Agencies with DK Securities
 - b. Subject to satisfactory fulfilment and accomplishment of (a) above, Demerger of Demerged Undertaking (as defined hereinafter) of DK Securities into Rainbow
 - c. Subject to satisfactory fulfilment and accomplishment of (b) above, Amalgamation of DK Securities with Tagros and reduction of equity share capital to the extent held by the DK Securities in Tagros and corresponding issue of shares by Tagros to the shareholders of DK Securities pursuant to the Amalgamation
 - d. various other matters incidental, consequential or otherwise integrally connected therewith.

II) DESCRIPTION OF COMPANIES

1. D.K. Capital Market Private Limited (hereinafter referred to “Transferor Company 1” Or “Amalgamating Company 1” Or “DK Capital”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U65991TN1993PTC025568 and having its registered office situated at New No 4, Club House Road, Anna Salai, Chennai-600002. D.K. Capital is engaged in the business of investment in group companies. SRB Agencies holds 48.21% and DK Securities holds 43.62% of share capital of DK Capital respectively.
2. S R B Agencies Private Limited (hereinafter referred to “Transferor Company 2” Or “Amalgamating Company 2” Or “SRB Agencies”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U63090WB1988PTC044096 and having its registered office situated at 14, Netaji Subhas Road, 1st floor, Kolkata - 700001. SRB Agencies is a Non-Banking Financial Company registered with Reserve Bank of India. DK Capital holds 9.98% and DK Securities holds 25.23% of the share capital of SRB Agencies respectively.
3. D.K. Securities Private Limited (hereinafter referred to “Transferor Company 3” Or “Amalgamating Company 3” Or “Demerged Company” Or “Transferee Company 1” Or “DK Securities”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U65993TN1993PTC025739 and having its registered office situated at 5, Adyar Boat Club Road, 1st Street, Chamiers Road, Chennai - 600028. DK Securities is engaged in the business of trading and leasing and sub-leasing of immovable properties. Further, DK Securities is also engaged in investment activities. DK Securities holds 19.06% of the equity share capital of Tagros. Further, SRB Agencies holds 45.02% and DK Capital holds 25.06% of share capital of DK Securities respectively.
4. Rainbow Land Developers Private Limited (hereinafter referred to “Resulting Company” Or “Rainbow”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U45202TN2004PTC053899 and having its registered office situated at New No. 4, Old No. 10, Club House Road, Anna Salai, Chennai – 600 002. Rainbow is engaged in the business of real estate.
5. Tagros Chemicals India Private Limited, (hereinafter referred to as “Transferee Company 2” OR “Tagros”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number CIN U24294TN1992PTC024115 and having its registered office at “Tagros House”, 4th Floor, No.4 (Old 10), Club House Road, Anna Salai, Chennai - 600 002. The Transferee Company 2 is engaged inter alia in the business of manufacturing and export of pesticides, agrochemicals and chemicals for industrial & other purposes.

III) RATIONALE FOR THE SCHEME

The Transferor Companies (as defined below), Resulting Company and the Transferee Companies are part of the Jhaver Group. The Transferor Company 1, Transferor Company 2 and Transferor Company 3 holds shares in each other which has resulted in a cross holding amongst the Transferor Companies. Further Transferor Company 3 also holds 19.06% stake in Tagros. With an intent to simplify the shareholding structure and reduction of

shareholding tiers and demonstrate direct commitment to and engagement with Tagros of / by the promoters of Jhaver Group, the Board of Directors of the Transferor Companies and Transferee Companies proposes to amalgamate the Transferor Companies with the Transferee Companies as per this Scheme of Arrangement. Further, the Board of Directors of Transferor Company 3 also proposes to carve out Demerged Undertaking (as defined hereinafter) of Transferor Company 3 into Resulting Company. The proposed Composite Scheme of Arrangement would inter alia have the following benefits:

- i. Consolidation of Companies to augment future growth and enable the promoters to unlock consolidated value and have direct involvement / participation in the management of the consolidated entity
 - ii. Simplify the holding structure and reduce multiple holding companies which would result in cost savings, standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses
 - iii. Would result in financial resources being efficiently merged and pooled leading to more effective and centralized management of funds, greater economies of scale, stronger base for future growth and reduction of administrative overheads, optimize the valuation of the consolidated entity and enable fund raising for future expansion.
 - iv. Would improve and consolidate internal controls and functional integration at various levels of the organisation such as information technology, human resources, finance, legal and general management leading to an efficient organisation capable of responding swiftly to volatile and rapidly changing market scenarios.
 - v. Consolidation of companies would result in reduction in regulatory and legal compliances and avoid multiple records keeping.
 - vi. Further, the carve out of Demerged Undertaking from the Transferor Company 3 into a Resulting Company would result in focused management attention to the Demerged Undertaking and thereby eliminate any conflict of interest in the growth strategies of the Jhaver Group.
 - vii. The Composite Scheme of Arrangement would be in the best interests of the shareholders, creditors, employees and other stakeholders of the Companies, as it would result in enhancement of shareholder value, operational efficiencies and greater focus and would enable the management of each of the companies to vigorously pursue revenue growth and expansion opportunities through organic and inorganic growth.
- IV)** Further, under the Scheme, there is no arrangement proposed to be entered into with the creditors, either secured and/or unsecured creditors of the Companies. No compromise is offered under this Scheme to any of the creditors of the Companies. The liability towards the creditors of the Demerged Company, the Resulting Company, Transferor Companies and the Transferee Company 2 under the Scheme, is neither being reduced nor being extinguished but shall be assumed and discharged by the Resulting Company and Transferee Company 2 respectively in its ordinary course of business.

V) PARTS OF THE SCHEME

This Scheme is divided into following parts:

- **Part I** – deals with definitions of the capitalised terms used in this Scheme, date of operation of this Scheme and details of share capital of the Companies;
- **Part II** – deals with the Amalgamation of DK Capital and SRB Agencies with DK Securities
- **Part III** – Subject to satisfactory fulfilment and accomplishment of (Part II) above, Demerger of Demerged Undertaking (as defined hereinafter) of DK Securities into Rainbow
- **Part IV** – Subject to satisfactory fulfilment and accomplishment of (Part II and Part III) above, Amalgamation of DK Securities with Tagros and reduction of equity share capital to the extent held by DK Securities in Tagros and corresponding issue of shares by Tagros to the shareholders of DK Securities pursuant to the Amalgamation
- **Part V** – deals with the general terms and conditions applicable to the Scheme and other matters consequential and integrally connected thereto

Though this Scheme is divided into various parts for the purpose of convenience, it is to be implemented as a single inseparable comprehensive Composite Scheme of Arrangement.

VI) TREATMENT OF THE SCHEME FOR THE PURPOSES OF INCOME-TAX ACT, 1961

The Scheme has been drawn up in compliance with the conditions relating to ‘Amalgamation’ as specified under Section 2(1B) of the Income-tax Act, 1961 and ‘Demerger’ as specified under Section 2(19AA) of the Income-tax Act, 1961. If any of the terms or provisions of the Scheme is / are found or interpreted to be inconsistent with the provisions of Section 2(1B) and Section 2(19AA) of the Income-tax Act, 1961 at a later date, including resulting from an amendment of Law or for any other reason whatsoever, the provisions of Section 2(1B) and Section 2(19AA) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of Section 2(1B) and Section 2(19AA) of the Income-tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

PART - I

DEFINITIONS, DATE OF OPERATION OF SCHEME AND CAPITAL STRUCTURE

1. DEFINITIONS

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

- 1.1. **“Act” or “the Act”** means the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force, and the rules and regulations made thereunder;
- 1.2. **“Amalgamation”** shall have the meaning as defined under Section 2(1B) of the Income-tax Act, 1961;
- 1.3. **“Appropriate Authority” or “Governmental Authority”** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or any other country including the Registrar of Companies, Regional Director, Official Liquidator, Company Law Board, Competition Commission of India, Reserve Bank of India, National Company Law Tribunal and such other sectoral regulators or authorities as may be applicable;
- 1.4. **“Appointed Date”** means 1st October 2021 or such other date as may be determined by the Board of Directors of the Companies or such other date as may be fixed or approved by the Hon’ble National Company Law Tribunal having jurisdiction over the respective company or such other competent authority;
- 1.5. **“Applicable Law(s)”** means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule or common laws, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any appropriate authority including any modification or re-enactment thereof for the time being in force;
- 1.6. **“Board of Directors” or “Board”** in relation to the Companies, means the board of directors of such Company, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto;
- 1.7. **“Companies” or “Parties”** means all the companies viz. DK Capital, SRB Agencies, DK Securities, Rainbow and Tagros or any of them as the context may require. “Party” or “Company” shall mean each of them individually;
- 1.8. **“Demerger”** shall have the meaning as defined under Section 2(19AA) of the Income-tax Act, 1961;
- 1.9. **“Demerged Undertaking”** means the identified leasing business of the Demerged Company comprising, inter alia, of all assets, including identified investments in group companies, properties, liabilities, employees, permits, licenses, registrations, approvals, permissions, and all other rights, titles, interests, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever, on a going concern basis and shall include (without limitation):

- i. All the assets, investments, properties, rights, title and benefits, whether movable or immovable properties [refer schedule 1 for list of immovable properties] including but not limited to real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, provisions, funds, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephone, telex, facsimile, internet and other communication facilities, connections, installations and equipments, utilities, electricity, electronic and all other services of every kind, nature and description whatsoever, tenancy rights, premises, hire purchase and lease arrangements, lending arrangements, all plant and machinery and office equipment, contracts, engagements, arrangements, powers, authorities, permits, benefit and advantage, deposits, advances, receivables, dues, funds, cash, bank balances, accounts in connection/relating to the Demerged Undertaking;
- ii. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities, duties and obligations of the Demerged Undertaking, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized pertaining to Demerged Undertaking;
- iii. All contracts, agreements, licenses, statutory registrations including registration obtained from Reserve Bank of India under section 45-IA of Reserve Bank of India Act, 1934 (transferred pursuant to amalgamation of Transferor Company 2 with the Demerged Company), leases, linkages, memorandum of understandings, memorandum of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, relating to the Demerged Undertaking, business activities, and operations pertaining to the Demerged Undertaking or otherwise identified to be for the benefit of the same;
- iv. All permanent and contract employees of the Demerged Company pertaining to Demerged Undertaking and those employees that are identified by the Board of Directors who are substantially engaged in the Demerged Undertaking;
- v. All records, files, papers, process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Demerged Undertaking;
- vi. All brand names, trademarks, trade names, patents and domain names, whether owned and/or licensed; applications and authorizations of products, including without limiting, filings, dossiers copyrights, industrial designs, trade secrets, know-how; ongoing research projects, data, formulations, technology, methodology, manufacturing procedures and techniques, trails and other data, applications and authorizations, recognition and other intellectual property (in India or outside India) relating to the Demerged Undertaking and all other interests exclusively relating to the goods or services being dealt with by the Demerged Undertaking;
- vii. All intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Demerged Undertaking of the Demerged Company;
- viii. All tax credits, including SGST, CGST and IGST credits, GST (TDS) refunds, reimbursements, claims, exemptions, benefits of any other duty or tax or cess or imports under central or state law including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed business losses, if any and depreciation (including MAT Credit), deductions, exemptions and benefits under the IT Act with respect to / related to Demerged Undertaking;
- ix. Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking of Demerged Company or whether it arises out of the activities or operations of the Demerged Undertaking of Demerged Company shall be mutually decided by the Demerged Company and the Resulting Company.

- 1.10. **“Effective Date”** means the last of the dates on which all the conditions and matters referred to in Clause 42 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. Any references in this Scheme to the “date of coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.
- 1.11. **“Encumbrance” or to “Encumber”** means without limitation any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law;
- 1.12. **“Ind-AS” or “Accounting Standard”** means the accounting standards prescribed under Section 133 of the Act and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- 1.13. **“Indemnified Persons”** shall mean to include Transferee Company 2, its directors, employees, officers, representatives, shareholders, or any other person authorized by the Transferee Company 2, however, excluding the Promoters.
- 1.14. **“Indemnifying Parties”** shall mean Promoters;
- 1.15. **“IT Act”** means the Income-tax Act, 1961, of India, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.16. **“Governmental Authority”, “Government Authority” or “Government Body” or “Authority”** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- 1.17. **“NCLT” or “National Company Law Tribunal” or “Tribunal”** means the National Company Law Tribunal having jurisdiction in relation to the Companies and/ or the National Company Law Appellate Tribunal (“NCLAT”) as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under sections 230 to 232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 232 of the Act as may be applicable;
- 1.18. **“Promoters”** shall mean Mr. Dev Kishan Jhaver and Mr. Abhimanyu Jhaver for the purpose of this Scheme;
- 1.19. **“Record Date 1”** means the date as may be decided by the Board of Directors of the Transferor Company 1, Transferor Company 2 and Transferee Company 1 to determine the members/ shareholders of the Transferor Company 1 and Transferor Company 2 to whom shares of the Transferee Company 1 will be allotted by the Transferee Company 1 according to the relevant share entitlement ratio determined by the independent valuers pursuant to Clause 11 of this Scheme;
- 1.20. **“Record Date 2”** means the date as may be decided by the Board of Directors of the Demerged Company and Resulting Company to determine the members/ shareholders of the Demerged Company to whom shares of the Resulting Company will be allotted by the Resulting Company according to the relevant share entitlement ratio determined by the independent valuers pursuant to Clause 20 of this Scheme;
- 1.21. **“Record Date 3”** means the date as may be decided by the Board of Directors of the Transferor Company 3 and Transferee Company 2 to determine the members/shareholders of the Transferor Company 3 to whom equity shares of the Transferee Company 2 will be allotted by the Transferee Company 2 according to the relevant share entitlement ratio determined by the independent valuers pursuant to Clause 32 of this Scheme;
- 1.22. **“Remaining Undertaking”** shall mean and include the whole of assets, properties, liabilities of undertaking(s) and entire business(s) of Demerged Company excluding the Demerged Undertaking as defined in Clause 1.9;
- 1.23. **“Registrar of Companies”** means the Registrar of Companies having jurisdiction over the Companies;
- 1.24. **“Resulting Company” or “Rainbow”** means Rainbow Land Developers Private Limited having CIN U45202TN2004PTC053899 and registered office at New No. 4, Old No. 10, Club House Road, Anna Salai, Chennai – 600 002;

- 1.25. **“Scheme” or “the Scheme” or “this Scheme” or “the Scheme of Arrangement” or “the Composite Scheme of Arrangement”** means this Composite Scheme of Arrangement in its present form submitted to the Hon’ble NCLT or with any modification(s) made under Clause 41 of this Scheme or with such other modifications/amendments as the Hon’ble NCLT may direct;
- 1.26. **“Transferor Company 1” or “Amalgamating Company 1” or “DK Capital”** means D.K. Capital Market Private Limited having CIN U65991TN1993PTC025568 and registered office at New No 4, Club House Road, Anna Salai, Chennai-600002;
- 1.27. **“Transferor Company 2” or “Amalgamating Company 2” or “SRB Agencies”** means S R B Agencies Private Limited having CIN U63090WB1988PTC044096 and registered office at 14, Netaju Subhas Road, 1st floor, Kolkata – 700001;
- 1.28. **“Transferor Company 3” or “Amalgamating Company 3” or “Demerged Company” or “Transferee Company 1” or “DK Securities”** means D. K. Securities Private Limited having CIN U65993TN1993PTC025739 and registered office at 5, Adyar Boat Club Road, 1st Street, Chamiers Road, Chennai - 600028;
- 1.29. **“Transferor Companies”** shall mean a collective reference of Transferor Company 1, Transferor Company 2 and the Transferor Company 3;
- 1.30. **“Transferee Company 2” or “Tagros”** means Tagros Chemicals India Private Limited having CIN U24294TN1992PTC024115 and registered office at “Tagros House”, 4th Floor, No.4 (Old 10), Club House Road, Anna Salai, Chennai - 600002;
- 1.31. **“Transferee Companies”** shall mean a collective reference of Transferee Company 1 and Transferee Company 2;
- 1.32. **“Tax Laws”** means the IT Act, Customs Act, 1962, Central Excise Act, 1944, Goods and Service Tax or other applicable laws/ regulations dealing with taxes/ duties/ levies/cess.
- 1.33. **“Undertaking 1”** means the entire business and whole of assets, properties, liabilities, debts, employees, duties, obligations and the undertaking(s) and business(s) of whatsoever nature and kind and wherever situated of the Transferor Company 1 and Transferor Company 2 as on Appointed Date, on a going concern basis, which shall include, without limitation:
- i. all the assets and properties (whether movable or immovable properties, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, whether or not appearing in the books of accounts) of the Transferor Company 1 and Transferor Company 2, including, without limitation, sheds, godowns, warehouses, offices, plant and machineries, equipments, interests, capital work-in progress, rolling stocks, installations, appliances, tools, accessories, freeholds, leasehold or any other title, interests or right in such immovable assets, buildings and structures, offices, residential and other premises, furniture, fixtures, office equipments, computers and all stocks;
 - ii. all current assets including inventories, sundry debtors, receivables, cash and bank accounts (including bank balances), fixed deposits, loans and advances, actionable claims, bills of exchanges and debit notes of the Transferor Company 1 and Transferor Company 2;
 - iii. all investments (including shares, scripts, stocks, bonds, debentures, debenture stock, units of mutual funds and other securities), including dividends declared or interest accrued thereon of the Transferor Company 1 and Transferor Company 2;
 - iv. all rights or benefits (including right to claim not preferred or made), benefits of any deposit, receivables, claims against any vendor or advances or deposits paid by or deemed to have been paid by the Transferor Company 1 and Transferor Company 2, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, hire purchase contracts, lending contracts, rights and benefits under any agreement, benefits of any security arrangements or under any guarantee, reversions, powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, guest houses, godowns, share of any joint assets and other facilities;

- v. all rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangement of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever's situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 1 and Transferor Company 2 or in connection with or relating to the Transferor Company 1 and Transferor Company 2 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 1 and Transferor Company 2;
- vi. all permissions, approvals, consents, subsidies privileges, income tax benefits and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company 1 and Transferor Company 2;
- vii. all licenses but not limited to licenses granted by any government, statutory or regulatory bodies for the purpose of carrying on the business of the Transferor Company 1 and Transferor Company 2 or in connection therewith), approvals, authorizations, permissions including municipal permissions, consents, registrations, import registrations, certifications, no objection certificates, quotas including import quotas, rights, permits including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat Credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description whatsoever of the Transferor Company 1 and Transferor Company 2;
- viii. all agreements, contracts, arrangements, understandings, engagements, [deeds and instruments including lease/ license agreements, tenancy rights, equipment purchase agreements, master service agreements, loan license agreements, third party manufacturing agreements and other agreements with the customers, purchase and other agreements/ contracts with the supplier/manufacturer of goods/ service providers and all rights, title, interests, claims and benefits there under of the Transferor Company 1 and Transferor Company 2;
- ix. all application monies, advance monies, earnest monies and/ or security deposits paid or deemed to have been paid and payments against other entitlements of the Transferor Company 1 and Transferor Company 2;
- x. all debts, borrowings, obligations, duties and liabilities both present and future, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company 1 and Transferor Company 2, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any kind, nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or un-matured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to the Transferor Company 1 and Transferor Company 2;
- xi. all intellectual property rights such as, but not limited to registrations, trademarks, trade names, service marks, copyrights, patents, designs, goodwill, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, used by or held for use by the Transferor Company 1 and Transferor Company 2, whether or not recorded in the books of accounts of the Transferor Company 1 and Transferor Company 2 and other intellectual rights of any nature whatsoever (including applications for registrations of the same and the right to use such intellectual property rights), books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in

physical or electronic form relating to the business activities and operations of the Transferor Company 1 and Transferor Company 2, whether used or held for use by it; and

xii. any and all permanent employees, who are on the payrolls of the Transferor Company 1 and Transferor Company 2, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company 1 and Transferor Company 2.

1.34. **“Undertaking 2”** means the entire business (other than Demerged Undertaking as defined in clause 1.9 above) and whole of assets, properties, liabilities, debts, employees, duties, obligations and the undertaking(s) and business(s) of whatsoever nature and kind and wherever situated of the Transferor Company 3 as on Appointed Date, on a going concern basis, which shall include, without limitation

- i. all the assets and properties (whether movable or immovable properties, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, whether or not appearing in the books of accounts) of the Transferor Company 3, including, without limitation, sheds, godowns, warehouses, offices, plant and machineries, equipments, interests, capital work-in progress, rolling stocks, installations, appliances, tools, accessories, freeholds, leasehold or any other title, interests or right in such immovable assets, buildings and structures, offices, residential and other premises, furniture, fixtures, office equipments, computers and all stocks;
- ii. all current assets including inventories, sundry debtors, receivables, cash and bank accounts (including bank balances), fixed deposits, loans and advances, actionable claims, bills of exchanges and debit notes of the Transferor Company 3;
- iii. all investments (including shares, scripts, stocks, bonds, debentures, debenture stock, units of mutual funds and other securities), including dividends declared or interest accrued thereon of the Transferor Company 3;
- iv. all rights or benefits (including right to claim not preferred or made), benefits of any deposit, receivables, claims against any vendor or advances or deposits paid by or deemed to have been paid by the Transferor Company 3, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, hire purchase contracts, lending contracts, rights and benefits under any agreement, benefits of any security arrangements or under any guarantee, reversions, powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, guest houses, godowns, share of any joint assets and other facilities;
- v. all rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangement of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever’s situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 3 or in connection with or relating to the Transferor Company 3 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 3;
- vi. all permissions, approvals, consents, subsidies privileges, income tax benefits and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company 3;
- vii. all licenses but not limited to licenses granted by any government, statutory or regulatory bodies for the purpose of carrying on the business of the Transferor Company 3 or in connection therewith), approvals, authorizations, permissions including municipal permissions, consents, registrations import registrations, certifications, no objection certificates, quotas including import quotas, rights, permits

including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat Credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description whatsoever of the Transferor Company 3;

- viii. all agreements, contracts, arrangements, understandings, engagements, [deeds and instruments including lease/ license agreements, tenancy rights, equipment purchase agreements, master service agreements, loan license agreements, third party manufacturing agreements and other agreements with the customers, purchase and other agreements/ contracts with the supplier/manufacturer of goods/ service providers and all rights, title, interests, claims and benefits there under of the Transferor Company 3;
- ix. all application monies, advance monies, earnest monies and/ or security deposits paid or deemed to have been paid and payments against other entitlements of the Transferor Company 3;
- x. all debts, borrowings, obligations, duties and liabilities both present and future, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company 3, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any kind, nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or un-matured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to the Transferor Company 3;
- xi. all intellectual property rights such as, but not limited to registrations, trademarks, trade names, service marks, copyrights, patents, designs, goodwill, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, used by or held for use by the Transferor Company 3, whether or not recorded in the books of accounts Transferor Company 3 and other intellectual rights of any nature whatsoever (including applications for registrations of the same and the right to use such intellectual property rights), books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Transferor Company 3, whether used or held for use by it; and
- xii. any and all permanent employees, who are on the payrolls of the Transferor Company 3, employees/ personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company 3.

2. In this Scheme, unless the context otherwise requires:

- a) words denoting the singular shall include the plural and vice versa;
- b) headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- c) references to the word “include” or “including” shall be construed without limitation;
- d) a reference to a clause, section or part is, unless indicated to the contrary, a reference to a clause, section or part of this Scheme;
- e) unless otherwise defined, the reference to the word “days” shall mean calendar days;
- f) reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- g) word(s) and expression(s) elsewhere defined in the Scheme shall have the meaning(s) respectively ascribed to them; and
- h) All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for

the time being in force.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Hon'ble Tribunal or any other statutory authorities or in terms of this Scheme shall take effect from the Appointed Date but shall be operative from the Effective Date.

4. SEQUENCE OF EFFECTIVENESS OF THE SCHEME

Upon the Scheme becoming effective, with effect from the Appointed Date, the following shall be deemed to have occurred and become effective and operative only in the order mentioned hereunder:

- a. Part II which provides for Amalgamation and vesting of DK Capital and SRB Agencies with DK Securities shall be operative prior to coming effect of Part III and Part IV of the Scheme;
- b. Part III which provides for Demerger and vesting of Demerged Undertaking of DK Securities into Rainbow shall be operative subsequent to coming effect of Part II of the Scheme and prior to coming effect of Part IV of the Scheme;
- c. Part IV which provides for Amalgamation and vesting of DK Securities into Tagros shall be operative subsequent to coming effect of Part II and Part III of the Scheme

5. CAPITAL STRUCTURE

5.1 The authorized, issued, subscribed and paid-up share capital of DK Capital as on 31st March 2021, is as follows:

Particulars	Amount (INR)
Authorized Capital	
2,50,000 equity shares having face value of Rs. 10 each	25,00,000
Total	25,00,000
Issued, Subscribed and Paid-up Capital	
2,17,800 equity shares having face value of Rs. 10 each	21,78,000
Total	21,78,000

As on the date of the Scheme being approved by the Board of Directors of DK Capital, there has been no change in the issued, subscribed and paid-up share capital of DK Capital.

5.2 The authorized, issued, subscribed and paid-up share capital of SRB Agencies as on 31st March 2021, is as follows:

Particulars	Amount (INR)
Authorized Capital	
13,40,000 equity shares having face value of Rs. 10 each	1,34,00,000
Total	1,34,00,000
Issued, Subscribed and Paid-up Capital	
13,32,740 equity shares having face value of Rs. 10 each	1,33,27,400
Total	1,33,27,400

As on the date of the Scheme being approved by the Board of Directors of SRB Agencies, there has been no change in the issued, subscribed and paid-up share capital of SRB Agencies.

5.3 The authorized, issued, subscribed and paid-up share capital of the Rainbow as on 31st March 2021, is as follows:

Particulars	Amount (INR)
Authorized Capital	
1,00,000 equity shares having face value of Rs. 10 each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid-up Capital	
10,000 equity shares having face value of Rs. 10 each	1,00,000
Total	1,00,000

As on the date of the Scheme being approved by the Board of Directors of the Rainbow, there has been no change in the issued, subscribed and paid-up share capital of Rainbow

5.4 The authorized, issued, subscribed and paid-up share capital of DK Securities as on 31st March 2021, is as follows:

Particulars	Amount (INR)
Authorized Capital	
5,00,000 equity shares having face value of Rs. 10 each	50,00,000
Total	50,00,000
Issued, Subscribed and Paid-up Capital	
4,44,220 equity shares having face value of Rs. 10 each	44,42,200
Total	44,42,200

As on the date of the Scheme being approved by the Board of Directors of DK Securities, there has been no change in the issued, subscribed and paid-up share capital of DK Securities.

5.5 The authorized, issued, subscribed and paid-up share capital of Tagros as on 31st March 2021 is as follows:

Particulars	Amount (INR)
Authorized Capital	
2,62,00,000 Equity shares having face value of Rs. 10/- each	26,20,00,000
1,00,000 Redeemable Preference shares having face value of Rs. 100/- each	1,00,00,000
Total	27,20,00,000
Issued, Subscribed and Paid-up Capital	

3,40,060 Equity shares having face value of Rs. 10/- each	34,00,600
Total	34,00,600

As on the date of the Scheme being approved by the Board of Directors of Tagros, there has been change in the issued, subscribed and paid-up share capital of Tagros. The revised authorized, issued, subscribed and paid-up share capital of Tagros as on the approval of the Scheme by the Board of Directors of Tagros is as follows:

Particulars	Amount (INR)
Authorized Capital	
2,62,00,000 Equity shares having face value of Rs. 10/- each	26,20,00,000
1,00,000 Redeemable Preference shares having face value of Rs. 100/- each	1,00,00,000
Total	27,20,00,000
Issued, Subscribed and Paid-up Capital	
3,36,400 Equity shares having face value of Rs. 10/- each	33,64,000
Total	33,64,000

PART II

AMALGAMATION OF TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2 WITH THE TRANSFEREE COMPANY 1

6. TRANSFER AND VESTING OF THE UNDERTAKING 1 WITH THE TRANSFEREE COMPANY 1

- 6.1 Upon coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking 1 shall, pursuant to the sanction of this Scheme and pursuant to the applicable provisions of the Act and also in accordance with Section 2(1B) of the IT Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company 1, each as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, on and from the Appointed Date, the Undertaking 1 of the Transferee Company 1 by virtue of and in the manner provided in this Scheme.
- 6.2 Upon Scheme becoming effective and with effect from the Appointed Date, all immovable property (including land, buildings and any other immovable property of Transferor Company 1 and Transferor Company 2, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, shall stand vested in the Transferee Company 1, without any act or deed done by the Transferee Company 1, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company 1 shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company 1 by the appropriate authorities pursuant to the sanction of the Scheme by the Hon'ble NCLT and in accordance with the terms hereof. The Transferor Company 1 and Transferor Company 2 shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company 1.
- 6.3 Notwithstanding anything contained in this Scheme, the immovable properties of the Transferor Company 1 and Transferor Company 2 situated within the same or different states, whether owned or leased, for the purpose of, inter alia, payment of stamp duty, and vesting into the Transferee Company 1 and if the Transferee Company 1 so decides, the parties, upon the Scheme becoming effective, shall execute or register or cause so to be done, separate deeds of conveyance or deeds of assignment of lease, as the

case may be, in favour of the Transferee Company 1 in respect of such immovable properties. Each of the immovable properties, only for the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value as determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of the Scheme.

- 6.4 Without prejudice to the generality of the foregoing, upon the Scheme becoming effective and with effect from the Appointed Date, it is expressly provided that in respect of such of the assets of the Transferor Company 1 and Transferor Company 2 that are movable in nature and/or are otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery or novation, the same shall be deemed to have been so transferred by Transferor Company 1 and Transferor Company 2 and shall become the property of the Transferee Company 1 in pursuance of the provisions of sections 230 to 232 of the Act, without any further act, instrument, deed, matter or thing.
- 6.5 Upon the Scheme becoming effective, in respect of movables other than those dealt with in Clause 6.4 above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company 1 without any notice or other intimation to the debtors (although the Transferee Company 1 may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company 1).
- 6.6 Upon the Scheme becoming effective and with effect from the Appointed Date, all lease and licence agreements, if any, entered into by the Transferor Company 1 and Transferor Company 2 with landlords, owners and lessors in connection with the use of the assets of the Transferor Company 1 and Transferor Company 2, together with security deposit, shall stand automatically transferred in favour of the Transferee Company 1 on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Transferee Company 1 shall continue to pay rent amounts as provided for in such agreement and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Transferor Company 1 and Transferor Company 2
- 6.7 Upon the Scheme becoming effective, and with effect from the Appointed Date all liabilities of Transferor Company 1 and Transferor Company 2 including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company 1 and Transferor Company 2 of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company 1 under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing.
- 6.8 Where any of the liabilities and obligations of the Transferor Company 1 and Transferor Company 2 as on the Appointed Date deemed to be transferred to the Transferee Company 1 have been discharged by the Transferor Company 1 and Transferor Company 2 after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company 1, and all loans raised and used and all liabilities and obligations incurred by the Transferor Company 1 and Transferor Company 2 after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company 1 and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company 1 and shall become the liabilities and obligations of the Transferee Company 1 which shall meet, discharge and satisfy the same.
- 6.9 Upon the Scheme becoming effective and with effect from the Appointed Date, all staff, workmen and employees in relation to the Transferor Company 1 and Transferor Company 2 shall become the staff, workmen and employees of the Transferee Company 1, without any further act or deed to be done by the Transferor Company 1 and Transferor Company 2 or the Transferee Company 1.

- 6.10 Upon the Scheme becoming effective, the Transferee Company 1 shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company 1 and Transferor Company 2 is a party in order to give formal effect to the above provisions. The Transferee Company 1 shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company 1 and Transferor Company 2 to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company 1 and Transferor Company 2.
- 6.11 All taxes, duties, cess payable by the Transferor Company 1 and Transferor Company 2 including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company 1.
- 6.12 Upon the Scheme becoming effective, all the licenses, permits, quotas, approvals, permissions, registrations including registration obtained from Reserve Bank of India under section 45-IA of Reserve Bank of India Act, 1934, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, patents, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company 1 and Transferor Company 2 and all rights and benefits that have accrued or which may accrue to the Transferor Company 1 and Transferor Company 2, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company 1 so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations including registration obtained from Reserve Bank of India under section 45-IA of Reserve Bank of India Act, 1934, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company 1 and shall remain valid, effective and enforceable on the same terms and conditions.
- 6.13 Upon the Scheme becoming effective, all the brands and trademarks (including logo and right to use the trademarks) of the Transferor Company 1 and Transferor Company 2 including registered and unregistered trademarks, along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks, and all such other industrial and intellectual property rights of whatsoever nature shall stand transferred to and vest in the Transferee Company 1. The Transferee Company 1 shall take such actions as may be necessary and permissible to get the same transferred and/or registered in the name of the Transferee Company 1.
- 6.14 Upon the Scheme becoming effective, all the Insurance policies registered in the name of the Transferor Company 1 and Transferor Company 2 which are active as on the date of approval of the Scheme by the Hon'ble Tribunal and which can be transferred/assigned shall pursuant to the provisions of Section 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company 1 and accordingly, the insurance companies shall record the name of the Transferee Company 1 in all the insurance policies registered in the name of the Transferor Company 1 and Transferor Company 2 so as to ensure that all the rights and privileges under all such policies available to the Transferor Company 1 and Transferor Company 2 and / or to any other person/director/employee of such Transferor Company 1 and Transferor Company 2, whether in the capacity of the Policy Holder or Owner or Insured or the Beneficiary, as the case may be, be available to the benefit of the Transferee Company 1 and / or to any other person/director/employee of Transferee Company 1, as the case may be, on the same terms and conditions as they were applicable to the Transferor Company 1 and Transferor Company 2 concerned and upon such transfer/assignment, all such policies shall be effective in favour of the Transferee Company 1 as if instead of the Transferor Company 1 and Transferor Company 2, the Transferee Company 1 had been a party or beneficiary thereto. However, for the insurance policies which do not permit such transfer/assignment, the Transferee Company 1 may make fresh application(s) to the concerned authority/insurance company(ies) on such terms

and conditions as may be prescribed. It is hereby clarified that all the costs and/or expenses and/or premiums in relation to the transfer/assignment/of the insurance policies in the name of Transferor Company 1 and Transferor Company 2 shall be borne by the Transferee Company 1 and the Transferor Company 1 and Transferor Company 2 shall have no further obligations in this regard.

- 6.15 Upon the Scheme becoming effective and with effect from the Appointed Date, all existing and future incentives, unavailed credits and expenditures, exemptions and deductions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including Minimum Alternate Tax credit under section 115JAA of the IT Act), Goods and Services Tax including the Integrated Goods and Services Tax input tax credit, Central Goods and Services Tax input tax credit and State Goods and Services Tax input tax credit for the registrations of the Transferor Company 1 and Transferor Company 2 in all the states, to which the Transferor Company 1 and Transferor Company 2 are entitled to shall be available to and vest in the Transferee Company 1.
- 6.16 The Transferee Company 1 shall file relevant intimations, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of the Transferor Company 1 and Transferor Company 2.

7. ENCUMBRANCES

- 7.1 The transfer and vesting of the assets to and in the Transferee Company 1 under Clause 6 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- 7.2 All the existing securities, mortgages, charges, Encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company 1 and Transferor Company 2 after the Appointed Date, over the assets of the Transferor Company 1 and Transferor Company 2 or any part thereof transferred to the Transferee Company 1 by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company 1 and Transferor Company 2, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company 1, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company 1.
- 7.3 The existing Encumbrances over the assets and properties of the Transferee Company 1 or any part thereof which relate to the liabilities and obligations of the Transferee Company 1 prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties transferred to and vested in the Transferee Company 1 by virtue of this Scheme.
- 7.4 It is expressly provided that, no other term or condition of the liabilities transferred to the Transferee Company 1 is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or to the extent guarantees are replaced or otherwise by necessary implication.
- 7.5 The provisions of this Clause 7 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

8. LEGAL PROCEEDINGS

- 8.1 All suits, actions and legal proceedings, if any, instituted and / or pending and / or arising by or against any of the Transferor Company 1 and Transferor Company 2 shall be continued and / or enforced until the Effective Date as directed by the Transferee Company 1 and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company 1 as effectually and in the same manner and to the same extent as if the same had been instituted and / or were pending and / or arising by or against the Transferee Company 1.

8.2 On and from the Effective Date, the Transferee Company 1 may, if required initiate any legal proceedings in relation to the present and past business of the Transferor Company 1 and Transferor Company 2 in respect of third parties.

9. CONTRACTS, DEEDS, ETC.

9.1 Upon coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, escrow arrangements and other instruments of whatsoever nature in relation to the Transferor Company 1 and Transferor Company 2 to which the Transferor Company 1 and Transferor Company 2 is a party or to the benefit of which the Transferor Company 1 and Transferor Company 2 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Transferee Company 1 and may be enforced as fully and effectually as if, instead of the Transferor Company 1 and Transferor Company 2, the Transferee Company 1 had been a party or beneficiary or obligee thereto.

9.2 The Transferee Company 1 may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company 1 and Transferor Company 2 are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.

9.3 On the Scheme becoming effective, such contracts / escrow arrangements / deeds / any other arrangements shall stand transferred to or deemed to be transferred to the Transferee Company 1 without any further act or instrument or deed and further it shall not be necessary to obtain the consent of any third party or other person who is party to any such contract / escrow arrangements / deeds / any other arrangement.

10. EMPLOYEES

10.1 On the coming into effect of this Scheme, all employees, if any, of the Transferor Company 1 and Transferor Company 2 who are in employment of the Transferor Company 1 and Transferor Company 2, as on the Effective Date, shall become the employees of the Transferee Company 1 with effect from the Effective Date without any break or interruption in service and on terms and conditions no less favourable than those on which they were engaged by the Transferor Company 1 and Transferor Company 2 immediately preceding the Effective Date. The Transferee Company 1 undertakes to continue to abide by any agreement / settlement, if any, entered into by any of the Transferor Company 1 and Transferor Company 2 with any union / employee. Further, the transfer of employees would be considered as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947.

10.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the employees of the Transferor Company 1 and Transferor Company 2 shall become funds / trusts of the Transferee Company 1 for all purposes whatsoever in relation to the administration or operation of such funds / trusts in relation to the obligation to make contributions to the said funds / trusts in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company 1 and Transferor Company 2 in relation to such funds / trusts shall become those of the Transferee Company 1. It is clarified that the services of the employees of the Transferor Company 1 and Transferor Company 2 will be treated as having been continuous for the purpose of the said funds / trusts and for computing any other employee benefits.

11. CONSIDERATION

11.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company 1 and Transferor Company 2 in the Transferee Company 1 pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company 1 shall, without any further

application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company 1 and Transferor Company 2, whose name is recorded in the register of members as member of the Transferor Company 1 and Transferor Company 2 respectively, as on the Record Date 1, as follows:

To the shareholders of Transferor Company 1

“1 (one) equity share of Transferee Company 1 having face value of INR 10 each fully paid up for every 1 (one) equity share held in Transferor Company 1 having face value of INR 10 each fully paid up”

To the shareholders of Transferor Company 2

“1 (one) equity share of Transferee Company 1 having face value of INR 10 each fully paid up for every 1 (one) equity shares held in Transferor Company 2 having face value of INR 10 each fully paid up”

- 11.2 The equity shares to be issued and allotted pursuant to amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company 1 under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company 1 and shall rank pari passu in all respects with any existing equity shares of the Transferee Company 1 after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the shares of the Transferee Company 1.
- 11.3 The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Hon'ble Tribunal without requiring any further act on the part of the Transferee Company 1 or the Transferor Company 1 or the Transferor Company 2 or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company 1 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company 1.
- 11.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 1 and / or Transferor Company 2, the Board of the Transferee Company 1 shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 1, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date 1, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company 1 and / or Transferor Company 2, after the effectiveness of this Scheme.
- 11.5 The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company 1 and Transferor Company 2 which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance.
- 11.6 In the event, any or all of the Companies restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in Clause 11.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions undertaken by such Party.
- 11.7 The Transferee Company 1 shall not issue any shares for the shares held by the Transferee Company 1 in the Transferor Company 1 and Transferor Company 2 as on the Record Date 1. Further, no shares would be issued by the Transferee Company 1 for the shares held by the Transferor Company 1 and Transferor Company 2 in each other as the Transferor Company 1 and Transferor Company 2 would be amalgamated with the Transferee Company 1 with effect from Appointed Date.
- 11.8 No fractional share shall be issued by the Transferee Company 1 in respect of the fractional share entitlement and fractional share entitlement, if any, arising out of such allotment shall be rounded down to the nearest complete share.
- 11.9 If necessary, the Transferee Company 1 shall before allotment of the equity shares in term of the

Scheme, increase, reclassify and/or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the rules issued thereunder.

12. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY 1

- 12.1 Upon the Scheme coming into effect and with effect from the Appointed Date, the Amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company 1 shall be accounted by the Transferee Company 1 as per "Pooling of Interest Method" prescribed under Accounting Standard – 14 - Accounting for Amalgamation issued by the Institute of Chartered Accountants of India and notified under the Act read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act, as amended from time to time.
- 12.2 Upon the Scheme coming into effect, Transferee Company 1 shall record the respective assets and liabilities of the Transferor Company 1 and Transferor Company 2 at their respective book values. All reserves and surplus of the Transferor Company 1 and Transferor Company 2 are deemed to be carried forward and shall be recorded in the books of Transferee Company 1 in the same form in which they appeared in the books of the Transferor Company 1 and Transferor Company 2 as on the Appointed Date.
- 12.3 Pursuant to the amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company, the inter-company loans, inter-company investments, advances, deposits, balances unpaid dividend or other obligations between the Transferee Company 1 and the Transferor Company 1 and Transferor Company 2, if any appearing in the books of the Transferee Company 1 shall stand cancelled and there shall be no further obligation in that behalf.
- 12.4 On the Scheme becoming effective and with effect from the Appointed Date, the equity shares of the Transferee Company 1 held by Transferor Company 1 and Transferor Company 2 shall be cancelled. Accordingly, the share capital of the Transferee Company 1 shall be reduced and cancelled to the extent of face value of such shares. The difference between the book value of investment held by the Transferor Company 1 and Transferor Company 2 and the share capital of the Transferee Company 1 shall be first adjusted against securities premium account of the Transferee Company 1 and the balance if any shall be adjusted against general reserves and profit and loss account of the Transferee Company 1, and in case it is deficit, the same shall be transferred to capital reserve account of the Transferee Company 1.
- 12.5 The difference between the net assets (i.e., aggregate of the book value of all assets over liabilities) and reserves and surplus vested in the Transferee Company 1 and the consideration paid by the Transferee Company 1 as per Clause 11.1 above, if any, in case of deficit, be recorded / adjusted against the securities premium account of the Transferee Company 1 and the balance if any shall be adjusted against general reserves and profit and loss account of the Transferee Company 1, and in case of surplus, the same shall be transferred to capital reserve account of the Transferee Company 1.
- 12.6 Upon the Scheme coming into effect, the Statutory Reserve recorded by the Transferee Company 1 under Clause 12.2 shall be transferred to Profit and Loss account of the Transferee Company 1.
- 12.7 In case of any difference in accounting policy between the Transferor Company 1 and Transferor Company 2 with that of the Transferee Company 1, the accounting policies followed by the Transferee Company 1 will prevail to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies. The difference shall be quantified and adjusted as per the provisions of applicable accounting standards notified under the Act and read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act and generally accepted accounting principles adopted in India.
- 12.8 All costs and expenses incurred as per Clause 44 below as well as other costs incidental with the finalization of this Scheme and to put it into operation and any other expenses or charges attributable to the implementation of the Scheme, shall be charged to profit and loss account and stamp duty

payable, if any, based on value of immovable properties of the Transferor Company 1 and Transferor Company 2 transferred to the Transferee Company 1 shall be capitalized in the books of the Transferee Company 1.

- 12.9 Notwithstanding the above accounting treatment, the Board of Directors of the Transferee Company 1 is authorized to account for any of these transactions / balances in any manner whatsoever, as may be deemed fit, in accordance with applicable accounting standards notified under the Act and read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act and generally accepted accounting principles adopted in India.

13. REDUCTION OF SHARE CAPITAL OF TRANSFEE COMPANY 1

- 13.1 Upon the Scheme becoming effective, as a consequence of the Scheme, the equity shares of the Transferee Company 1 held by the Transferor Company 1 and the Transferor Company 2 as on Effective Date, shall, without any further application, act, instrument or deed, be automatically cancelled and be of no effect on and from the Appointed Date.
- 13.2 The cancellation of equity share capital and reduction of the Securities Premium account of the Transferee Company 1 as per clause 12.4 and 12.5 above, shall be effected as an integral part of the Scheme and the order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the capital reduction and no separate sanction under Section 66 of the Act will be necessary. Further, the consent / approval of the shareholders of the Transferee Company 1 to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of section 66 of the Act and no further compliance would be separately required. Notwithstanding the reduction of capital of the Transferee Company 1, the Transferee Company 1 shall not be required to add "and reduced" as suffix to its name.

14. SAVING OF CONCLUDED TRANSACTIONS

The merger of the Transferor Company 1 and Transferor Company 2 with the Transferee Company 1 pursuant to this Scheme shall not affect any transaction or proceedings already concluded or liabilities incurred, or any liabilities discharged by the Transferor Company 1 and Transferor Company 2, on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 1 shall accept and adopt all acts, deeds and things made, done and executed by the Transferor Company 1 and Transferor Company 2 as acts, deeds and things made, done and executed by or on behalf of the Transferee Company 1.

15. INTER-SE TRANSACTIONS

- 15.1 Without prejudice to the aforesaid Clauses, with effect from the Appointed Date, all inter-party transactions between the Transferor Company 1 and Transferor Company 2 and Transferee Company 1 shall be considered as intra-party transactions for all purposes from the Appointed Date or from the transaction date whichever is later and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed.
- 15.2 Further, it is clarified that the above clause has no impact whatsoever on any taxes in the form of income-tax, goods and service tax, etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company 1 and on its own account and therefore, the Transferee Company 1 will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective.

Part III

TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING OF THE DEMERGED COMPANY TO AND IN THE RESULTING COMPANY

16. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

- 16.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the Demerged Undertaking of the Demerged Company as defined in Clause 1.9 hereof, shall, without any further act, instrument or deed, be transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, as a going concern, so as to vest in the Resulting Company all the rights, title and interest of the Demerged Undertaking therein, pursuant to Sections 230 to 232 of the Act and any other relevant provisions of the Act and the order of the Hon'ble Tribunal sanctioning the Scheme, subject to subsisting charges and pledges, if any.
- 16.2 Without prejudice to the generality of Clause 16.1 above, all the assets and properties of the Demerged Company pertaining to the Demerged Undertaking as on the Appointed Date, whether or not included/recorded in the books of the Demerged Company, and all assets and properties which are acquired by the Demerged Company which forms part of the Demerged Undertaking on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any of the Act, without any further act, instruments or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.
- 16.3 Without prejudice to the provisions of Clause 16.1, in respect of such of the assets and properties of the Demerged Undertaking of the Demerged Company, as are moveable in nature, including cash in hand, capable of passing by manual delivery or by endorsement shall be so delivered or endorsed, as the case may be and shall, upon such delivery or endorsement, become the assets and properties of the Resulting Company, without requiring any deed or instrument or conveyance for the same.
- 16.4 Without prejudice to the generality of Clause 16.1 above, movable assets, other than those specified in Clause 16.3 above, including sundry debtors, outstanding loans recoverable in cash or in kind or value to be received, bank balances and deposits pertaining to the Demerged Undertaking of the Demerged Company shall with effect from the Appointed Date and subject to provisions of this Scheme, stand transferred to and vested in the Resulting Company without any notice or other intimation to the debtors and the debtors shall be obliged to make payment to the Resulting Company. The Resulting Company may, if required give notice in such form as it may deem fit and proper to each person, debtor or deposittee that pursuant to the Scheme, the said person, debtor or deposittee should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Resulting Company to recover or realize the same is in substitution of the right of the Demerged Company.
- 16.5 With effect from Appointed Date, immovable properties of the Demerged Company related to Demerged Undertaking rights and interest in immovable properties of the Demerged Company in relation to the Demerged Undertaking 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 on the same terms and conditions, subject to the applicable law, without any further act or deed done or being required to be done by the Demerged Company and/or the Resulting Company. The Resulting Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent, taxes and fulfil all obligation in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall upon this Scheme becoming effective be made and duly recorded in the name of the Resulting Company by the appropriate authorities pursuant to the sanction of this Scheme by the Hon'ble Tribunal and upon the coming into effect of this Scheme in accordance with the terms thereof.

- 16.6 Notwithstanding anything contained in this Scheme, the immovable properties of the Demerged Company pertaining to the Demerged Undertaking situated within the same or different states, whether owned or leased, for the purpose of, inter alia, payment of stamp duty, and vesting into the Resulting Company and if the Resulting Company so decides, the Companies, upon the Scheme becoming effective, shall execute or register or cause so to be done, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company in respect of such immovable properties. Each of the immovable properties, only for the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value as determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of the Scheme.
- 16.7 All lease and licence agreements, if any, entered into by the Demerged Company with landlords, owners and lessors in connection with the use of the assets of the Demerged Undertaking of the Demerger Company, together with security deposit, shall stand automatically transferred in favour of the Resulting Company on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Resulting Company shall continue to pay rent amounts as provided for in such agreement and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Demerged Company.
- 16.8 With effect from Appointed Date, all permits, no objection certificates, contracts, permissions, approvals, consents, rights, entitlements, licenses, registrations, including registration obtained from Reserve Bank of India under section 45-IA of Reserve Bank of India Act, 1934 (transferred to the Demerged Company pursuant to Part II of this Scheme) and those relating to trademarks, tenancies, patents, copyrights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect on the Effective Date, shall stand transferred to and 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, and shall remain in full force, operative and effectual for the benefit of the Resulting Company, and may be enforced by the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been the original party or beneficiary or oblige thereto.
- 16.9 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, all debts, liabilities from past, present or future, duties and obligations, of the Demerged Company relating to the Demerged Undertaking, shall, pursuant to the orders of the Hon'ble Tribunal as may be applicable under Section 230 and other applicable provisions of the Act, without any further act or deed, be transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting Company on the same terms and conditions as were applicable to the Demerged Company. Any contingent liabilities (in relation to direct tax, goods & service taxes, excise duty, custom duty or any other liability) arising on account of the Demerged Undertaking which relates to the period prior to the Appointed Date but arises at any time after the Appointed Date shall be entirely borne by the Demerged Company. Further, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 16.10 Upon this Scheme coming into effect and with effect from the Appointed Date, the Resulting Company shall indemnify the Demerged Company and keep it indemnified against any losses, costs, expenses, damages, payments made by or penalties imposed on the Demerged Company arising out of or with respect to the Demerged Undertaking. In respect of any liability mentioned hereinabove and transferred to the Resulting Company, if the Demerged Company is required to make payment to satisfy such liability, the Resulting Company shall be obliged to forthwith reimburse to the Demerged Company any such payment made.

- 16.11 In so far as the existing Encumbrance in respect of the loans, borrowings, debts, liabilities, are concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking of the Demerged Company which have been encumbered in respect of the transferred liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided that if any of the assets comprised in the Demerged Undertaking of the Demerged Company which are being transferred to the Resulting Company pursuant to this Scheme have not been encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets.
- 16.12 Without prejudice to the aforesaid, it is clarified that if any assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatever nature in relation to the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.
- 16.13 Without prejudice to the provisions of aforesaid Clauses, with effect from the Appointed Date, all inter-se transactions pertaining to the Demerged Undertaking between the Demerged Company and the Resulting Company shall be considered as intra-se transactions for all purposes. Further, it is clarified that any taxes in the form of income-tax, tax deduction at source, goods and service tax, etc. paid on account of such transactions, shall be deemed to have been paid by or on behalf of the Resulting Company and on its own account and therefore, the Resulting Company will be eligible to claim the credit/refund of the same and is also entitled to revise its return to give effect to the same, wherever applicable notwithstanding that the period of filing/revising such returns/forms may have lapsed and period to claim refund/credit also elapsed upon this Scheme becoming effective.
- 16.14 Whether any particular asset or liability should be included as asset or liability of Demerged Undertaking or otherwise shall be decided mutually by the Board of Directors or any committee thereof of the Demerged Company and the Resulting Company.

17. STAFF, WORKMEN AND EMPLOYEES

- 17.1 Upon the Scheme becoming operative, all staff, workmen and employees of the Demerged Company relating to the Demerged Undertaking and in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Resulting Company on such date without any break or interruption in their service and on the terms and conditions of their employment not being less favourable than those subsisting with reference to the Demerged Company as on the said date. Further, the transfer of employees would be considered as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947.
- 17.2 The Scheme further provides that the accumulated balances, if any, standing to the credit of the employees of the Demerged Undertaking in the existing statutory funds such as provident fund, gratuity fund, pension fund and superannuation fund, of which they are members, will be transferred to such provident fund, gratuity fund, pension fund and superannuation fund nominated by the Resulting Company and/or such new funds to be established and caused to be recognized by the concerned authorities by the Resulting Company. Pending the transfer as aforesaid, the provident fund, gratuity fund, pension fund and superannuation fund dues to the said employees of the Demerged Undertaking would be continued to be deposited in the existing provident, gratuity fund, pension fund and superannuation funds respectively. This shall be binding on the managers of such funds, if any. The decision on whether or not an employee is part of the Demerged Undertaking shall be decided by the Board of the Demerged Company and shall be final and binding on all concerned.
- 17.3 It is clarified that the services of the staff, workmen and employees of the Demerged Undertaking of the Demerged Company will be treated as having been continuous for the purpose of the said fund or funds or for any other benefits which an employee is entitled / eligible for presently or in future.

18. LEGAL PROCEEDINGS

- 18.1 If any suit, appeal or other proceeding of whatever nature by or against the Demerged Company and relating to the Demerged Undertaking is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the arrangement or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company as if this Scheme had not been made.
- 18.2 On and from the Effective Date, the Resulting Company may, if required, initiate any legal proceedings in relation to the Demerged Undertaking of the Demerged Company.
- 18.3 In the event of any difference or difficulty in determining whether any specific legal or other proceeding related to the Demerged Undertaking or not, shall be mutually decided by the Demerged Company and the Resulting Company as to whether such proceeding relates to the Demerged Undertaking or not, shall be conclusive evidence of the matter.
- 18.4 Notwithstanding anything contained above, in the event any time after the Effective Date, if the Demerged Company in relation to the Demerged Undertaking, is in receipt of any demand, claim, notice and/ or impleaded as a party in any of the proceedings before the Appropriate Authority, the Demerged Company, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, shall take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company. However, if Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by or against the Demerged Company in respect thereof.

19. CONTRACTS, DEEDS, ETC.

Subject to other provisions of the Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, insurance policies, agreements, customers and other instruments of whatsoever nature relating to the Demerged Undertaking to which the Demerged Company is a party, or the benefit to which the Demerged Company may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effective against or in favour of the Resulting Company and may be enforced as fully and effectively as if instead of the Demerged Company, the Resulting Company had been a party or beneficiary thereto. The Resulting Company shall enter into and / or issue and / or execute deeds, in writings or confirmation or enter into any tripartite agreement, confirmations or novation to which the Demerged Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.

20. CONSIDERATION

- 20.1 Upon this Scheme becoming effective, the Resulting Company shall, in consideration for and without any further application or deed, issue and allot to shareholders of the Demerged Company, whose name appears in the Register of Members of the Demerged Company as on the Record Date 2, in the following manner:

“1 (one) equity share of Resulting Company having face value of INR 10 each fully paid up for every 1 (one) equity shares held in Demerged Company having face value of INR 10 each fully paid up”

- 20.2 Shares to be issued to the members of the Demerged Company in the Resulting Company pursuant to Clause 20.1 above shall be subject to the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects with the existing equity shares of the Resulting Company including dividend.

- 20.3 In the event that the Demerged Company and / or the Resulting Company restructures its equity shares by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the share entitlement ratio shall be adjusted accordingly to consider the effect of any such corporate actions.
- 20.4 In case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of a share of the Resulting Company, the Resulting Company shall round off such fraction to the nearest integer and accordingly issue shares.
- 20.5 If necessary, the Resulting Company shall before allotment of the equity shares in term of the Scheme, increase, reclassify and/or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.
- 20.6 The approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be the due compliance of the provisions of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Resulting Company to the shareholders of the Demerged Company, as provided in this Scheme.
- 20.7 The issue and allotment of the shares by the Resulting Company as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out without any further act or deed by the Resulting Company as if the procedure laid down under the relevant applicable provisions of the Act were duly complied with.

21. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

- 21.1 The Demerged Company shall account for the Scheme in their books/ financial statements in accordance with the relevant accounting standard specified under Section 133 of the Act and the rules framed thereunder, as applicable.
- 21.2 Upon this Scheme coming into effect, the book value of assets and liabilities pertaining to the Demerged Undertaking which are transferred to the Resulting Company shall be reduced from the book value of assets and liabilities of the Demerged Company.
- 21.3 Upon the Scheme becoming effective, the inter-company balances between the Resulting Company and the Demerged Company, if any, appearing in the books of accounts of the Demerged Company pertaining to the Demerged Undertaking and Resulting Company, shall stand cancelled.
- 21.4 The difference between the net assets (i.e., the difference between the book value of assets and liabilities pertaining to the Demerged Undertaking) which are transferred to the Resulting Company, in case it is positive, shall be first adjusted against the securities premium account and then against the profit and loss account the balance if any shall be debited to capital reserve account of Demerged Company and in case it is negative, the same shall be transferred to capital reserve account of the Demerged Company
- 21.5 Notwithstanding the above accounting treatment, the Board of Directors of the Demerged Company are authorized to account for any of these transactions / balances in any manner whatsoever, as may be deemed fit, in accordance with applicable accounting standards notified under the Act and read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act and generally accepted accounting principles adopted in India.

22. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY

- 22.1 The Resulting Company shall, upon the Scheme becoming effective, record the assets and liabilities of the Demerged Undertaking vested in it pursuant to this Scheme at the respective book values as appearing in the books of the Demerged Company as on the Appointed Date.
- 22.2 The Resulting Company shall credit the aggregate face value of shares issued by it to the shareholders of the Demerged Company to the share capital account of the Resulting Company.
- 22.3 Upon the scheme being effective, the inter-company balances between the Resulting Company and the Demerged Company, if any, appearing in the books of accounts of the Resulting Company pertaining to the Demerged Undertaking, shall stand cancelled.

- 22.4 The difference between the net assets (i.e., aggregate of the book value of all assets over liabilities) vested in the Resulting Company and the consideration paid by the Resulting Company as per Clause 20.1 above, in case it is positive, be recorded as capital reserve in the books of the Resulting Company and in case it is deficit, the same would be debited as goodwill in the books of accounts of the Resulting Company.
- 22.5 Notwithstanding the above accounting treatment, the Board of Directors of the Resulting Company is authorized to account for any of these transactions / balances in any manner whatsoever, as may be deemed fit, in accordance with applicable accounting standards notified under the Act and read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act and generally accepted accounting principles adopted in India.

23. REDUCTION OF SECURITIES PREMIUM ACCOUNT IN THE BOOKS OF DEMERGED COMPANY

The reduction in securities premium account of the Demerged Company shall be effected as an integral part of the Scheme, and where applicable, in accordance with the provisions of Section 66 of the Act and 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 acknowledgment of any third party. The order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to be the order passed by the Hon'ble NCLT under Section 66 of the Act for the purpose of confirming such reduction. It is expressly clarified that the consent of the shareholders and the creditors of the Demerged Company to the Scheme shall be deemed to be sufficient for the purpose of effecting the above reduction of the securities premium account of the Demerged Company and no further resolution under section 66 of the Act and any other applicable provisions of the Act would be required to be separately passed or taken.

24. SAVING OF CONCLUDED TRANSACTIONS

The transfer of and vesting of property and liabilities of the Demerged Undertaking and the continuance of proceedings by or against the Resulting Company shall not affect any transaction or proceedings already concluded by the Demerged Undertaking of Demerged Company on or after the Appointed Date to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Undertaking of Demerged Company in regard thereto as done and executed by the Resulting Company on behalf of itself.

25. REMAINING UNDERTAKING OF THE DEMERGED COMPANY

- 25.1 The remaining business of the Demerged Company (i.e. business other than the Demerged Undertaking) and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and vested in and be managed by the Demerged Company, subject to provisions of this Scheme.
- 25.2 With effect from the Appointed Date and up to and including the Effective Date:
- 25.2.1 The Demerged Company shall carry on and shall be deemed to have been carrying on all businesses and activities relating to the Remaining Undertaking for and on its own behalf;
- 25.2.2 All profits and income accruing and arising to the Demerged Company, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any accruing or paid in relation to any profits or income) relating to the Remaining Undertaking shall, for all purposes, be treated as and be deemed to be the profit, income, losses or expenditure, as the case may be, of the Demerged Company; and
- 25.2.3 All employees relatable to the Remaining Undertaking shall continue to be employed by the Demerged Company and Resulting Company shall not in any event be liable or responsible for any claims whatsoever regarding such employees.
- 25.2.4 All legal or other proceedings by or against the Demerged Company under any statute, whether on the Appointed Date or which may be instituted in the future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Undertaking (including those relating to any property, right, power, liability, obligation or duty of the Demerged Company in respect of the Remaining Undertaking) shall be continued and enforced by or against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding in connection with the Remaining Undertaking.

Part IV

AMALGAMATION OF TRANSFEROR COMPANY 3 WITH THE TRANSFEREE COMPANY 2

- 26. TRANSFER AND VESTING OF THE UNDERTAKING 2 OF TRANSFEROR COMPANY 3 WITH THE TRANSFEREE COMPANY 2**
- 26.1 Upon coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking 2 of the Transferor Company 3 shall, pursuant to the sanction of this Scheme and pursuant to the applicable provisions of the Act and also in accordance with Section 2(1B) of the IT Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company 2, each as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, on and from the Appointed Date, the Undertaking 2 of the Transferee Company 2 by virtue of and in the manner provided in this Scheme.
- 26.2 Without prejudice to the generality of the foregoing, upon the Scheme becoming effective and with effect from the Appointed Date, it is expressly provided that in respect of such of the assets of the Transferor Company 3 that are movable in nature and/or are otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery or novation, the same shall be deemed to have been so transferred by Transferor Company 3 and shall become the property of the Transferee Company 2 in pursuance of the provisions of sections 230 to 232 of the Act, without any further act, instrument, deed, matter or thing.
- 26.3 Upon the Scheme becoming effective, in respect of movables other than those dealt with in Clause 26.2 above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company 1 without any notice or other intimation to the debtors (although the Transferee Company 2 may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or deposittee, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company 2).
- 26.4 Upon the Scheme becoming effective and with effect from the Appointed Date, all lease and licence agreements, if any, entered into by the Transferor Company 3 with landlords, owners and lessors in connection with the use of the assets of the Transferor Company 3, together with security deposit, shall stand automatically transferred in favour of the Transferee Company 2 on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Transferee Company 2 shall continue to pay rent amounts as provided for in such agreement and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Transferor Company 3.
- 26.5 Upon the Scheme becoming effective, and with effect from the Appointed Date all liabilities of Transferor Company 3 including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company 3 of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company 2 under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing.
- 26.6 Where any of the liabilities and obligations of the Transferor Company 3 as on the Appointed Date deemed to be transferred to the Transferee Company 2 have been discharged by the Transferor Company 3 after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company 2, and all loans raised and used and all liabilities and obligations incurred by the Transferor Company 3 after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the

Transferee Company 2 and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company 2 and shall become the liabilities and obligations of the Transferee Company 2 which shall meet, discharge and satisfy the same.

- 26.7 Upon the Scheme becoming effective and with effect from the Appointed Date, all staff, workmen and employees in relation to the Transferor Company 3 shall become the staff, workmen and employees of the Transferee Company 2, without any further act or deed to be done by the Transferor Company 3 or the Transferee Company 2.
- 26.8 Upon the Scheme becoming effective, the Transferee Company 2 shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company 3 is a party in order to give formal effect to the above provisions. The Transferee Company 2 shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company 3 to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company 3.
- 26.9 All taxes, duties, cess payable by the Transferor Company 3 including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company 2.
- 26.10 Upon the Scheme becoming effective, all the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, patents, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company 3 and all rights and benefits that have accrued or which may accrue to the Transferor Company 3, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company 1 so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company 2 and shall remain valid, effective and enforceable on the same terms and conditions.
- 26.11 Upon the Scheme becoming effective, all the brands and trademarks (including logo and right to use the trademarks) of the Transferor Company 3 including registered and unregistered trademarks, along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks, and all such other industrial and intellectual property rights of whatsoever nature shall stand transferred to and vest in the Transferee Company 2. The Transferee Company 2 shall take such actions as may be necessary and permissible to get the same transferred and/or registered in the name of the Transferee Company 2.
- 26.12 Upon the Scheme becoming effective, all the Insurance policies registered in the name of the Transferor Company 3 which are active as on the date of approval of the Scheme by the Hon'ble Tribunal and which can be transferred/assigned shall pursuant to the provisions of Section 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company 2 and accordingly, the insurance companies shall record the name of the Transferee Company 2 in all the insurance policies registered in the name of the Transferor Company 3 so as to ensure that all the rights and privileges under all such policies available to the Transferor Company 3 and / or to any other person/director/employee of such Transferor Company 3, whether in the capacity of the Policy Holder or Owner or Insured or the Beneficiary, as the case may be, be available to the benefit of the Transferee Company 2 and / or to any other person/director/employee of Transferee Company 2, as the case may be, on the same terms and conditions as they were applicable to the Transferor Company 3 concerned and upon such transfer/assignment, all such policies shall be effective in favour of the Transferee Company 2 as if instead of the Transferor Company 3, the Transferee Company 2 had been a party or beneficiary thereto. However, for the insurance policies which do not permit such transfer/

assignment, the Transferee Company 2 may make fresh application(s) to the concerned authority/ insurance company(ies) on such terms and conditions as may be prescribed. It is hereby clarified that all the costs and/or expenses and/or premiums in relation to the transfer/assignment/of the insurance policies in the name of Transferor Company 3 shall be borne by the Transferee Company 2 and the Transferor Company 3 shall have no further obligations in this regard.

- 26.13 Upon the Scheme becoming effective and with effect from the Appointed Date, all existing and future incentives, unavailed credits and expenditures, exemptions and deductions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including Minimum Alternate Tax credit under section 115JAA of the IT Act), Goods and Services Tax including the Integrated Goods and Services Tax input tax credit, Central Goods and Services Tax input tax credit and State Goods and Services Tax input tax credit for the registrations of the Transferor Company 3 in all the states, to which the Transferor Company 3 are entitled to shall be available to and vest in the Transferee Company 2.
- 26.14 The Transferee Company 2 shall file relevant intimations, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of the Transferor Company 3.

27. LEGAL, TAXATION AND OTHER PROCEEDINGS

- 27.1 Upon coming into effect of this Scheme, all suits, actions and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or Hon'ble Tribunal or Court authorities as the case be) by or against the Transferor Company 3 pending on the Effective Date shall be continued and/or enforced by or against the Transferee Company 2 as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company 2.
- 27.2 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company 3 is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company 2, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company 3 as if this Scheme had not been made.
- 27.3 In case of any litigation, suits, recovery proceedings which are to be initiated or may be intimated against the Transferor Company 3, Transferee Company 2 shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company 2.

28. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 28.1 Upon coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, escrow arrangements and other instruments of whatsoever nature in relation to the Transferor Company 3 to which the Transferor Company 3 is a party or to the benefit of which the Transferor Company 3 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effective on or against or in favour, as the case may be, of the Transferee Company 2 and may be enforced as fully and effectually as if, instead of the Transferor Company 3, the Transferee Company 2 had been a party or beneficiary or obligee thereto.
- 28.2 The Transferee Company 2 may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangements to which the Transferor Company 3 are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.

28.3 On the Scheme becoming effective, such contracts / escrow arrangements / deeds / any other arrangements shall stand transferred to or deemed to be transferred to the Transferee Company 2 without any further act or instrument or deed and further it shall not be necessary to obtain the consent of any third party or other person who is party to any such contract / escrow arrangements / deeds / any other arrangements.

29. STAFF, WORKMEN AND EMPLOYEES

29.1 Upon the coming into effect of this Scheme, all staff, workmen and employees, who are on the payrolls of the Transferor Company 3, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company 3 who are on its payrolls shall become employees of the Transferee Company 2 with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company 3, without any interruption of service as a result of this merger and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company 3, upon this Scheme becoming effective, the Transferee Company 2 shall stand substituted for the Transferor Company 3 for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company 3 for such purpose shall be treated as having been continuous. Further, the transfer of employees would be considered as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947.

29.2 The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme (including without limitation any employees stock option plan) or benefits created by the Transferor Company 3 for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company 2 or as may be created by the Transferee Company 2 for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company 2 to the existing funds maintained by the Transferor Company 3.

29.3 The Transferee Company 2 undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Company 3, the past services of such employees with the Transferor Company 3 shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Transferor Company 3 will transfer/handover to the Transferee Company 2, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

29.4 The Transferee Company 2 shall continue to abide by any agreement(s)/ settlement(s) entered into by the Transferor Company 3 with any of its employees prior to Appointed Date and from Appointed Date till the Effective Date.

30. SAVING OF CONCLUDED TRANSACTIONS

30.1 The merger of the Transferor Company 3 with the Transferee Company 2 pursuant to this Scheme shall not affect any transaction or proceedings already concluded or liabilities incurred, or any liabilities discharged by the Transferor Company 3, on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 2 shall accept and adopt all acts, deeds and things made, done and executed by the Transferor Company 3 as acts, deeds and things made, done and executed by or on behalf of the Transferee Company 2.

31. INTER-SE TRANSACTIONS

- 31.1 Without prejudice to the aforesaid Clauses, with effect from the Appointed Date, all inter-party transactions between the Transferor Company 3 and the Transferee Company 2 shall be considered as intra-party transactions for all purposes from the Appointed Date or from the transaction date whichever is later and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed above clause has no impact.
- 31.2 Further, it is clarified that the above clause has no impact whatsoever on any taxes in the form of income-tax, goods and service tax, etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company 2 and on its own account and therefore, the Transferee Company 2 will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective.

32. CONSIDERATION

- 32.1 Upon the Scheme becoming effective, in consideration of the transfer and vesting of the Transferor Company 3 in the Transferee Company 2 in terms of the Scheme, the Transferee Company 2 shall subject to the provisions of the Scheme and without any further application or deed, issue and allot equal number of equity shares as held by the Transferor Company 3 in the Transferee Company 2 to members, or their respective heir, administrators, legal representatives, determined as on Record Date 3, whose name is recorded in the register of members of Transferor Company 3 in the following manner:
- “64,104 (Sixty Four Thousand one hundred and four) fully paid-up equity shares of Rs. 10/- each of the Transferee Company 2 in proportion of their holding of equity shares of Rs. 10/- each of Transferor Company 3 as on Record Date 3”
- 32.2 The equity shares to be issued and allotted as per this clause shall be subject to the provisions of Memorandum and Articles of Association of the Transferee Company 2 and shall rank pari-passu in all respects with the equity shares of the Transferee Company 2 as on Effective Date, including that any dividend that may be declared by the Transferee Company 2 on or after the Effective Date.
- 32.3 The approval of this Scheme by the members of the Transferee Company 2 shall be deemed to be due compliance of the provisions of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by the Transferee Company 2 to the members of the Transferor Company 3, as provided in the Scheme.
- 32.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company 3, the Board of the Transferee Company 2 shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 3, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date 3, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company 2, after the effectiveness of this Scheme.
- 32.5 The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company 3 which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance.
- 32.6 In the event that the Transferor Company 3 or the Transferee Company 2 restructures its equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the share entitlement ratio shall be adjusted accordingly to consider the effect of any such corporate actions.
- 32.7 No fractional share shall be issued by the Transferee Company 2 in respect of the fractional share entitlement and fractional share entitlement, if any, arising out of such allotment shall be rounded down to the nearest complete share.

- 32.8 If necessary, the Transferee Company 2 shall before allotment of the equity shares in term of the Scheme, increase, reclassify, and, or, restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.
- 32.9 Notwithstanding anything contained in the Scheme and subject to Applicable Law, until the Scheme becomes effective (on or before the Effective Date), the Transferee Company 2 is hereby permitted to issue equity shares on such terms and conditions as may be approved by the Board of Directors of the Transferee Company 2 (as the case may be) for the efficient functioning of the business of the Transferee Company 2 or for any other purpose including for purposes of refinancing, repayment, conversion or prepayment of any loans of the Transferee Company 2, and do all such acts, deed and things as may be necessary to effect the foregoing including but not limited to increase, reclassify and/or restructure its authorized share capital in such manner and by such amount as may be necessary.

33. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY 2

- 33.1 Notwithstanding anything to the contrary herein, with effect from the Appointed Date, the Transferee Company 2 shall account for the amalgamation of the Transferor Company 3 in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:
- 33.1.1 The Transferee Company 2 shall record the assets and liabilities, if any, of the Transferor Company 3 vested in it pursuant to this Scheme, at the respective book values as appearing in the books of the Transferor Company 3.
- 33.1.2 The identity of the reserves of the Transferor Company 3 shall be preserved and shall appear in the financial statements of the Transferee Company 2 in the same form and at the same values as they appear in the financial statements of the Transferor Company 3.
- 33.1.3 Pursuant to the amalgamation of the Transferor Company 3 with the Transferee Company 2, the inter-company balances between the Transferee Company 2 and the Transferor Company 3, if any appearing in the books of the Transferee Company 2 shall stand cancelled.
- 33.1.4 The nominal value of equity shares issued by the Transferee Company 2 to the shareholders of the Transferor Company 3 pursuant to Clause 32.1 of the Scheme shall be credited to the Equity Share Capital Account of the Transferee Company 2.
- 33.1.5 The surplus/deficit, if any arising after taking the effect of clause 33.1.1, 33.1.2 and 33.1.4, after giving the effect of the adjustments referred to in clause 33.1.3, shall be transferred to Capital Reserve in the financial statements of the Transferee Company 2 with disclosure of its nature and purpose in the notes.
- 33.1.6 Shares held by the Transferor Company 3 in the Transferee Company 2 shall stand cancelled. No gain or loss shall be recognised in profit or loss on the purchase or cancellation of an entity's own equity shares. The surplus/deficit, if any, shall be recognised directly in Other equity. The cancellation of share capital will be affected as part of this Scheme in accordance with provision of Section 66 of the Act and the order of the NCLT shall be deemed to be the order under the applicable provisions of the Act for confirming the cancellation of share capital.
- 33.1.7 In case of any difference in accounting policy between the Transferor Company 3 and the Transferee Company 2, the accounting policies followed by the Transferee Company 2 will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- 33.1.8 For accounting purpose, the Scheme will be given effect on the date when all substantial conditions for transfer of each of the Transferor Company 3 are completed.
- 33.1.9 Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the accounting standards applicable to the Transferee Company 2.

34. CANCELLATION AND REDUCTION OF SHARE CAPITAL OF THE TRANSFEREE COMPANY 2

- 34.1 Upon the Scheme becoming effective, the equity shares of the Transferee Company 2 held by Transferor Company 2 as on the Appointed shall stand cancelled by operation of the Act. Accordingly, the share capital of the Transferee Company 2 shall stand reduced and cancelled to the extent of face value of such shares.
- 34.2 Reduction of share capital of the Transferee Company 2 shall be effected as an integral part of the Scheme and the order of the Hon'ble NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction and no separate sanction under Section 66 of the Act will be necessary.
- 34.3 The reduction will not cause any prejudice to the interest of the creditors of the Transferee Company 2. The creditors of the Transferee Company 2 are in no way affected by the proposed reduction of the equity share capital as the proposed reduction would not in any way adversely affect the ordinary operations of the Transferee Company 2 or the ability to honor its commitments or pay the debts in ordinary course of business. The above proposal, does not in any manner, alter, vary, or affect the rights of the creditors. Hence, it will not be necessary for the Transferee Company 2 to add "And reduced" to its description.

PART V

GENERAL TERMS AND CONDITIONS

35. TAX ASPECTS

- 35.1 Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme (i) all accumulated tax loss, unabsorbed tax depreciation, minimum alternate tax credit, if any, pertaining to the Demerged Undertaking of the Demerged Company as on the Appointed Date, shall for all purposes, be treated as accumulated tax loss, unabsorbed tax depreciation and minimum alternate tax credit of the Resulting Company and (ii) all accumulated tax loss, unabsorbed tax depreciation, minimum alternate tax credit, if any, pertaining to the Undertaking or the Remaining Undertaking of the respective Transferor Companies as on the Appointed Date, shall for all purposes, be treated as accumulated tax loss, unabsorbed tax depreciation and minimum alternate tax credit of the Transferee Company 2;
- 35.2 Any surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, tax deducted at source by the customers and MAT credit, GST, as on the date immediately preceding the Appointed Date will also be transferred to (a) from the Transferor Companies to the Transferee Companies; and (b) the Resulting Company from the Demerged Company pertaining to Demerged Undertaking.
- 35.3 Any refund under the IT Act or other applicable laws/ regulations dealing with taxes/ duties/ levies, including GST, allocable or related or due to business of (a) Demerged Undertaking, consequent to the assessment made in respect of Demerged Undertaking, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Resulting Company; and (b) the Transferor Companies, consequent to the assessment made in respect of Transferor Companies, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by the Transferee Companies.
- 35.4 The tax payments (including without limitation income tax, goods and service tax, tax on distribution of dividends, or any other taxes as may be applicable from time to time) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by (a) the Demerged Company pertaining to the business of Demerged Undertaking after the Appointed Date, shall be deemed to be paid by the Resulting Company; and (b) the Transferor Companies after the Appointed Date, shall be deemed to be paid by the Transferee Companies; and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either (a) Demerged Company or the Resulting Company pertaining to Demerged Undertaking; and (b) the Transferor Companies or the Transferee Companies on account of intercompany transactions between the Transferor Companies and Transferee Companies post the Appointed Date, shall be deemed to be advance tax paid by the

Transferee Companies and shall, in all proceedings be dealt with accordingly.

- 35.5 Upon the Scheme becoming effective, the Resulting Company, the Transferor Companies and the Transferee Companies shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the direct and indirect tax laws in India and to claim refunds and/or credit for taxes paid (including tax deducted at source, advance taxes, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective.
- 35.6 All tax assessment proceedings / appeals (including application and proceedings in relation to advance ruling) of whatsoever nature by or against the (a) Demerged Company with respect to Demerged Undertaking; and (b) the Transferor Companies pending and / or arising at the Appointed Date and relating to the (a) Demerged Company with respect to Demerged Undertaking; and (b) the Transferor Companies shall be continued and / or enforced until the Effective Date as desired by the Resulting Company and the Transferee Company respectively. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Resulting Company and the Transferee Company in the same manner and to the same extent as it would or might have been continued and enforced by or against the Demerged Company and the Transferor Companies.
- 35.7 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.

36. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

- 36.1 With effect from Appointed Date and upto and including the Effective Date:
- i) The Demerged Company shall carry on the business and activities of the Demerged Undertaking and Transferor Companies shall carry on its business and activities with reasonable diligence and business prudence and shall venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof;
 - ii) The Resulting Company and the Transferee Companies shall be entitled, pending sanction of the Scheme, to apply to various government or regulatory agencies, departments or authorities concerned as necessary under law for such consents, approvals, licenses and sanctions, or renewal thereof, which is required to carry on the business of the Demerged Undertaking and the Transferor Companies respectively;
- 36.2 Without prejudice to above, the Resulting Company and the Transferee Company unconditionally and irrevocably agree and undertake to pay, discharge and satisfy all the liabilities and obligations of the Demerged Undertaking and of the Transferor Companies respectively with effect from the Appointed Date, in order to give effect to the foregoing provisions.
- 36.3 For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company pertaining to the Demerged Undertaking in the name of the Demerged Company in so far as may be necessary. All cheques and 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. The Resulting Company shall be allowed to maintain bank accounts in the name of the Demerged Company, in relation to and in connection with the respective Demerged Undertaking, for such time as may be determined to be necessary by the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company, in connection with the respective Demerged Undertaking.

- 36.4 For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Companies have been replaced with that of the Transferee Companies, the Transferee Companies shall be entitled to operate the bank accounts of the Transferor Companies in the name of the Transferor Companies in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Companies after the Effective Date shall be accepted by the bankers of the Transferee Companies and credited to the account of the Transferee Companies, if presented by the Transferee Companies. The Transferee Companies shall be allowed to maintain bank accounts in the name of the Transferor Companies for such time as may be determined to be necessary by the Transferee Companies for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Companies.
- 36.5 With effect from the Appointed Date to until Effective Date, all incomes, profits, costs, charges, expenses and taxes accruing to Demerged Company pertaining to the Demerged Undertaking and the Transferor Companies shall for all purposes, be treated as the income, profits, costs, charges, expenses and taxes or losses, as the case may be, of the Resulting Company and the Transferee Companies respectively.

37. COMBINATION OF AUTHORISED SHARE CAPITAL

- 37.1 Upon the Part II of the Scheme becoming effective and with effect from Appointed Date, the authorised share capital of the Transferor Company 1 and the Transferor Company 2 as on the Appointed Date shall stand transferred, re-organised, credited and merged with that of the Transferee Company 1 and the authorised share capital of the Transferee Company 1 will be increased to that effect by filing requisite forms and payment of any additional fees and stamp duty, if any and no separate procedure shall be followed under the Act. Consequently, the Memorandum of Association of the Transferee Company 1 shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act.
- 37.2 Further upon Part IV of the Scheme becoming effective and with effect from Appointed Date, the authorised share capital of the Transferor Company 3 / Transferee Company 1 (post consolidation of the authorised share capital of the Transferor Company 1 and the Transferor Company 2 with the Transferor Company 3 / Transferee Company 1 as per Clause 37.1 above) shall stand transferred, re-organised, credited and merged with that of the Transferee Company 2 and the authorised share capital of the Transferee Company 2 will be increased to that effect by filing requisite forms and payment of any additional fees and stamp duty if any and no separate procedure shall be followed under the Act. Consequently, the Memorandum of Association of the Transferee Company 2 shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act.
- 37.3 Accordingly post the Scheme becoming effective, the Capital Clause of the Memorandum of Association and Article of Association of the Transferee Company 2 shall automatically stand amended to give effect to the above Clause 37.2.
- 37.4 The approval of this Scheme under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Sections 13, 61 and other applicable provisions of the Companies Act, 2013, and any other consents and approvals required in this regard. It is clarified that the approval of the members of the Companies to the Scheme shall be deemed to be their consent approval also to the alteration to the Memorandum of Association of the Companies as may be required under the Act.

38. VALIDITY OF RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions passed by the Board of Directors and/or shareholders of the Transferor Companies as are considered necessary by the Board of Directors of the Transferee Companies and which are valid and subsisting shall continue to be valid and subsisting and be considered as the resolutions of the Transferee Companies and if any such resolutions have monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits as are considered necessary by the Board of Directors of the Transferee Companies shall be added to the

limits if any, under like resolutions passed by the Board of Directors and/or the shareholders of the Transferee Companies and shall constitute the aggregate of the said limits in the Transferee Companies.

39. APPLICATIONS TO THE TRIBUNAL

The Companies, with all reasonable dispatch, jointly and or severally, shall make necessary applications / petitions before the jurisdictional Tribunal for the sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Act.

40. DISSOLUTION OF THE TRANSFEROR COMPANIES WITHOUT WINDING UP

Subject to an order being made by the under Section 230 to 232 of the Act, the Transferor Companies shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provision of the Act and the Rules made hereunder.

41. MODIFICATIONS / AMENDMENTS TO THE SCHEME

The Companies by their respective Board of Directors may make and/or consent to any modifications/ amendments to this Scheme or to any conditions or limitations that the Hon'ble Tribunal or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the Board of Directors. The Companies by their respective Board of Directors shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. The power of the Board to modify / amend the Scheme shall be subject to the approval of the Hon'ble Tribunal.

42. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional upon and subject to:

- 42.1 Approval of the Scheme by the requisite majority of the respective members and creditors of the Companies as may be directed by the Hon'ble Tribunal;
- 42.2 Sanctions and orders under the provisions of the Act being obtained by the Companies from the Hon'ble Tribunal;
- 42.3 Certified copies of the orders of the Hon'ble Tribunal, sanctioning the Scheme being filed with the jurisdictional Registrar of Companies by the Companies;
- 42.4 Approvals, if any from the Reserve Bank of India for amalgamation of SRB Agencies with DK Securities and demerger of the Demerged Undertaking of DK Securities into Rainbow;
- 42.5 Approvals, if any from any governmental or regulatory authority or Appropriate Authority, or contracting party or from such other authorities, as the Board of Directors may consider relevant, to ensure that business of (a) the Demerged Undertaking subsequent to the transfer to the Resulting Company and (b) the Transferor Companies subsequent to the transfer to the Transferee Companies, could be carried on in an effective manner; and
- 42.6 All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

43. EFFECT OF NON-RECEIPT OF APPROVALS

- 43.1 In the event of any of the said sanctions and approvals referred to in Clause 42 above not being obtained and / or the Scheme not being sanctioned by the Tribunal or such other competent authority as aforesaid, 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.
- 43.2 If any part of this Scheme is held invalid or ruled illegal or unenforceable under law by any court of competent jurisdiction, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall

attempt to bring about a modification in the Scheme subject to the approval of the Hon'ble Tribunal, as will best preserve the benefits and obligations contemplated under the Scheme.

43.3 At any time prior to the Effective Date, the Board of Directors of the Companies shall be entitled to revoke, cancel and / or withdraw the Scheme from the Hon'ble Tribunal if the Board of Directors are of the view that the coming into effect of any Part of the Scheme could have adverse implications for the Companies.

43.4 Further, the Board of Directors of the Companies shall be entitled to revoke, cancel and declare the Scheme of no effect by filing requisite applications / petitions before the Hon'ble NCLT or any other Applicable Authorities, if such Board are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or Scheme approved by Hon'ble NCLT with modified terms or filing of the drawn up orders with any authority would not achieve the rationale / objective of the Scheme as envisaged by the Board.

44. COSTS

All costs, charges, taxes including duties, levies (including stamp duty) and all other expenses, if any, arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferor Company 3 and the Resulting Company. Where the Transferor Company 3 and the Resulting Company are not able to borne such costs and expenses, such costs and expenses will be borne directly by the Promoters.

Further, any cost, charges, taxes including duties, levies and all other expenses if incurred by Transferee Company 2, shall be reimbursed by Transferor Company 3 or the Promoters (as the case may be).

45. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking and Transferor Companies are transferred, vested, recorded effected and/or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Resulting Company and Transferee Companies respectively, the Resulting Company and Transferee Companies respectively are deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license asset approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authority and till such time as may be mutually agreed by the Demerged Company, Resulting Company, Transferor Companies and Transferee Companies, the Demerged Company and the Transferor Companies will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as may be, in trust for and on behalf of the Resulting Company and the Transferee Companies respectively.

46. SEVERABILITY

46.1 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.

46.2 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement amongst the Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

47. REVOCATION OF THE SCHEME

47.1 In the event of any of the said sanctions and approvals referred to in Clause 42 above, not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned in the present terms by the Hon'ble NCLT and/or order or orders not being passed as aforesaid on or before 30th September 2022 or such other date as may be mutually agreed upon by the respective Board of Directors of Companies, who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by

their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se Demerged Company, Resulting Company, Transferor Companies and Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed.

47.2 Further, at any time the Board of Directors of the Companies shall be entitled to revoke, cancel and declare the Scheme of no effect by filing requisite applications / petitions before the Hon'ble NCLT or any other Applicable Authorities, if such Boards are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or Scheme approved by Hon'ble NCLT with modified terms or filing of the drawn up orders with any authority could have adverse implication on the Companies herein.

48. REMOVAL OF DIFFICULTIES

48.1. The Transferor Companies and the Transferee Company through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing may give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of Hon'ble NCLT or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those to the extent permissible under Applicable Law; and do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

49. BINDING EFFECT

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

50. INDEMNIFICATION

50.1. Notwithstanding anything contained in the Scheme, the Indemnifying Parties shall jointly and severally, indemnify and hold harmless the Indemnified Persons for any and all liabilities and obligations including all demands, claims, charges, suits, proceedings, whether existing or contingent in nature and the like which may be made or instituted by any party including any Governmental Authority against the Indemnified Persons which are relatable to the Transferor Company 3 which may devolve on Transferee Company 2 on account of or pursuant to the Amalgamation irrespective of the fact that the liability arises and/or becomes payable after the Amalgamation. Further, the Indemnifying Parties shall secure, deposit or pay, as the case may be, any legal demand raised by any Governmental Authority within the time frame provided therein. For avoidance of any doubts, it is hereby clarified that all payments to the Indemnified Persons shall be grossed up to include any and all taxes payable with respect to the said payments. Notwithstanding anything to the contrary contained in this Scheme, the provisions of this Clause shall survive the revocation, cancellation or withdrawal of this Scheme for any reason whatsoever.

50.2. As part of such indemnification, the Indemnifying Parties shall also provide a bank guarantee for such amount as shall be required by the Board of Directors of the Transferee Company 2.

Schedule 1 – List of Immovable Properties of Demerged Undertaking of Demerged Company

Sr. No.	Details of Immovable Properties	Location & Description of Property
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1.	<p>Adyar Lodge, Adyar Club land Area : 5,044 sq meters Registration Sub-District : Joint Sub-Registrar I Registration District : Central Chennai R.S. No.: 3901/16 and 3901/124</p>	<p>Location: Old Survey No.2 and Municipal Door No. 2 of Chamiers Road, Mylapore, Chennai.</p> <p>Description:</p> <p>North By: The Said Boat Club Road, First Street; South By: The 30 feet road abutting Adyar river Leading to Madras Boat Club; East By: Premises bearing Municipal Door No 2, Boat Club Road, First Street, owned by India Tobacco Company Limited; and West By: Premises bearing Municipal Door No. 2C, Boat Club Road, First Street, owned b E.I.D Parry (I) Ltd.</p>
2.	<p>Teynampet property Area : 1,595 sq. meters Registration Sub-District : Joint Sub-Registrar I Registration District : Central Chennai Old Re-Survey No. 1450/3 and New T.S. No. 1450/21 as per Patta No. TR/1438/13-14/Dt. 28.01.2014</p>	<p>Block No. 29, Teynampet village, Mylapore Taluka, Chennai</p> <p>Description:</p> <p>North By: R.S. No. 1450 /3, house belongs to Sathya Bama; South By: R.S. No. 1467 Nattu Muthu Naicken Street; East By: R.S. No. 1466, House belongs to Mr. Balakrishna Pillai; and West By: R.S. No. 1450/1, house belongs to Mr. Natesa Naiker</p>

Niranjan Kumar

Registered Valuer - Securities or Financial Assets

Date: 28 March 2022

To,
The Board of Directors
D.K. Capital Market Private Limited
New No. 4, Club House Road,
Anna Salai, Chennai, Tamil Nadu

To,
The Board of Directors
S R B Agencies Private Limited
14, Netaji Subhas Road, 1st Floor, Kolkata,
West Bengal.

To,
The Board of Directors
D.K. Securities Private Limited
5, Adyar Boat Club, 1st Street,
Chamiers Road, Chennai,
Tamil Nadu

To,
The Board of Directors
Rainbow Land Developers Private Limited
New No. 4, Club House Road,
Anna Salai, Chennai,
Tamil Nadu

To,
The Board of Directors
Tagros Chemicals India Private Limited
Tagros House, 4th Floor, No. 4 (Old 10),
Club House Road, Anna Salai, Chennai
Tamil Nadu

Subject: Recommendation of share exchange ratio for the proposed amalgamation of D.K. Capital Market Private Limited ('DKCMPL') and S R B Agencies Private Limited ('SRBAPL') with D.K. Securities Private Limited ('DKSPL');

Recommendation of share entitlement ratio for the proposed demerger of 'Identified Leasing and Other Business' of D.K. Securities Private Limited ('DKSPL') into Rainbow Land Developers Private Limited ('RLDPL');

Recommendation of share exchange ratio for the proposed amalgamation of D.K. Securities Private Limited ('DKSPL') with Tagros Chemicals India Private Limited ('TCIPL');

Dear Sir/ Madam,

We refer to the engagement letter dated 24 February 2022 and discussion undertaken with the Management of D.K. Capital Market Private Limited ('DKCMPL' or 'Transferor Company 1'), S R B Agencies Private Limited ('SRBAPL' or 'Transferor Company 2'), D.K. Securities Private Limited ('DKSPL' or 'Transferee Company 1' or 'Demerged company' or 'Transferor Company 3'), Rainbow Land Developers Private Limited ('RLDPL' or 'Resulting Company') and Tagros Chemicals India Private Limited ('TCIPL' or 'Transferee company 2') (hereinafter all of them together referred to as 'the Management'), wherein the Management has requested Niranjan Kumar, Registered Valuer – Securities or Financial Assets ('NK', 'we' or 'us') to undertake a valuation exercise and recommend:

1. Share exchange ratio for the proposed amalgamation of DKCMPL ('Transferor Company 1') and SRBAPL ('Transferor Company 2') with DKSPL ('Transferee Company 1') in Step 1;

2. Share entitlement ratio for the proposed demerger of 'Identified Leasing and Other Business' ('Demerged Business') of DKSPL ('Demerged Company') into RLDPL ('Resulting Company') in Step 2; and
3. Share exchange ratio for the proposed amalgamation of DKSPL ('Transferor Company 3') with TCIPL ('Transferee Company 2') in Step 3.

Hereinafter all the aforesaid proposed transactions (except for the demerger referred to in Step 2) shall together be referred to as the 'proposed amalgamation' and the transaction referred to in Step 2 shall be referred to as the 'proposed demerger'; the Management including the Board of Directors of DKCMPL, SRBAPL, DKSPL, RLDPL and TCIPL shall together be referred to as 'the Management'; and the Transferor Company 1, Transferor Company 2, Transferee Company 1/ Demerged Company/ Transferor Company 3, Resulting Company and Transferee Company 2 shall together be referred to as 'Transacting Companies'.

Please find enclosed the report (comprising 22 pages including annexures) detailing our recommendation of share exchange ratio for the proposed amalgamation and share entitlement ratio for the proposed demerger, the methodologies employed and the assumptions used in our analysis.

This report sets out our scope of work, background, source of information, procedures performed by us and our recommendation of the share exchange/ entitlement ratio.

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

D.K. Capital Market Private Limited ('Transferor Company 1' or 'DKCMPL') was incorporated as on 06 August 1993 and is primarily an investment holding company engaged in business of investment in group companies. DKCMPL holds investment in equity shares of D.K. Securities Private Limited and S R B Agencies Private Limited.

S R B Agencies Private Limited ('Transferor Company 2' or 'SRBAPL') was incorporated on 06 April 1988 and is registered with RBI as non-banking financial company. Its current portfolio consists of investment in equity shares and loans given to its group companies. SRBAPL holds investment in equity shares of D.K. Capital Market Private Limited and D.K. Securities Private Limited.

D.K. Securities Private Limited ('Transferee Company 1' or 'Demerged Company' or 'Transferor Company 3' or 'DKSPL') was incorporated on 07 September 1993 and is engaged in the business of trading, leasing and subleasing of immovable properties. DKSPL holds investment in equity shares of DKCMPL, SRBAPL and Tagros Chemicals India Private Limited.

Rainbow Land Developers Private Limited ('Resulting Company' or 'RLDPL') was incorporated on 05 October 2004 and is engaged in the business of real estate.



Tagros Chemicals India Private Limited ('Transferee Company 2' or 'TCIPL') was incorporated on 30 December 1992 and is engaged in the business of manufacturing and export of pesticides, agrochemicals and chemicals for industrial and other purposes.

We understand that the Management of the Transacting Companies are contemplating a composite scheme of arrangement, wherein they intend to:

- a) amalgamate DKCMPL and SRBAPL with DK SPL;
- b) demerge 'Identified Leasing and Other Business' of DK SPL into RLDPL; and
- c) amalgamate DK SPL with TCIPL;

in accordance with the provisions of Sections 230 to 232 including Section 66 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 as amended from time to time ("the Rules") and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force and in a manner provided in the Draft Composite Scheme of Arrangement ('the Scheme') in which under:

- a) Part II of the Scheme, DKCMPL and SRBAPL is proposed to be amalgamated with DK SPL;
- b) Part III of the Scheme, the 'Identified Leasing and Other Business' of DK SPL is proposed to be demerged into RLDPL; and
- c) Part IV of the Scheme, DK SPL (comprising only of investment in equity shares of TCIPL pursuant to demerger mentioned in Part III of the Scheme) is proposed to be amalgamated with TCIPL.

Further, as a part of the Scheme, the shareholding of Transferee Company 1 in Transferor Company 1 and Transferor Company 2 shall stand cancelled and existing issued and paid up share capital of Transferee Company 1 held by Transferor Company 1 and Transferor Company 2 would be cancelled by way of capital reduction on Part II of the Scheme being effective. Also, the entire shareholding of Transferor Company 3 in Transferee Company 2 would be cancelled by way of capital reduction on Part IV of the Scheme being effective.

We understand that as a consideration for the i) proposed amalgamation under Part II of the Scheme, equity shares of Transferee Company 1 would be issued to the equity shareholders of Transferor Company 1 and Transferor Company 2 (except to the extent of equity shares of Transferor Company 1 and Transferor Company 2 already held by Transferee Company 1 which would get cancelled upon amalgamation); ii) proposed demerger under Part III of the Scheme, equity shares of Resulting Company would be issued to the equity shareholders of Demerged Company; iii) proposed amalgamation under Part IV of the Scheme, equity shares of Transferee Company 2 would be issued to the equity shareholders of Transferor Company 3.

The equity shares to be issued for the aforesaid proposed amalgamation and proposed demerger will be based on the share exchange/ entitlement ratio as determined by the Board



of Directors on the basis of share exchange/ entitlement ratio report prepared by a Registered Valuer as required under the applicable provisions of Companies Act, 2013.

In connection with the above-mentioned proposed amalgamation and demerger, the Management has appointed Niranjan Kumar, Registered Valuer – Securities or Financial Assets ('NK') to submit a report recommending a share exchange/ entitlement ratio for the proposed amalgamation and demerger.

We would like to emphasize that certain terms of the proposed amalgamation and demerger are stated in our report, however the detailed terms of the proposed amalgamation and demerger shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed amalgamation and demerger. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

We understand that the appointed date for the proposed amalgamation and demerger shall be 01 October 2021 as defined in the Scheme or such other date as the competent authority may direct or approve. We have determined the share exchange ratio and share entitlement ratio for the proposed amalgamation and demerger respectively as at the report date ('Valuation Date').

The scope of our services is to determine the share exchange/ entitlement ratio as at the valuation date after considering the facts of the case and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI).

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.



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COMPANY AND FINANCIAL BACKGROUND

a) D.K. Capital Market Private Limited ('Transferor Company 1' or 'DKCMPL')

DKCMPL is primarily an investment holding company engaged in business of investment in group companies. DKCMPL holds investment in equity shares of DKSPL and SRBAPL.

Snapshot of the unaudited provisional financial statements for the nine months period ended 31 December 2021 and audited financial statements for the year ended 31 March 2021 of DKCMPL is set out in Annexure 1.

The equity shareholding pattern of DKCMPL as at the report date is set out below:

Name of shareholder	Number of equity shares (Face value of INR 10 each)	Percentage %
Dev Kishan Jhaver	4,218	1.9%
Abimanyu Jhaver	13,582	6.2%
S R B Agencies Private Limited	1,05,000	48.2%
D.K. Securities Private Limited	95,000	43.6%
Total	2,17,800	100.0%

We understand that upon Part II of the Scheme being effective, the equity shares of DKCMPL held by SRBAPL and DKSPL shall stand automatically cancelled.

b) S R B Agencies Private Limited ('Transferor Company 2' or 'SRBAPL')

SRBAPL is registered with RBI as non-banking financial company. Its current portfolio consists of investment in equity shares and loans given to its group companies. SRBAPL holds investment in equity shares of DKCMPL and DKSPL.

Snapshot of the unaudited provisional financial statements for the nine months period ended 31 December 2021 and audited financial statements for the year ended 31 March 2021 of SRBAPL is set out in Annexure 1.

The equity shareholding pattern of SRBAPL as at the report date is set out below:

Name of shareholder	Number of equity shares (Face value of INR 10 each)	Percentage %
Dev Kishan Jhaver	2,04,622	15.4%
Abimanyu Jhaver	6,58,818	49.4%
D.K. Capital Market Private Limited	1,33,000	10.0%
D.K. Securities Private Limited	3,36,300	25.2%
Total	13,32,740	100.0%



We understand that upon Part II of the Scheme being effective, the equity shares of SRBAPL held by DKCMPL and DKSPL shall stand automatically cancelled.

c] D.K. Securities Private Limited ('Transferee Company 1' or 'Demerged Company' or 'Transferor Company 3' or 'DKSPL')

DKSPL is engaged in the business of trading, leasing and sub-leasing of immovable properties. DKSPL holds investment in equity shares of DKCMPL, SRBAPL and TCIPL.

Snapshot of the unaudited provisional financial statements for the nine months period ended 31 December 2021 and audited financial statements for the financial year ended 31 March 2021 of DKSPL is set out in Annexure 1.

The equity shareholding pattern of DKSPL as at the report date is set out below:

Name of shareholder	Number of equity shares (Face value of INR 10 each)	Percentage %
Dev Kishan Jhaver	31,500	7.1%
Abimanyu Jhaver	1,01,420	22.8%
S R B Agencies Private Limited	2,00,000	45.0%
D.K. Capital Market Private Limited	1,11,300	25.1%
Total	4,44,220	100.0%

We understand that upon Part II of the Scheme being effective, the equity shares of DKSPL held by DKCMPL and SRBAPL would be cancelled by way of capital reduction.

d] Rainbow Land Developers Private Limited ('Resulting Company' or 'RLDPL')

RLDPL is engaged in the business of real estate.

Snapshot of the unaudited provisional financial statements for the nine months period ended 31 December 2021 and audited financial statements for the financial year ended 31 March 2021 of RLDPL is set out in Annexure 1.

The equity shareholding pattern of RLDPL as at the report date is set out below:

Name of shareholder	Number of equity shares (Face value of INR 10 each)	Percentage %
Dev Kishan Jhaver	2,370	23.7%
Abimanyu Jhaver	7,630	76.3%
Total	10,000	100.0%



e] Tagros Chemicals India Private Limited ('Transferee Company 2' or 'TCIPL')

TCIPL is engaged in the business of manufacturing and export of pesticides, agrochemicals and chemicals for industrial and other purposes.

Snapshot of the unaudited provisional financial statements for the nine months period ended 31 December 2021 and audited financial statements for the financial year ended 31 March 2021 of TCIPL is set out in Annexure 1.

The equity shareholding pattern of TCIPL as at the report date is set out below:

Name of shareholder	Number of equity shares (Face value of INR 10 each)	Percentage %
Dev Kishan Jhaver	10,673	3.2%
Parikshith Jhaver	84,095	25.0%
Kapil Jhaver	84,095	25.0%
Bimla Jhaver	19,763	5.9%
Abhimanyu Jhaver	73,660	21.9%
Srikanta Jhaver	10	0.0%
D.K. Securities Private Limited	64,104	19.1%
Total	3,36,400	100.0%

We understand that upon Part IV of the Scheme being effective, the equity shares of TCIPL held by DKSPPL would be cancelled by way of capital reduction.



SOURCES OF INFORMATION

In connection with preparation of this report, we have used and relied on the following sources of information:

- Audited financial statements of DKCMPL, SRBAPL, DKSPL, RLDPL and TCIPL for the financial year ended 31 March 2021 ('FY21');
- Unaudited provisional financial statements of DKCMPL, SRBAPL, DKSPL, RLDPL and TCIPL for nine months period ended 31 December 2021;
- Unaudited business segment wise balance sheet of DKSPL as at 31 December 2021;
- Shareholding pattern of the Transacting Companies as at the report date;
- Draft composite scheme of arrangement pursuant to which proposed amalgamation and demerger is to be undertaken; and
- Discussion with the Management to understand the rationale and basis for arriving at the recommended share exchange/ entitlement ratio for the proposed amalgamation and demerger respectively;
- Discussion and correspondence with the Management in connection with business operations, past trends, proposed future business plans and prospects of the Transacting Companies;
- Such other information and documents as provided by the Management for the purpose of this engagement.

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, reviews, explanations and information considered reasonably necessary for our exercise, from the Management.

PROCEDURES ADOPTED

Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Reviewed the draft composite scheme of arrangement;
- Reviewed the audited financial statements for the financial year ended 31 March 2020 of the Transacting Companies;
- Reviewed the unaudited provisional financial statements of DKCMPL, SRBAPL, DKSPL, RLDPL and TCIPL for nine months period ended 31 December 2021;
- Reviewed unaudited business segment wise balance sheet of DKSPL as at 31 December 2021;
- Reviewed shareholding pattern of the Transacting Companies as at the report date;
- Confirmation regarding no change is proposed in the shareholding pattern between the report date and scheme implementation date of the Transacting Companies;
- Identifying the shareholders of the Transacting Companies including the cross holding of shares between them;



- Determined the share exchange ratio in discussions with the Management, for issue of equity shares of DKSPL to the equity shareholders of DKCMPL and SRBAPL, as consideration for the proposed amalgamation under Part II of the Scheme after taking into consideration the cancellation of equity shares held by DKSPL in DKCMPL and SRBAPL; cancellation of equity shares held by DKCMPL and SRBAPL in DKSPL by way of capital reduction forming part of the Scheme; and cross holding of shares between the Transacting Companies;
- Determined the share entitlement ratio in discussions with the Management, for issue of equity shares of RLDPL to the shareholders of DKSPL, as consideration for the proposed demerger under Part III of the Scheme;
- Determined the share exchange ratio for proposed amalgamation of DKSPL with TCIPL, in discussions with the Management, for issue of equivalent number of equity shares of TCIPL held by DKSPL to the equity shareholders of DKSPL in proportion to their respective shareholding pattern in DKSPL as consideration for the proposed amalgamation of DKSPL with TCIPL under Part IV of the Scheme;
- Discussion with the Management to obtain requisite explanation and clarification of date provided;
- Analysis of other facts and data as considered necessary;
- Arrived at the final share exchange/ entitlement ratio for the proposed amalgamation and proposed demerger respectively;



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SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

This report, its contents and the results herein are specific and subject to:

- the purpose of valuation agreed as per the terms of the engagement;
- the date of this report;
- shareholding pattern of transacting companies as at the report date and no change in the same prior to the scheme implementation date;
- unaudited provisional financial statements of DKCMPL, SRBAPL, DKSP, RLDPL and TCIPL for nine months period ended 31 December 2021;
- proposed share exchange/ entitlement ratio recommended by the Management;
- draft composite scheme of arrangement; and
- data detailed in the section – Sources of Information

A value analysis of this nature is based on information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Management till the date of this report and other sources, and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair value for arriving at share exchange/ entitlement ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the share exchange/ entitlement ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the share exchange/ entitlement ratio at which the proposed amalgamation/ proposed demerger shall take place will be with the Board of Directors of the Transacting Companies, who should take into account other factors such as their own assessment of the proposed amalgamation/ proposed demerger and input of other advisors.

In the course of our analysis, we were provided with both written and verbal information, by the Management as detailed in the section – Sources of Information.



In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of:

- the accuracy of information made available to us by the Management which formed a substantial basis for the report; and
- the accuracy of information that was publicly available.

We have not carried out a due diligence or audit or review of the Transacting Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the proposed amalgamation/ proposed demerger. We do not express any form of assurance that the financial information or other information as prepared and provided by the Management of Transacting Companies is accurate. Also, with respect to explanations and information sought from the Management, we have been given to understand by the Management that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management has indicated to us that they have understood any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Transacting Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Transacting Companies. However, nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply, and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the transacting companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the Management.

This report does not look into the business/ commercial reasons behind the proposed transaction nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the proposed transaction as compared with any other alternative business arrangement, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of share exchange/ entitlement ratio only.



We would like to emphasize that under Part II of the Scheme, Transferor Company 1 and Transferor Company 2 is proposed to be amalgamated with Transferee Company 1; and the shares held by Transferee Company 1, Transferor Company 2 and Transferor Company 3 amongst themselves shall stand cancelled either automatically or by way of capital reduction. Further, we would like to emphasize that shareholding pattern of individuals (i.e. after ignoring the shares held by these Transacting Companies amongst themselves which would ultimately shall stand cancelled upon Part II of the Scheme being effective) in each of aforesaid Transacting Companies (i.e. DKCMPL, SRBAPL and DKSPL) is same i.e. in terms of shareholders and their respective shareholding percentage, and based on our discussion with the Management, we understand that they do not have plans to change the shareholding pattern prior to the Scheme implementation. Accordingly, all the existing individual shareholders would continue to enjoy entire economic interest, rights, obligation in the same proportion in each of the aforesaid Transacting Companies till the proposed amalgamation is implemented. We understand that upon the Part II of the Scheme being effective, all the individual equity shareholders of the DKCMPL and SRBAPL would be issued equity shares in DKSPL and given that the shareholding pattern of individual shareholders of DKCMPL, SRBAPL and DKSPL is same, their shareholding in DKSPL post amalgamation would mirror their existing shareholding in DKCMPL and SRBAPL pre amalgamation. Accordingly, any share exchange ratio would not have any bearing on ultimate economic interest post implementation of the proposed amalgamation under Part II of the Scheme. In light of the above, we have not carried out any independent valuation of DKCMPL, SRBAPL and RLDPL.

We would like to emphasize that prior to effectiveness of Part III of the Scheme, the shareholding pattern of DKSPL (pursuant to effectiveness of Part II of the Scheme) and shareholding pattern of RLDPL would be same i.e. in terms of shareholders and their respective shareholding percentage, and based on our discussions with the Management, we understand that they do not intend to change the shareholding pattern of DKSPL and RLDPL prior to the implementation of the Scheme. Accordingly, all the shareholders of DKSPL (pursuant to effectiveness of Part II of the Scheme) and existing shareholders of RLDPL would continue to enjoy economic interest, rights, obligation in the same proportion in both the Demerged as well as the Resulting Company till the proposed demerger is implemented and any share entitlement ratio would not have any bearing on ultimate economic interest post implementation of the proposed demerger. In light of the above, we have not carried out any independent valuation of Demerged Business of DKSPL and RLDPL.

We would like to emphasize that pursuant to effectiveness of Part III of the Scheme, DKSPL would comprise mainly of investment in equity shares of TCIPL and would be deriving major of its value from the same. Further, the equity shares held by DKSPL in TCIPL would stand cancelled on Part IV of the Scheme being effective and since it does not hold any other major asset, equity shares of TCIPL equivalent to number of equity shares held in TCIPL by DKSPL would be issued to equity shareholders of DKSPL in proportion of equity shares held by them in DKSPL. Accordingly, the shareholders of DKSPL i.e. promoters of TCIPL indirectly enjoy the economic interest in TCIPL and upon the proposed amalgamation of DKSPL with TCIPL, the shareholders of DKSPL (i.e. promoters of TCIPL) would be entitled to equivalent equity shares of TCIPL in proportion to the equity shares held by them in DKSPL. In light of the above, as no additional consideration is being discharged and also no additional shares are being issued



for the proposed amalgamation under Part IV of the Scheme, we have therefore not carried out any independent valuation of DKSP and TCIP.

Certain terms of the proposed amalgamation and demerger are stated in our report, however the detailed terms of the proposed amalgamation and demerger shall be more fully described and explained in the scheme document to be submitted with relevant authorities in relation to the proposed amalgamation and demerger. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of Transacting Companies who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance shall our liability exceed the amount as agreed in our Engagement Letter.

This valuation report is subject to the laws of India.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the share exchange/ entitlement ratio for the proposed amalgamation/ demerger and the relevant filings to be made in this regard with the regulatory authorities, without our prior written consent.



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RATIONALE FOR SHARE EXCHANGE/ ENTITLEMENT RATIO

a) Recommendation of share exchange ratio for the proposed amalgamation of D.K. Capital Market Private Limited ('DKCMPL') and S R B Agencies Private Limited ('SRBAPL') with D.K. Securities Private Limited ('DKSPL') under Part II of the Scheme.

Part II of the Scheme envisages the proposed amalgamation of DKCMPL and SRBAPL with DKSPL. Taking into consideration the shareholding pattern of DKCMPL, SRBAPL and DKSPL, we understand that each of the aforesaid Transacting Companies holds equity shares in each other i.e. there is cross holding of shares amongst each of them. Apart from the cross holding of shares amongst the aforesaid Transacting Companies, there are individuals holding equity shares in each of the aforesaid Transacting Companies.

As mentioned earlier, as Part II of the Scheme, the shares held by each of the aforesaid Transacting Companies amongst themselves shall stand cancelled either automatically or by way of capital reduction. Further, we would like to emphasize that shareholding pattern of individuals (i.e. after ignoring the shares held by Transacting Companies amongst themselves which would ultimately shall stand cancelled upon Part II of the Scheme being effective) in each of aforesaid Transacting Companies (i.e. DKCMPL, SRBAPL and DKSPL) is same i.e. in terms of shareholders and their respective shareholding percentage, and based on our discussion with the Management, we understand that they do not have plans to change the shareholding pattern prior to the Scheme implementation. Accordingly, all the existing individual shareholders would continue to enjoy entire economic interest, rights, obligation in the same proportion in each of the aforesaid Transacting Companies till the proposed amalgamation is implemented.

We understand that upon the Part II of the Scheme being effective, all the individual equity shareholders of the DKCMPL and SRBAPL would be issued equity shares in DKSPL and given that the shareholding pattern of individual shareholders of DKCMPL, SRBAPL and DKSPL is same, their shareholding in DKSPL post amalgamation would mirror their existing shareholding in DKCMPL and SRBAPL pre amalgamation.

Taking into account the above facts and circumstance, any share exchange ratio can be considered appropriate and fair for the proposed amalgamation as the proportionate economic interest of the ultimate individual shareholders would remain same and not vary and we have therefore not carried out any independent valuation of DKCMPL, SRBAPL and DKSPL. The Management has proposed a share exchange ratio as follows:

To the equity shareholders of DKCMPL

"1 (One) equity share of DKSPL of face value of INR 10 each fully paid up shall be issued for every 1 (One) equity shares of INR 10 each fully paid up held in DKCMPL".

To the equity shareholders of SRBAPL

"1 (One) equity share of DKSPL of face value of INR 10 each fully paid up shall be issued for every 1 (One) equity shares of INR 10 each fully paid up held in SRBAPL".



Therefore, in our view, the above Share Exchange Ratio is fair and equitable, considering that all the individual shareholders of DKCMPL and SRBAPL will upon the proposed amalgamation under Part II of the Scheme, have their inter-se economic interests, rights, obligations in DKSPIL post-amalgamation in the same proportion as their economic interests, rights and obligations in DKCMPL and SRBAPL pre-amalgamation.

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and subject to our scope, limitations as mentioned in the report, we recommend for the proposed amalgamation under Part II of the Scheme, the following share exchange ratio of:

To the equity shareholders of DKCMPL

"1 (One) equity share of DKSPIL of face value of INR 10 each fully paid up shall be issued for every 1 (One) equity shares of INR 10 each fully paid up held in DKCMPL".

To the equity shareholders of SRBAPL

"1 (One) equity share of DKSPIL of face value of INR 10 each fully paid up shall be issued for every 1 (One) equity shares of INR 10 each fully paid up held in SRBAPL".



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b) Recommendation of share entitlement ratio for the proposed demerger of 'Identified Leasing and Other Business' ('Demerged Business') of D.K. Securities Private Limited ('DKSPL' or 'Demerged Company') into Rainbow Land Developers Private Limited ('RLDPL' or 'Resulting Company') under Part III of the Scheme.

Part III of the Scheme envisages the proposed demerger of 'Identified Leasing and Other Business' of DKSPL into RLDPL. DKSPL has identified all the assets and liabilities of the Demerged Business which are to be taken over by and transferred to RLDPL.

We would like to emphasize that prior to effectiveness of Part III of the Scheme, the proposed shareholding pattern of DKSPL (pursuant to effectiveness of Part II of the Scheme) and shareholding pattern of RLDPL would be same i.e. in terms of shareholders and their respective shareholding percentage, and based on our discussions with the Management, we understand that they do not intend to change the shareholding pattern of DKSPL and RLDPL prior to the implementation of the Scheme. Accordingly, all the shareholders of DKSPL (pursuant to effectiveness of Part II of the Scheme) and existing shareholders of RLDPL would continue to enjoy economic interest, rights, obligation in the same proportion in both the Demerged as well as the Resulting Company till the proposed demerger is implemented.

We understand that, upon the Part III of the Scheme being effective, all the equity shareholders of the Demerged Company (pursuant to effectiveness of Part II of the Scheme) would be issued equity shares in Resulting Company and given that the shareholding pattern of both DKSPL and RLDPL would be same post effectiveness of Part II of the Scheme, their shareholding in RLDPL post demerger would mirror their proposed shareholding in DKSPL pre-demerger.

Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the proposed demerger as the proportionate shareholding of any shareholder would remain same and not vary and we have therefore not carried out any independent valuation of subject Demerged Business and Resulting Company. The Management has proposed a share entitlement ratio of "1 (One) equity share of RLDPL of face value of INR 10 each fully paid up shall be issued for every 1 (One) equity shares of INR 10 each fully paid up held in DKSPL".

The Share Entitlement Ratio has been recommended keeping in mind the current business activities of the Resulting Company, shareholders of the Demerged Company and Resulting Company and their economic interest in the Demerged Company.

The effect of demerger is that each shareholder of DKSPL becomes the owner of shares in two companies instead of one. No shareholder is, under the scheme, required to dispose off any part of his shareholding either to any of the other shareholders or in the market or otherwise. The scheme does not envisage the dilution of the holding of any one or more shareholders as a result of the operation of the scheme. Post demerger, the percentage holding of a shareholder in DKSPL and in RLDPL would remain unchanged.

Upon issuance of equity shares basis the Share entitlement Ratio, the equity shareholders of DKSPL and RLDPL would be same including their respective shareholding percentage.

Therefore, in our view, the above Share Entitlement Ratio is fair and equitable, considering that all the shareholders of DKSPL (post effectiveness of Part II of the Scheme), will, upon the



proposed demerger, have their inter-se economic interests, rights, obligations in RLDPL post-demerger in the same proportion as their economic interests, rights and obligations in DK SPL pre-demerger.

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and subject to our scope, limitations as mentioned in the report; and based upon discussion with the Management and keeping in mind the future equity capital requirements and servicing capacity of RLDPL, we recommend for the proposed demerger under Part III of the Scheme, the following share entitlement ratio of:

To the equity shareholders of DK SPL

"1 (One) equity shares of RLDPL having face value of INR 10 each fully paid up shall be issued for every 1 (One) equity shares held in DK SPL having face value of INR 10 each fully paid up."

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c) Recommendation of share exchange ratio for the proposed amalgamation of D.K. Securities Private Limited ('DKSPL' or 'Transferor Company 3') with Tagros Chemicals India Private Limited ('TCIPL' or 'Transferee Company 2') under Part IV of the Scheme.

Part IV of the Scheme envisages proposed amalgamation of DKSPL into TCIPL pursuant to the effectiveness of Part III of the Scheme. We would like to emphasize that pursuant to effectiveness of Part III of the Scheme, DKSPL would comprise of trading and subleasing business and investment in equity shares of TCIPL. Based on discussion with the Management, we understand that DKSPL would derive major of its value from the investment it holds in equity shares of TCIPL as the trading and sub leasing business carried on by DKSPL are not significant. We have therefore not carried out any independent valuation of trading and subleasing business carried on by DKSPL. Accordingly, the shareholders of DKSPL i.e. promoters of TCIPL indirectly enjoy the economic interest in TCIPL and upon the proposed amalgamation of DKSPL with TCIPL, the shareholders of DKSPL (i.e. promoters of TCIPL) would be entitled to equivalent equity shares of TCIPL in proportion to the equity shares held by them in DKSPL.

We understand that upon the Scheme being effective, no additional consideration is being discharged except for shares of TCIPL being issued to the shareholders of DKSPL in lieu of equal number of shares as held by DKSPL in TCIPL which is being duly cancelled. Thus, for every fresh issue of equity share of TCIPL to the shareholders of DKSPL, there is a corresponding cancellation of an existing share of TCIPL held by DKSPL. Given that no additional consideration is being discharged and also no additional shares being issued for the proposed amalgamation, we have therefore not carried out any independent valuation of either of Transacting Companies.

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and subject to our scope, limitations as mentioned in the report, we recommend for the proposed amalgamation under Part IV of the Scheme, the following share exchange ratio of:

"64,104 (Sixty Four Thousand One Hundred and Four) fully paid up equity shares of the face value of INR 10 each of TCIPL shall be issued and allotted as fully paid up equity shares to the equity shareholders of DKSPL, in proportion to their holding of fully paid up equity shares of the face value of INR 10 each in DKSPL."



Respectfully submitted,

A handwritten signature in black ink, appearing to read "Niranjn".

Niranjn Kumar
Registered Valuer- Securities or Financial Assets
IBBI Registration Number: IBB1/RV/06/2018/10137
ICAIRVO/06/RV-P000021/2018-19
UDIN: 22121635AFVBUF2694

Date: 28 March 2022
Place: Pune

Annexure-1

Snapshot of the financial statements of Transacting Companies are set out below:

A) D.K. Capital Market Private Limited ('Transferor Company 1' or 'DKCMPL')

Snapshot of the unaudited provisional financial statements for nine months period ended 31 December 2021 and audited financial statements for the year ended 31 March 2021 of DKCMPL is set out below:

Balance sheet as at			Profit and loss statement for the period/year ended		
INR in Lakh			INR in Lakh		
Particulars	31-Dec-21	31-Mar-21	Particulars	31-Dec-21	31-Mar-21
	Unaudited	Audited		Unaudited	Audited
Equity and liabilities					
Shareholder's funds					
Share capital	21.8	21.8	Revenue	36.4	15.1
Reserves and surplus	136.9	100.5	Expenses:		
Current liabilities					
Other current liabilities	0.2	0.2	Other operating expenses	(0.0)	(0.3)
Total equity and liabilities	158.9	122.5	PAT	36.4	14.8
Assets					
Non-current assets					
Investments	137.7	101.3			
Current assets					
Cash and cash equivalents	20.5	20.6			
Other current assets	0.6	0.6			
Total assets	158.9	122.5			

B) S R B Agencies Private Limited ('Transferor Company 2' or 'SRBAPL')

Snapshot of the unaudited provisional financial statements for nine months period ended 31 December 2021 and audited financial statements for the year ended 31 March 2021 of SRBAPL is set out below:

Balance sheet as at			Profit and loss statement for the period/year ended		
INR in Lakh			INR in Lakh		
Particulars	31-Dec-21	31-Mar-21	Particulars	31-Dec-21	31-Mar-21
	Unaudited	Audited		Unaudited	Audited
Equity and liabilities					
Shareholder's funds					
Share capital	133.3	133.3	Revenue		
Reserves and surplus	539.2	522.6	Revenue from operations	17.9	61.7
Non current liabilities					
Other non current liabilities	1.1	1.1	Total revenue	17.9	61.7
Current liabilities					
Other current liabilities	14.7	15.2	Expenses		
Total equity and liabilities	688.4	672.2	Other operating expenses	(1.3)	(1.0)
Assets					
Non-current assets					
Non current investments	220.7	203.7	PBT	16.6	60.7
Current assets					
Cash and cash equivalents	0.9	2.1	Tax expense	-	(13.2)
Other current assets	466.8	466.5	PAT	16.6	47.5
Total assets	688.4	672.2			



C] D.K. Securities Private Limited ('Transferor Company 3' Or 'Demerged Company' Or 'Transferee Company 1' or 'DKSPL')

Snapshot of the unaudited provisional financial statements for nine months period ended 31 December 2021 and audited financial statements for the year ended 31 March 2021 of DKSPL is set out below:

Balance sheet as at			Profit and loss statement for the period/year ended		
INR in Lakh			INR in Lakh		
Particulars	31-Dec-21	31-Mar-21	Particulars	31-Dec-21	31-Mar-21
	Unaudited	Audited		Unaudited	Audited
Equity and liabilities			Revenue		
Shareholder's funds			Revenue from operations		
Share capital	44.4	44.4		40.0	50.0
Reserves and surplus	5,644.3	2,097.2	Total revenue	40.0	50.0
Non-current liabilities			Expenses		
Other non current liabilities	-	41.7	Other operating expenses		
Current liabilities			EBITDA		
Other current liabilities	32.0	38.7	Depreciation and amortisation		
Total equity and liabilities	5,720.7	2,222.0	EBIT		
Assets			Finance cost		
Non-current assets			Other income		
Net fixed assets	854.7	860.1	PBT		
Other non current assets	3,086.9	49.4	Tax expense		
Current assets			PAT		
Trade Receivable	36.0	-	3,547.1		
Cash and cash equivalents	44.4	72.6	152.9		
Other current assets	1,698.8	1,240.0			
Total assets	5,720.7	2,222.0			

Snapshot of the unaudited business segment wise balance sheet for the year ended 31 December 2021 of DKSPL is set out below:

Balance sheet as at		
INR in Lakh		
Particulars	Leasing and	Remaining
	Identified	Business
	Business	Business
	31 December 2021	31 December 2021
	Unaudited	Unaudited
Equity and liabilities		
Other equity		
Share capital	-	44.4
Reserves and surplus	5,662.4	(18.1)
Current liabilities		
Other current liabilities	32.0	-
Total equity and liabilities	5,694.4	26.3
Assets		
Non-current assets		
Net fixed assets	854.7	-
Investment in equity shares of other companies	3,058.6	-
Investment in equity shares of Tagros	-	26.3
Other non current assets	2.0	-
Current assets		
Trade Receivable	36.0	-
Cash and cash equivalents	44.4	-
Other current assets	1,698.8	-
Total assets	5,694.4	26.3



D] Rainbow Land Developers Private Limited Private Limited ('Resulting Company' or 'RLDPL')

Snapshot of the unaudited provisional financial statements for nine months period ended 31 December 2021 and audited financial statements for the year ended 31 March 2021 of RLDPL is set out below:

Balance sheet as at

INR in Lakh			
Particulars	31-Dec-21	31-Mar-21	
	Unaudited	Audited	
Equity and liabilities			
Shareholder's funds			
Share capital	1.0	1.0	
Reserves and surplus	44.5	37.2	
Current liabilities			
Short term borrowings	1.2	1.2	
Other current liabilities	0.2	0.2	
Total equity and liabilities	46.9	39.6	
Assets			
Non-current assets			
Non current investments	46.2	38.9	
Other non current assets	0.3	0.3	
Current assets			
Cash and cash equivalents	0.4	0.4	
Total assets	46.9	39.6	

Profit and loss statement for the period/year ended

INR in Lakh			
Particulars	31-Dec-21	31-Mar-21	
	Unaudited	Audited	
Revenue from operations	-	-	
Total revenue	-	-	
Expenses			
Other operating expenses	-	(0.1)	
EBITDA	-	(0.1)	
Depreciation and amortisation	-	-	
EBIT	-	(0.1)	
Finance costs	-	-	
Other income	7.3	4.3	
PBT	7.3	4.2	
Tax expense	-	-	
PAT	7.3	4.2	



E] Tagros Chemicals India Private Limited ('Transferee Company 2' or 'TCIPL')

Snapshot of the unaudited provisional financial statements for nine months period ended 31 December 2021 and audited financial statements for the year ended 31 March 2021 of TCIPL is set out below:

Balance sheet as at		
INR in Lakh		
Particulars	31-Dec-21	31-Mar-21
	Unaudited	Audited
Equity and liabilities		
Shareholder's funds		
Share capital	33.6	34.0
Reserves and surplus	1,41,849.9	1,19,856.7
Non-current liabilities		
Long term borrowings	26,221.5	22,571.5
Other non current liabilities	11,917.8	11,638.8
Current liabilities		
Short term borrowings	78,645.8	31,771.5
Trade payables	54,829.5	41,330.5
Other current liabilities	2,248.9	43,670.5
Total equity and liabilities	3,15,747.1	2,70,873.4
Assets		
Non-current assets		
Net fixed assets	99,208.9	94,518.3
Other non current assets	53,273.8	48,704.6
Current assets		
Inventories	42,500.6	38,507.9
Trade receivables	84,697.0	50,678.8
Cash and cash equivalents	2,248.3	4,356.4
Other current assets	33,818.4	34,107.5
Total assets	3,15,747.1	2,70,873.4

Profit and loss statement for the period/year ended		
INR in Lakh		
Particulars	31-Dec-21	31-Mar-21
	Unaudited	Audited
Revenue		
Revenue from operations	1,91,660.0	1,98,640.7
Total revenue	1,91,660.0	1,98,640.7
Expenses		
Cost of goods sold	(94,989.3)	(85,893.7)
Employee benefit expenses	(9,501.3)	(10,641.9)
Other operating expenses	(41,177.5)	(43,153.9)
EBITDA	45,992.0	58,951.2
Depreciation and amortisation	(16,609.8)	(21,468.7)
EBIT	29,382.1	37,482.5
Finance cost	(3,673.9)	(5,114.5)
Other income	7,077.3	21,033.6
PBT (before exceptional items)	32,785.6	53,401.6
Exceptional items	(727.6)	(387.1)
PBT	32,057.9	53,014.4
Tax expense	705.8	(22,829.2)
PAT	32,763.7	30,185.3



REPORT OF THE BOARD OF DIRECTORS OF TAGROS CHEMICALS INDIA PRIVATE LIMITED
PURSUANT TO SECTION 232(2) (c) OF THE COMPANIES ACT, 2013

The Board considered and approved the Composite Scheme of Arrangement presented under Section 230 to 232 and Section 66 and other applicable provisions of Companies Act, 2013 ('the Act') between D.K. Capital Market Private Limited ("DK Capital" or the "Amalgamating Company 1" or "Transferor Company 1") and S R B Agencies Private Limited ("SRB Agencies" or the "Amalgamating Company 2" or "Transferor Company 2") and D.K. Securities Private Limited ("DK Securities" or the "Amalgamating Company 3" or "Demerged Company" or "Transferor Company 3" or "Transferee Company 1") and Rainbow Land Developers Private Limited ("Rainbow" or "Resulting Company") and Tagros Chemical India Private Limited ("Tagros" or "Transferee Company 2") and their respective shareholders as, inter alia, the same would be in the best interests of the shareholders, creditors, employees and other stakeholders of the Companies, as it would result in enhancement of shareholder value, operational efficiencies and greater focus and would enable the management of each of the companies to vigorously pursue revenue growth and expansion opportunities through organic and inorganic growth.

The Composite Scheme of Arrangement presented under Section 230 to 232 and Section 66 and other applicable provisions of Companies Act, 2013 ('the Act') between D.K. Capital Market Private Limited ("DK Capital" or the "Amalgamating Company 1" or "Transferor Company 1") and S R B Agencies Private Limited ("SRB Agencies" or the "Amalgamating Company 2" or "Transferor Company 2") and D.K. Securities Private Limited ("DK Securities" or the "Amalgamating Company 3" or "Demerged Company" or "Transferor Company 3" or "Transferee Company 1") and Rainbow Land Developers Private Limited ("Rainbow" or "Resulting Company") and Tagros Chemicals India Private Limited ("Tagros" or "Transferee Company 2") and their respective shareholders ('the Scheme') was approved and deliberated by the Board at its captioned meeting

While deliberating on the Scheme, the Board had, inter alia, considered and taken on record:

- Draft of the proposed Scheme;
- That the Scheme does not affect rights and interest of the Promoters and Non-Promoter Shareholders and key managerial personnel of the Company prejudicially;
- That there is no adverse effect of the Scheme on the Directors or their relatives; and
- Under the Scheme, an arrangement is sought to be entered into between the Company and its shareholders. Upon the effectiveness of the Scheme, company shall allot equity shares, based on the Share Exchange Ratio as under and more particularly and in the manner as stipulated in relevant clause of the Scheme, to the equity shareholders of Transferor Company 3:

"64,104 (Sixty Four Thousand one hundred and four) fully paid-up equity shares of Rs. 10/- each of the Transferee Company 2 in proportion of their holding of equity shares of Rs. 10/- each of Transferor Company 3 as on Record Date 3"

- No special valuation difficulties were reported by the Valuers

Approved and adopted by the Board of Directors at their meeting held on March 29, 2022.

By order of the Board

For Tagros Chemicals India Private Ltd

Sd/-

PARIKSHITH JHAVER

Director, DIN: 00341448

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH
COMPANY APPLICATION NO. C.A. (CAA)/47(CHE)/2022**

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Composite Scheme of Arrangement between D.K. Capital Market Private Limited and S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited and Tagros Chemicals India Private Limited and their respective shareholders.

<p>TAGROS CHEMICALS INDIA PRIVATE LIMITED having its registered office at "Tagros House", 4th Floor, No.4 (Old 10), Club House Road, Anna Salai, Chennai - 600 002 CIN: U24294TN1992PTC024115 PAN:AAACT2952K</p>	<p align="center">Applicant Company 4 / Transferee Company 2</p>
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FORM OF PROXY

I/We, the undersigned Unsecured Creditor(s) of TAGROS CHEMICALS INDIA PRIVATE LIMITED hereby appoint _____ of _____ and failing him/her _____ of _____ as my/our proxy to act for me / us on my /our behalf at the Meeting of the Unsecured Creditor(s) of TAGROS CHEMICALS INDIA PRIVATE LIMITED to be held on 24.09.2022 at Tagros House, No.04(Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002 at 4.30 pm for the purpose of considering and if thought fit, approving with or without modification(s), the Composite Scheme of Arrangement between D.K. Capital Market Private Limited and S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited and Tagros Chemicals India Private Limited and their respective shareholders, at such meeting and at any adjournment or adjournments thereof to vote for me/us and in my/our name _____, (here, if 'for', insert 'for', if 'against' insert 'against', and in the latter case, strike out the words below after "Composite Scheme of Arrangement") relating to the said Composite Scheme of Arrangement and the resolution, either with or without modification, as my/our proxy may approve.

[Strike out what is not necessary]

Dated this day of 2022

Name: _____ Address: _____

Signature _____

<p><i>Affix Re. 1 Revenue Stamp</i></p>

Note : 1. All alterations made in the Form of Proxy should be initialed.
Proxy, in order to be effective, to be deposited at the registered office of the Company at Tagros House, No.04 (Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002 not later than 48 hours before the meeting.

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH
COMPANY APPLICATION NO. C.A. (CAA)/47(CHE)/2022**

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with
Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Composite Scheme of Arrangement between D.K. Capital Market Private Limited and
S R B Agencies Private Limited and D.K. Securities Private Limited and Rainbow Land Developers Private Limited
and Tagros Chemicals India Private Limited and their respective shareholders.

<p>TAGROS CHEMICALS INDIA PRIVATE LIMITED having its registered office at "Tagros House", 4th Floor, No.4 (Old 10), Club House Road, Anna Salai, Chennai - 600 002 CIN: U24294TN1992PTC024115 PAN:AAACT2952K</p>	<p align="center">Applicant Company 4 / Transferee Company 2</p>
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ATTENDANCE SLIP

MEETING OF THE UNSECURED CREDITORS ON 24.09.2022at Tagros House, No.04 (Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002.

NAME OF THE UNSECURED CREDITOR/PROXY HOLDER	
ADDRESS	
AMOUNT DUE	
SIGNATURE	

I certify that I am Unsecured Creditor / proxy for the Unsecured Creditor of the Transferee Company 2

I hereby record my presence at the **MEETING OF THE UNSECURED CREDITORS OF TAGROS CHEMICALS INDIA PRIVATE LIMITED** held on 24.09.2022 a Tagros House, No.04 (Old.10), Club House Road, Anna Salai, Chennai, Tamil Nadu 600002.

Signature of Unsecured Creditor / Proxy

Route Map

