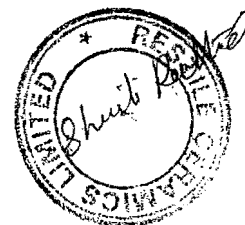
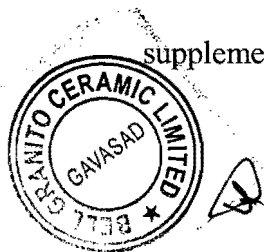


SCHEME OF AMALGAMATION
BETWEEN
RESTILE CERAMICS LIMITED
(THE TRANSFEROR COMPANY)
(CIN: L26931GJ1986PLC102350)
AND
BELL GRANITO CERAMICA LIMITED
(THE TRANSFEREE COMPANY)
(CIN: U18907GJ1993PLC018901)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(UNDER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013 READ WITH
RULES MADE THEREUNDER)

PREAMBLE

This Scheme of Amalgamation (as defined hereinafter) is presented pursuant to the provisions of Sections 230 to 232 of the Act (as defined hereinafter) and other relevant provisions of the Act and the rules prescribed thereunder, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, rules and regulations thereunder, including any statutory modification, re-enactments or amendments until the Scheme is effective for, in relation to amalgamation of Restile Ceramics Limited with Bell Granito Ceramica Limited and for matters consequential, supplemental and/or otherwise integrally connected therewith.



(A) Description of Companies

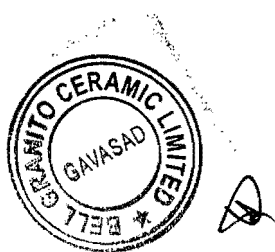
1. Restile Ceramics Limited having CIN: L26931GJ1986PLC102350 (hereinafter referred to as “RCL” or “Transferor Company”)

(i) The Transferor Company was incorporated on 26th day of May, 1986 as Restile Ceramics Private Limited with the Registrar of Companies, Andhra Pradesh under the provisions of the Companies Act, 1956. The word “Private” was deleted with effect from 23rd January 1989 in terms of section 21, 31, 44 of the Companies Act, 1956 resulting into **Restile Ceramics Limited**. The Transferor Company is listed company, having its equity shares listed on Bombay Stock Exchange Limited (‘BSE’). The Registered office of the Transferor Company was shifted to the state of Gujarat on 15th May 2018 from the state of Andhra Pradesh under section 13(5) of the Companies Act, 2013 by order of Regional Director for change of state and is having its registered office at 204, Sakar Complex, Opposite ABS Tower, Vaccine Crossing, Old Padra Road, Vadodara 390015, Gujarat. The Income Tax Permanent Account Number (PAN) of RCL is AABCR1336G.

(ii) The Transferor Company is in the business of manufacturing flooring tiles and full body homogenous vitrified tiles.

2. Bell Granito Ceramica Limited (hereinafter referred to as “BGCL” or “Transferee Company”)

(i) The Transferee Company was incorporated on 29th day of January 1993 as Bell Futura Tiles Limited, an unlisted public limited company, with the Registrar of



Companies, Gujarat, under the provisions of the Companies Act, 1956 having its registered office at At & Post Village Gavasad taluka, Padra, Baroda – 391430, Gujarat. The Transferee Company changed its name to Bell Granito Ceramica Limited on 13th May 1994. The Income Tax Permanent Account Number (PAN) of BGCL is AAACB9401D.

- (ii) The Transferee Company is also engaged in the business of manufacturing of flooring tiles and vitrified flooring tiles.

(B) Rationale and Purpose of the Scheme

The Transferor Company is engaged in the business of vitrified ceramic tiles since last 3 decades. The Transferor Company has been closely associated with the Transferee Company (*engaged in the similar business*) and as on date is directly or indirectly held by the same promoter group. The Transferor Company due to non-availability of natural gas (a key component) for its production process at its Hyderabad plant has been dependent on the Transferee Company for its sustainability, supplies and continuity of business.

In this regard, the proposed amalgamation of Transferor Company into Transferee Company shall result into several advantages to the companies and their stakeholders. Some of them, inter *alia*, are:

- (i) The Transferor Company is listed on BSE and having 24,506 public shareholders holding 28.04% stake in the Transferor Company. The proposed amalgamation would provide sustainability and viability to business of Transferor Company and thereby would be in interest of such public shareholders;



- (ii) The proposed amalgamation of the Transferor Company with Transferee Company would achieve the following: –
- a. Reduction in overheads, administrative, managerial and other expenditure;
 - b. Significant reduction in the multiplicity of legal and regulatory compliances;
 - c. Rationalization of inter-company / related party transactions; and
 - d. Streamlining the cashflow, effective utilization of the tax credits
- (iii) The proposed amalgamation would provide a greater financial strength base for the Transferor Company, which would result in maximizing overall public shareholders value, and will improve the overall position of the entity;
- (iv) Subsequent to the proposed amalgamation, the Transferee Company would be listed on a recognized stock exchange and this would overall improve the position / marketability and enhance branding and corporate value of the merged entity; and
- (v) The proposed merger shall not be prejudicial to the interest of the shareholders including public shareholders and shall not have any adverse impact on creditors and other stakeholders of the Transferor Company and Transferee Company.

In view of the aforesaid, the Board of Directors of Transferor Company and Transferee Company have considered and proposed the Scheme, in nature of amalgamation for consolidation of operations carried by Transferor Company into Transferee Company, under Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

(C) Operations of the Scheme

This Scheme provides for:



Amalgamation of the Transferor Company with the Transferee Company and the consequent issue of shares by the Transferee Company to the shareholders of Transferor Company in the manner set out in this Scheme (*as defined hereinafter*) and other applicable provisions of Applicable Law.

(D) Treatment of Scheme for the purpose of the Income Tax Act, 1961

This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) and other applicable provisions of the Income-tax Act, 1961. If any of the terms or provisions of this Scheme is/are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961 at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) 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) of the Income-tax Act, 1961.



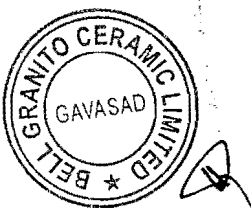
PARTS OF THIS SCHEME

This Scheme of Amalgamation is divided into the following parts: -

Part A deals with Definitions, Interpretations of various capitalised terms as used in this Scheme and Capital Structure of the Transferor Company and the Transferee Company;

Part B deals with the amalgamation of the Transferor Company with the Transferee Company and its consideration thereof;

Part C deals with the General Terms and Conditions applicable to this Scheme.



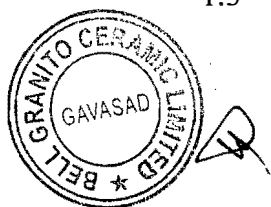
PART - A

DEFINITIONS, INTRPRETATION, DATE OF TAKING EFFECT & CAPITAL STRUCTURE

1. DEFINITIONS

In this Scheme unless repugnant to the meaning or context thereof,

- i. Capitalised Terms defined by inclusion in quotation and/or parenthesis have the meaning so ascribed.
- ii. Subject to (iii), all the terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, shall have the same meaning ascribed to them under the Act and other Applicable Law(s), rules, regulations, byelaws, as the case may be or any statutory modification(s) or re-enactment(s) thereof from time to time.
- iii. The following expressions shall have the following meanings:
 - 1.1 “**Act**” or “**The Act**” means the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, for time being in force, including any statutory modifications, re-enactments or amendments thereof.
 - 1.2 “**Accounting Standards**” means the Accounting Standards as notified under Section 133 of the Act, as amended from time to time, issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India.
 - 1.3 “**Applicable Laws**” means any applicable central, provincial, local or other law



including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Companies; (b) permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Companies.

1.4 **“Appointed Date”** shall mean the opening of business hours on 1st April 2023.

1.5 **“Appropriate Authority”** means any applicable government, statutory, departmental or public body or authority in India including but not limited to NCLT, Regional Director, Registrar of Companies, NCLT, Official Liquidator and Income Tax Authorities.

1.6 **“Board of Directors” or “Board” or “Management”** in relation to Transferor Company and Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining of the Scheme.

1.7 **“Effective Date”** means the last of the date on which the conditions specified in Clause 18 of this Scheme are fulfilled with respect to the Scheme. References in this Scheme to the date of “coming into effect of this Scheme” or “upon the Scheme being



effective” shall mean the Effective Date.

1.8 **“Companies”** mean collectively the Transferor Company and the Transferee Company.

1.9 **“National Company Law Tribunal” or “NCLT”** means the National Company Law Tribunal, Ahmedabad Bench at Ahmedabad, Gujarat and shall include, if applicable, such other forum or authority as may be vested with the powers of the NCLT under the Act.

1.10 **“Record Date”** means such date after the Effective Date fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferor Company to whom shares of the Transferee Company shall be allotted pursuant to amalgamation under this Scheme.

1.11 **“RoC”** means the Registrar of Companies having jurisdiction over the Transferor Company and Transferee Company as the case may be.

1.12 **“SAST Regulations”** means the Securities and Exchange of Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;

1.13 **“Scheme of Amalgamation” or “this Scheme” or “the Scheme” or “Scheme”** means this Scheme of Amalgamation of Restile Ceramics Limited with Bell



Granito Ceramica Limited in its present form or with any modification(s) thereto as may be imposed by the Tribunal or any modification(s) sought by the Parties as approved by the NCLT.

- 1.14 **“SEBI”** means the Securities Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.
- 1.15 **“SEBI Scheme Circular”** means the SEBI ‘Master Circular on (i) Scheme of Arrangement by Listed Entities, and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957,’ dated November 23, 2021, bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665.
- 1.16 **“Transferor Company”** shall have the meaning assigned to it in paragraph A (1) of the Preamble of the Scheme.
- 1.17 **“Transferee Company”** shall have the meaning assigned to it in paragraph A (2) of the Preamble of the Scheme.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.



2. **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 NCLT or as made as per Clause 19 (Modifications/Amendments to the Scheme) of the Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. **SHARE CAPITAL STRUCTURE**

3.1 The Share Capital structure of the Transferor Company as on 31st December 2022:

Particulars	Amount (INR)
Authorized capital	
10,00,00,000 equity shares of INR 10/- each	100,00,00,000
Total	100,00,00,000
Issued, subscribed and paid-up capital	
9,82,79,239 equity shares of INR 10/- each fully paid up	98,27,92,390
Total	98,27,92,390

Subsequent to 31st December 2022 and until the date of approving the Scheme by the Board of Directors of the Transferor Company, there has been no change in the above-mentioned issued, subscribed and paid-up share capital of the Transferee Company.

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



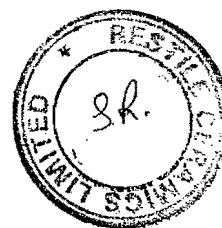
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3.2 The Share Capital structure of Transferee Company as on 31st December 2022 is as follows:

Particulars	Amount (INR)
Authorized Capital	
38,60,00,000 equity shares of INR 10/- each	386,00,00,000
Total	386,00,00,000
Issued, Subscribed and Paid-up	
38,53,45,366 equity shares of INR 10/- each fully paid up	385,34,53,660
Total	385,34,53,660

Subsequent to 31st December 2022 and until the date of approving the Scheme by the Board of Directors of the Transferor Company, there has been no change in the above-mentioned issued, subscribed and paid-up share capital of the Transferee Company.



PART B

AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

4. TRANSFER AND VESTING OF ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANY

4.1 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, and subject to the provisions of the Scheme in relation to mode of transfer and vesting, all the assets and liabilities of the Transferor Company shall 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 Transferee Company so as to become on and from the Appointed Date the estate, assets, rights, title, interests and authorities of Transferee Company, pursuant to the provisions of Section 230 to 232 of the Act.

4.2 Without prejudice to generality of the aforesaid clause 4.1 above –

- (a) All assets (including intangible assets,) and properties of Transferor Company as are movable in nature or incorporeal property or otherwise capable of transfer by delivery of possession or by endorsement and / or delivery, the same shall stand so transferred by the Transferor Company upon the coming into effect of the Scheme, to the end and intent that the rights, titles, interest and property therein passes to Transferee Company and shall, become the assets and property of Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 232 of



the Act, without requiring any deed or instrument of conveyance for transfer of the same. No additional stamp duty shall be payable on the transfer of such movable properties (including shares and other investments) upon its transfer and vesting in Transferee Company.

- (b) In respect of other assets pertaining to the Transferor Company including but not limited to actionable claims, sundry debtors, outstanding loans, advances, recoverable in cash or kind or for value to be received and deposits / bonds with the government, semi-government, local and other authorities and bodies, customers or any other person, the same shall, without any further act, instrument or deed, be transferred and vested in Transferee Company on the Effective Date pursuant to the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, with effect from the Appointed Date. It is hereby clarified that all the investments made by Transferor Company and all the rights, title and interests of Transferor Company in any leasehold properties in relation to the Undertaking of the Transferor Company shall, pursuant to Section 230 to 232 and all other applicable provisions, if any, of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in Transferee Company.
- (c) Any and all immovable properties (including land together with the building and structures standing thereon and rights and interest in immovable properties) of Transferor Company, whether freehold or leasehold and any



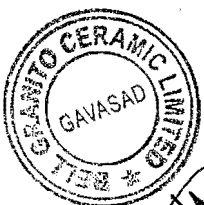
documents of title, rights and easements in relation thereto shall stand transferred to and be vested in Transferee Company, without any act or deed done by the Transferor Company or Transferee Company. With effect from the Appointed Date, Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfill all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties in the name of Transferee Company shall be made and duly recorded with the appropriate authorities upon this Scheme being effective in accordance with the terms hereof without any further act or deed on part of the Transferee Company except the payment of stamp duty, as may be applicable for such Scheme.

- (d) In respect of such of the assets belonging to Transferor Company other than referred to in clause (a) to (c) above, the same shall be transferred to and vested in and / or deemed to be transferred to and vested in Transferee Company on the Appointed Date pursuant to the provisions of Section 232 of the Act.
- (e) All debts, loans and liabilities including contingent liabilities, duties and obligations of the Transferor Company as on the Appointed Date and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, loans and liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or any income earned on those assets.



(f) It is hereby clarified that if any assets (freehold or leasehold, fixed or current, tangible or intangible) or any contract, deeds, bond, agreements, schemes, arrangements or other instruments of whatsoever nature in which the Transferor Company owns or the Transferor Company is a party and which cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company in so far as it is permissible so to do, till such time as the transfer is effected.

4.3 Upon this Scheme becoming effective, with effect from the Appointed Date, all intellectual property rights (including applications for registrations of the same and the right to use such intellectual property rights), trade and service names and marks, patents, copyrights, brand names, trademarks registered including but not limited to Restile R Logo (Trade Mark No. 2905177), Mirrorstone (Trade Mark No. 1261889), Impacta (Trade Mark No. 1120183), Restile (Trade Mark No. 562342), Pearl Rock (Trade Mark No. 1457843), Granamite (Trade Mark No. 1507358) and other intellectual property rights of any nature whatsoever, trade secrets, confidential information, domain names, books, records, files, papers, software licenses (whether proprietary or otherwise), data and all other records and documents whether in physical or electronic form of the Transferor Company and unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and all such other industrial and intellectual property rights of whatsoever nature shall stand transferred and vested with the



Transferee Company by operation of law. The Transferee Company 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;

4.4 All permits, approvals, consents, quotas, rights, authorizations, entitlements, registrations, no-objection certificates and licenses including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company are a party or to the benefit of which the Transferor Company may be entitled to use or which may be required to carry on the operations of the Transferor Company and which is subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant statutory authorities or any third party in favour of the Transferee Company in accordance with the Applicable Law.

4.5 The entitlement to various benefits under exemption schemes, incentive schemes, subsidies / grant, tax holiday, any privileges enjoyed / conferred upon/ held/ availed of by the Transferor Company and insurance policies in relation to the Transferor Company shall stand transferred to and be vested in and/ or deemed to have been transferred to and vested in Transferee Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include incentives available under Applicable Laws in relation to the Transferor



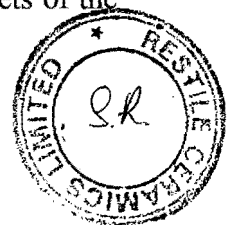
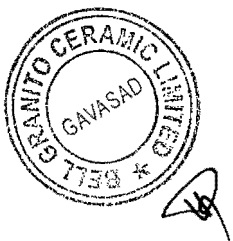
Company to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company was originally entitled to all such benefits under such incentive schemes and / or policies, subject to continued compliance by the Transferee Company of all the terms and conditions based on which the benefits under such incentive schemes were made available to Transferor Company.

- 4.6 Transferee Company, 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, writings, confirmations or notices with, or in favour of, any other party to any contract or arrangement to which Transferor Company is the party or any writings as may be necessary to be executed in order to give formal effect to the provisions of the Scheme. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company and to implement and carry out all such formalities or compliance referred to above for and on behalf of the Transferor Company.
- 4.7 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities, including, without limitation, all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, contingent liabilities, duties, obligations of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized for their business activities and operations in relation to the Transferor Company, shall, pursuant to the sanction of this Scheme by the NCLT and under the provisions of Section 230 to Section 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing being made, done or executed, be transferred



to, and vested in, or be deemed to have been transferred to, and vested in, Transferee Company, and such liabilities shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become, as on and from the Appointed Date, the liabilities, debts, duties and obligations of Transferee Company on the same terms and conditions as were applicable to Transferor Company, and Transferee Company shall meet, discharge and satisfy the liabilities and it shall not be necessary to obtain the consent of any third party or any other person who is a party to any contract or arrangement by virtue of such liabilities have arisen in order to give effect to the provisions of this Clause.

4.8 All debts, liabilities along with any charge, encumbrance, lien or security created by the Transferor Company, duties and obligations of Transferor Company shall, as on the Appointed Date, whether or not provided in the books of Transferor Company, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to Transferor Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of the Scheme. It is hereby clarified that the debt, liabilities along with any charge, encumbrance, lien or security shall be taken over by the Transferee Company at the same terms and conditions as applicable to Transferor Company and there shall no change in the charge/ encumbrances/ security provided to the end and intent that in no case, such charge, lien, encumbrance or security shall extend or be deemed to extend to any assets of the Transferee Company.



- 4.9 Where any such debts, liabilities, duties and obligations of Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon coming into effect of this Scheme.
- 4.10 All loans raised and utilized and all liabilities duties and obligations incurred or undertaken by Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and shall be transferred to and vested in Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.11 For avoidance of doubt and without prejudice to 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 in the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Transferor Company after the Effective Date shall be accepted



by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation of deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to the cheques and other negotiable instruments, payments order received or presented for encashment which are in the name of Transferor Company shall be instituted, or as the case may be, continued by or against the Transferee Company after the coming into effect of the Scheme. With effect from the Effective Date and till the time any regulatory registrations of the Transferor Company are expired or suspended and if any regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.

4.12 Any amount including refund if any under the Tax laws due to the Transferor Company consequent to the assessment proceedings or otherwise and which may not have been received by the Transferor Company as on the date immediately preceding the Appointed date shall also belong to and be receivable by Transferee Company upon the Scheme being effective.

4.13 If and to the extent there are investments, loans, deposits or balances inter-se between Transferor Company and Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, shall stand cancelled and suitable effect from the Effective Date shall be given. There would be no accrual of interest



or other charges in respect of any such investments, loans, deposits or balances inter-se between the Transferor Company and Transferee Company from the Appointed Date.

- 4.14 This Scheme shall not, in any manner, affect the rights of any of the Creditors / public shareholders of the Transferor Company.

5. VALIDITY OF EXISTING RESOLUTIONS, ETC.

The resolutions including but not limited to board meetings, shareholder meetings, other committee meetings, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall be continued to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

6. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

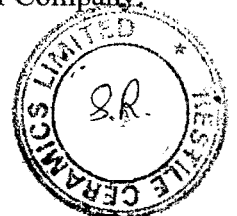
- 6.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements, memorandum of understanding and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the date of NCLT approval to the Scheme is received, shall



continue in full force and effect on or against or in favor of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or beneficial owner or obligee thereto or there under.

6.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, registrations, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of Transferee Company and Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

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

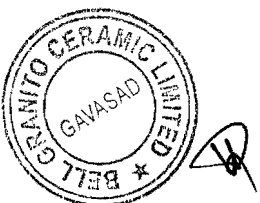


6.4 It is further clarified that upon this Scheme becoming effective with respect to approvals, permissions, licenses, registrations, consents that may require amendment for the purpose of giving effect to this Scheme and to ensure that there is no change in the entitlements otherwise available to the Transferor Company in the absence of this Scheme, the Transferee Company shall be permitted to use the name and approvals, permissions, licenses, registrations, consents of the Transferor Company till such approvals, permissions, licenses, registrations, consents are so amended and updated, so as to enable the Transferee Company to continue to avail the entitlements otherwise available to the Transferor Company.

6.5 The inter-se contracts between the Transferor Company and the Transferee Company if any shall stand adjusted and shall come to an end upon this Scheme becoming effective. Transactions if any, between the Transferor Company and the Transferee Company after the Appointed Date and until the Effective Date will be squared off in the books of account of the Transferee Company upon this Scheme becoming effective.

7. LEGAL PROCEEDINGS

7.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/ or arising on or after the Appointed Date and relating to the Transferor Company shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Transferee Company in the manner and to the



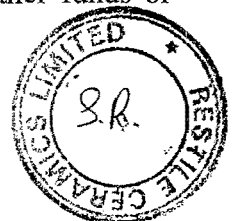
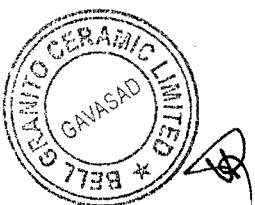
same extent as would or might have been continued and enforced by or against the Transferor Company, if this Scheme had not been made.

7.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 7.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against Transferee Company to the same extent as would or might have been continued and enforced by or against the Transferor Company, to the exclusion of the Transferor Company.

8. STAFF, WORKMEN & EMPLOYEES

8.1 Upon the Scheme becoming effective, all employees of the Transferor Company in service on the Effective Date shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Transferee Company shall be the same as those applicable to them with reference to the Transferor Company on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services with the Transferor Company shall also be taken into account and paid (as and when payable) by Transferee Company.

8.2 In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or



benefits created by the Transferor Company (collectively referred to as the “Funds”), the Funds and such of the investments made by the Funds which pertains/ relates to the employees of the Transferor Company shall be transferred to the Transferee Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds, if any, of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Transferor Company, until such time that the Transferee Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds.

- 8.3 With effect from the first of the dates of filing of this Scheme with the NCLT and up to and including the Effective Date, Transferor Company shall not vary or modify the terms and conditions of employment of any of their said employees, except with the written consent of Transferee Company, unless it is in the ordinary course of business. However, the terms and conditions of their employment with

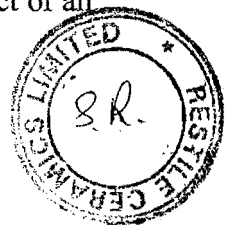


Transferee Company shall be the same as those on which they were engaged in Transferor Company.

- 8.4 In relation to those employees for whom Transferor Company is making contributions to the government provident fund, if any, Transferee Company shall stand substituted for Transferor Company, as the case may be, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees.

9. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 9.1 With effect from the Appointed Date and up to and including the Effective Date, Transferor Company shall carry on their business with reasonable diligence and except in the ordinary course of business, Transferor Company shall not, without prior written consent of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with, or dispose of, any of the assets of Transferor Company or any part thereof.
- 9.2 With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of the Transferor Company for and on account of, and in trust for the Transferee Company.
- 9.3 With effect from the Appointed Date and up to and including the Effective Date, all profits and cash accruing to or losses arising or incurred (including the effect of all



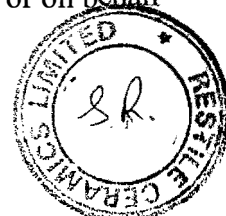
taxes (for instance income tax, customs duty, GST, etc.) if any thereon), by the Transferor Company, respectively, shall for all purposes, be treated as the profits and cash, taxes or losses of the Transferee Company.

9.4 With effect from the Appointed Date and up to and including the Effective Date, any of the rights, powers, authorities or privileges exercised by Transferor Company shall be deemed have been exercised by the Transferor Company for and on behalf of, and in trust for as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for Transferee Company.

9.5 The Transferee Company shall be entitled to apply to the Central Government and any other Government or statutory or regulatory authorities/ agencies/ body concerned as are necessary under any law for such consents, approvals, licenses, registrations and sanctions which Transferee Company may require to carry on the business of Transferor Company.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations pertaining /relating to the Transferor Company, pursuant to this Scheme, and the continuance of the proceedings by or against the Transferee Company, under Clause 7 hereof shall not affect any transactions or proceedings already completed by the Transferor Company, on and after the Appointed Date to the end and intent that Transferee Company accepts all acts, deeds and things done and executed by and/ or on behalf



of the Transferor Company, as acts, deeds and things done and executed by and on behalf of Transferee Company.

11. CONSOLIDATION OF AUTHORIZED CAPITAL AND AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEREE COMPANY

11.1 Upon coming into effect of this Scheme, the authorized share capital of the Transferor Company amounting to INR 100,00,00,000 (Rupees Hundred Crores Only) consisting of 10,00,00,000 (Ten Crores) equity shares of INR 10/- (Ten) each, or such amount as may be on the Effective Date, shall be consolidated with the authorized share capital of the Transferee Company, without any further act or deed and without any liability for payment of any additional fees or stamp duty in respect of such increase as the stamp duty and fees have already been paid by the Transferor Company on such authorized capital.

11.2 Pursuant to the Scheme and after the Scheme becomes effective, **Clause V of the Memorandum of Association of the Transferee Company shall be amended as below:**

V. "The authorized share capital of the Company is Rs 4,86,00,00,000/- (Four Hundred Eighty Six Crores Only) divided into 48,60,00,000 (Forty Eight Crores Sixty Lakhs) equity shares of Rs 10/- (Ten) each.

11.3 The Authorized Share Capital of the Transferee Company shall stand increased as per Clause 11.1 upon the Scheme becoming effective without any further act or deed on the part of the Transferee Company and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share

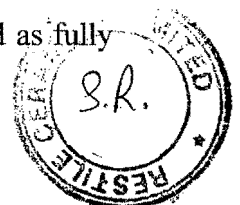


capital) shall without any further act, instrument or deed be and stand altered, modified, amended and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Sections 13, 14, 61 and applicable provisions of the Act would be required to be separately passed, as the case may be. For this purpose, the filing fees and stamp duty already paid by the Transferor Company towards their authorised share capital shall be utilised and applied to the increased authorised share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and, accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased. However, for any additional increase in authorized share capital if required, necessary fees as per the provisions of the Act and stamp duty would be required to be paid.

- 11.4 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company.

12. CONSIDERATION

- 12.1 Upon the Scheme becoming effective, in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot its shares, at par credited as fully



paid up to the extent indicated below, to the members of Transferor Company, whose name is recorded in the register of members of the Transferor Company on the Record Date in the following ratio:

- **With respect to the Equity Shareholders of Transferor Company**

“1 (One) new equity share of the Transferee Company of the face value of INR.10/- (Rupees Ten Only) each, credited as fully paid-up for every 2 (Two) equity share of INR.10/- (Rupees Ten Only) each fully paid-up held by such member in the Transferor Company”

- 12.2 The equity shares issued and allotted pursuant to Scheme of Amalgamation shall be hereinafter referred to as ‘New Shares’.
- 12.3 The Share Exchange Valuation Reports dated 21st February, 2023 have been obtained from CS Shreyansh M Jain, Registered Valuer, having IBBI Registration No IBBI/RV/03/2019/12124 for providing the share exchange ratio for the amalgamation of Transferor Company with the Transferee Company under the Scheme.
- 12.4 A Fairness Opinion dated dated 21st February, 2023 has been obtained from Kunvarji Finstock Private Limited a SEBI Registered Category I Merchant Banker, having SEBI Registration No INM000012564 providing the fairness opinion on the Share Exchange Ratio recommended by CS Shreyansh M Jain, Registered Valuer in connection with amalgamation of Transferor Company with the Transferee Company under the Scheme.



- 12.5 The New Shares shall be issued and allotted by the Transferee Company in physical form or dematerialised form, as applicable, to the respective shareholder(s) of Transferor Company.
- 12.6 Upon the Scheme becoming effective and upon the New Shares being issued and allotted as per Clause 12.1 above, the equity shares of Transferor Company in dematerialized form or physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.
- 12.7 The Transferee Company in respect of fractional entitlement shall issue no fractional shares, if any, to the shareholders of the Transferor Company and the fractions shall be rounded up to the nearest whole number. Further, each shareholder of the Transferor Company shall get at least one share of the Transferee Company.
- 12.8 The New Shares to be issued and allotted as per Clause 12.1 above shall be subject to the provisions of Memorandum and Articles of Association of the Transferee Company and shall rank pari-passu in all respects with the equity shares of the Transferee Company as on Effective Date, including that any dividend that may be declared by the Transferee Company on or after the Effective Date.
- 12.9 Upon the Scheme being effective, the Transferee Company shall apply for listing of its Equity Shares on the BSE in terms of and in compliance of SEBI Scheme Circular other relevant SEBI Scheme Circular as may be applicable from time to time. The Equity Shares of the Transferee Company shall remain frozen in the depository system till listing/ trading permission has been granted by the BSE.



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Further, there shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing of its Equity Shares which may affect the status of approval of BSE.

- 12.10 The issue and allotment of New Shares to the respective shareholders of the Transferor Company as provided in this Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under section 42, 62 of the Act and any other applicable provisions of the Act, and such other statues and regulations as may be applicable were duly complied with.

13. ACCOUNTING TREATMENT FOR AMALGAMATION

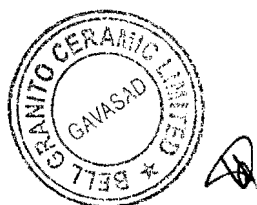
The Amalgamation of the Transferor Company with Transferee Company shall be accounted for as per the “pooling of interest method” of accounting as per Accounting Standard-14 issued by the Institute of Chartered Accountants of India subject to the following:

- 13.1 The Transferee Company shall, upon the Scheme coming into effect record the assets and liabilities, including reserves of Transferor Company vested in it pursuant to the Scheme, at their respective book values thereof as appearing in the books of the Transferor Company and in the same form with effect from the Appointed date.
- 13.2 The reserves of the Transferor Company at the close of the business of the day immediately preceding the respective Appointed date will be merged with those of the Transferee Company in the same form as they appear in the financial statements of the Transferor Company. Balances in the Profit & Loss account of the Transferor



Company shall be similarly aggregated with the balances in Profit & Loss account of the Transferee Company. In other words, the identity of the reserves of the Transferor Company shall be preserved in the hand of the Transferee Company.

- 13.3 To the extent that there are inter-corporate loans or balances inter se between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for reduction of any assets or liabilities, as the case may be. For the removal of doubts, it is hereby clarified that there would be no accrual of interest or other charges in respect of any such inter-company loans or balances with effect from the Appointed Date.
- 13.4 In case of any difference in accounting policy between the Transferor Company and Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves to ensure that the financial statements of Transferee Company will reflect the financial position on the basis of consistent accounting policy.
- 13.5 The difference arising between the carrying value of the assets, liabilities and reserves pertaining to the Transferor Company recorded in terms of Clause 13.1 & 13.2 and the value of shares issued in terms of Clause 12.1 in the books of Transferee Company shall be in case of deficit debited to the General Reserve/Retained Earnings and in case of surplus credited to Capital Reserves of the Transferee Company.



14. TREATMENT OF TAXES / TAX CREDITS

14.1 Any tax liabilities under the Income-tax Act, 1961, Wealth-tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956 , any other state Sales Tax / Value Added Tax laws, Service Tax, Goods and Service Tax, stamp laws, registration fees or any other applicable laws/ regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

14.2 All taxes (including but not limited to income tax and tax deducted at source, wealth tax, sales tax, excise duty, customs duty, service tax, GST, Value added Tax ("VAT"), advance tax, tax collected at source etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, GST, Value added Tax ("VAT"), advance tax, tax collected at source etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

14.3 Any refund under the Tax Laws including but not limited to input tax credit , incentives, income tax refund etc due to the Transferor Company consequent to the



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assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

14.4 Without prejudice to the generality of the above, all benefits including claim of tax deduction at source, tax collection at source, advance tax and self-assessment tax and any similar credits or balances under the income tax, sales tax, excise duty, customs duty, service tax, GST, VAT, etc., or unabsorbed depreciation, brought forward losses to which the Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company even if the prescribed time limits for claiming such refunds or credits have lapsed. Similarly, the unabsorbed depreciation and brought forward losses of the Transferor Company as considered for the purposes of Explanation 1 to Section 115JB (2) of the Income-tax Act, 1961 shall stand transferred to the Transferee Company and the Transferee Company shall consolidate the same with its unabsorbed depreciation and brought forward losses for the purpose of Explanation 1 to Section 115JB (2) of the Income-tax Act, 1961.

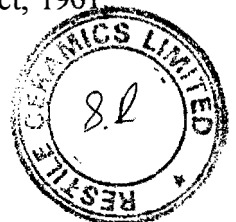
14.5 For avoidance of doubt and without prejudice to generality of the applicable provisions of the Scheme, it is clarified that upon this Scheme being Effective, the Transferee Company is also expressly permitted to revise its income tax returns, withholding tax returns, service tax returns, value added tax returns, sales tax returns, excise and CENVAT returns and any other statutory returns and filings under the tax laws, notwithstanding that the period of filing/ revising such return may have lapsed, to obtain Tax Deduction Certificate ("TDS") Certificates,



including TDS Certificates relating to transactions between the Transferor Company and the Transferee Company, and to claim refunds, advance tax, withholding tax credits etc. pursuant to the provisions of this Scheme.

14.6 For avoidance of doubt and without prejudice to generality of the applicable provisions of the Scheme, it is clarified that upon the Scheme being effective, any TDS certificates issued by the Transferee Company to, or for the benefit of, the Transferor Company under IT Act with respect to the inter se transactions would be available to the Transferee Company to seek refund of from the tax authorities in compliance with law. Further, TDS deposited, TDS Certificates issued or TDS returns filed by the Transferor Company on transactions other than inter se transactions during the period between the Appointed Date and the Effective Date shall continue to hold good as if such TDS amounts were deposited, TDS Certificates were issued and TDS returns were filed by the Transferee Company. Any TDS deducted by, or on behalf of, the Transferor Company on inter se transactions will be treated as advance tax deposited by Transferee Company.

14.7 The Amalgamation as contemplated in this Scheme would be completed in a manner so as to comply with the conditions relating to 'amalgamation' as specified under section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from a retrospective amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax Act, 1961.



Such modification will however not affect the other parts of the Scheme. Furthermore, all credits or balances eligible for roll-over, set-off or carry forward under the Income-tax Act, 1961 including under Chapter VI of the Income-tax Act, 1961 shall be given effect to in compliance with the applicable provisions of the Income-tax Act, 1961.

15. CHANGE OF NAME OF THE TRANSFEREE COMPANY

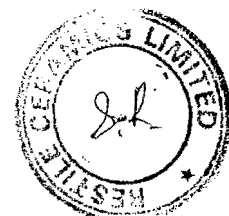
15.1 Upon this Scheme becoming effective, the name of the Transferee Company shall stand changed to “Restile Ceramics Limited” or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate act, procedure, instrument, or deed shall be required to be followed under the Act.

15.2 Consequently, subject to clause 15.1 above;

“Clause I of the memorandum of association of the Transferee Company shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following clause:

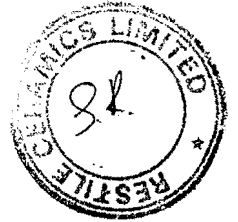
“The Name of the Company is RESTILE CERAMICS LIMITED”

15.3 It is hereby clarified that, for the purpose of acts and events as mentioned in Clause 15.1 and 15.2, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.



16. EXEMPTION UNDER SAST REGULATIONS

For the avoidance of doubt, it is clarified that pursuant to amalgamation of the Transferor Company into and with the Transferee Company, the issuance of equity shares of the Transferee Company to the shareholders of the Transferor Company as consideration for amalgamation of the Transferor Company into and with the Transferee Company in terms of the Scheme, is exempt under the provisions of the Regulation 10(1)(d)(ii) of SAST Regulations, and therefore, the requirement to make an “open offer” shall not be triggered in terms of the provisions of the SAST Regulations.



PART E: GENERAL TERMS AND CONDITIONS

17. APPLICATION TO THE NCLT

17.1 The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make necessary applications to the NCLT Bench at Ahmedabad, where the respective registered offices of the Transferor Company and the Transferee Company are situated, for convening and/or seeking exemption to convene meetings of shareholders/ creditors and for sanctioning this Scheme under Sections 230 – 232 of the Act, for an order thereof, for carrying this Scheme into effect and for dissolution of Transferor Company without winding up.

17.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required under any law for such Governmental approvals which the Transferee Company may require to own and to carry on the business of the Transferor Company.

18. CONDITIONALITY TO THE SCHEME

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

- (i) SEBI and Stock Exchanges approving this Scheme;
- (ii) The Scheme being approved by the Public Shareholders of the Transferor Company through e-voting in terms of Part – I(A)(10)(a) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and the Scheme shall be acted upon only if the vote cast by the Public Shareholders in favour of the proposal are more than the number of votes cast by the Public Shareholders against it.



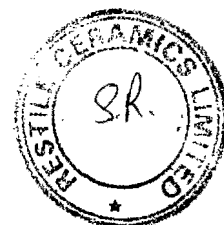
- (iii) The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and / or creditors of the Transferor Company and Transferee Company as may be directed by the NCLT.
- (iv) The sanction of the NCLT under sections 230 to 232 of the Act and other applicable provisions of the Act, if so required, in favour of Transferor Company and Transferee Company being obtained.
- (v) The requisite consent, approval or permission of the Governmental Authority which by law may be necessary for the implementation of this Scheme; and
- (vi) Certified or authenticated copies of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Gujarat.

19. MODIFICATIONS/AMENDMENTS TO THE SCHEME

The Transferee Company and the Transferor Company by their respective Board of Directors or such other person or persons as the respective Board of Directors may authorise, including any committee or sub-committee thereof, may make and/or assent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other authority, as may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors or such other person or persons as the respective Board of Directors may authorise, including any committee or sub-committee thereof). The Transferee Company and the Transferor Company by their respective Board of Directors be and are hereby authorized to take all such steps as may be



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necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, 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 aforesaid powers of the Board shall be exercised with the approval of the NCLT.

Transferor Company and the Transferee Company shall have discretion to withdraw their application/petition from the NCLT, if any, terms not acceptable to them are introduced in the Scheme whether at the meeting of shareholder/creditor or at time of sanction of the Scheme or as otherwise deem fit by the Board of the Transferor Company and/or the Transferee Company. The necessary intimation may be filed by the Transferor Company and the Transferee Company with NCLT of their decision to withdraw the application/petition.

20. DISSOLUTION OF TRANSFEROR COMPANY

- 20.1 Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up without any further act by the parties.
- 20.2 Any obligations/ steps which need to be undertaken by the Transferor Company pursuant to the sanction of this Scheme shall be fulfilled by the Transferee Company.

21. SEQUENCING OF EVENTS

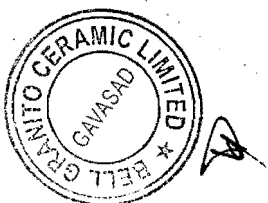
- 21.1 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequence and in order mentioned as under:



- (i) Amalgamation of the Transferor Company into and with the Transferee Company in accordance with the Scheme;
- (ii) Transfer of the Authorized Share Capital of the Transferor Company to the Transferee Company in accordance with Clause 11 of this Scheme, and consequential increase in the authorized share capital of the Transferee Company;
- (iii) Dissolution of the Transferor Company without winding-up, in accordance with Clause 20 of this Scheme; and
- (iv) Issue and allotment of equity shares of the Transferee Company to the shareholders of the Transferor Company as on the Record Date, in accordance with Clause 12.1 of this Scheme.
- (v) Listing of the equity shares of the Transferee Company pursuant to sanction of the Scheme in compliance with Para (III)(A)(3) of Annexure I of Circular No. CFD/DIL3/CIR/2018/2 dated January 03, 2018.

22. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 18 not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other appropriate authority, if any, 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 and agreed between the respective parties to this Scheme. Each party shall bear



and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

23. COSTS, CHARGES AND EXPENSES

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

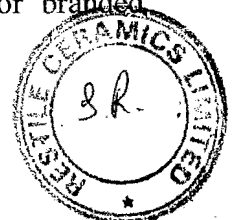
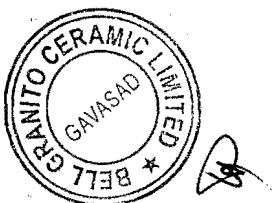
24. NO CAUSE OF ACTION

No third party claiming to have acted or changed his position in anticipation of the Scheme taking effect, shall get any cause of action against the Transferor Company or Transferee Company or their directors or officers, if this Scheme does not take effect or is withdrawn, cancelled, revoked, amended or modified for any reason whatsoever.

25. RESIDUAL PROVISIONS

25.1 Upon this Scheme becoming effective with effect from the Effective Date

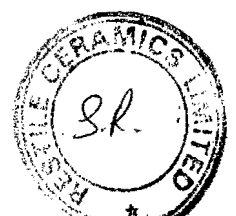
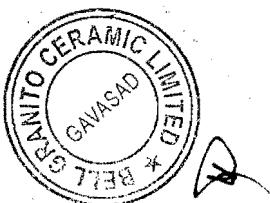
- a) the Transferee Company shall be entitled to operate and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned.
- b) In order to ensure the smooth transition and sales of products and inventory of the Transferor Company, manufacture and/or branded



and/or labelled and/or packed in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company at any manufacturing locations or warehouses or retail stores or elsewhere, without making any modification whatsoever to such products and/or their branding, packing or labelling. All invoices/payment related documents pertaining to such products and inventory (including packing material) shall be raised in the name of the Transferee Company after the Effective Date.

25.2 The Transferee Company may in accordance with the provisions hereof, if so required under any Law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of, any party to any Contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of the Scheme. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes specified above by the Transferor Company.

25.3 All licences, incentives, remissions, tax incentives, subsidies, privileges, consents, sanctions, and other authorisations, to which the Transferor Company are entitled, shall stand vested in the Transferee Company and permitted or continued by the order of sanction of the Tribunal. The



Transferee Company shall file the Scheme with applicable Governmental Authorities for their record, who shall take it on record pursuant to the sanction order of the Tribunal.

