

COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT

BETWEEN

VALOR ESTATE LIMITED
(FORMERLY KNOWN AS D B REALTY LIMITED)
("AMALGAMATED COMPANY" OR "DEMERGED COMPANY" OR "VEL")

AND

ESTEEM PROPERTIES PRIVATE LIMITED
("AMALGAMATING COMPANY" OR "EPPL")

AND

ADVENT HOTELS INTERNATIONAL PRIVATE LIMITED
(FORMERLY KNOWN AS SHIVA REALTORS SUBURBAN PRIVATE LIMITED)
("RESULTING COMPANY" OR "AHIPL")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 230 TO 232 READ WITH SECTION 52 AND 66
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013)

A. PREAMBLE:

This composite scheme of amalgamation and arrangement is presented under Sections 230 to 232 read with Sections 52 and 66 and other applicable provisions of the Companies Act, 2013 for amalgamation of Esteem Properties Private Limited with Valor Estate Limited and for demerger of Demerged Undertaking (*defined hereinafter*) of Valor Estate Limited and vesting into Advent Hotels International Private Limited and for matters incidental thereto.

B. BACKGROUND OF COMPANIES:

I. VALOR ESTATE LIMITED

Valor Estate Limited (formerly known as D B Realty Limited) ("AMALGAMATED COMPANY" OR "DEMERGED COMPANY" OR "VEL") is engaged primarily in two businesses viz. (i) real estate, which consists of a portfolio of saleable assets in the residential category, annuity assets in the commercial category, and land banks for future development, and (ii) hospitality, which consists of developing and owning multiple luxury and upper upscale hotel properties in key cities and then operating them in partnership with international brands. Due to diverse capital requirements, varying capital structures, disparate risk profiles, different project delivery timelines, unique project partnerships, and differing industry profiles. VEL has undertaken development of residential, commercial, hospitality, and land bank assets by itself or through its subsidiaries, joint ventures, and associates. VEL is public company domiciled in India and was incorporated on 8 January 2007 under the provisions of the Companies Act, 1956. Equity shares of VEL are listed on National Stock Exchange of India Limited and BSE Limited. The registered office of VEL is situated at 7th Floor, Resham Bhavan, Veer Nariman Road, Churchgate, Mumbai – 400 020.



II. ESTEEM PROPERTIES PRIVATE LIMITED

Esteem Properties Private Limited ("AMALGAMATING COMPANY" OR "EPPL") was incorporated on 21 March 1995 under the provisions of the Companies Act, 1956 and domiciled in India. The company is wholly owned subsidiary of VEL. The company has its registered office at 7th Floor, Resham Bhavan, Veer Nariman Road, Churchgate, Mumbai – 400 020. The company is a real estate development company and has a developable land at Sahar Mumbai.

III. ADVENT HOTELS INTERNATIONAL PRIVATE LIMITED

Advent Hotels International Private Limited (formerly Known as Shiva Realtors Suburban Private Limited) ("RESULTING COMPANY" OR "AHIPL") was incorporated on 15 November 2006 under the provisions of the Companies Act, 1956 and is a private limited company within the meaning of the said Act. The main object of AHIPL is "hotels and hospitality". As on the date of approval of scheme, AHIPL is a wholly-owned subsidiary of VEL. The Company previously held an interest (~11%) in a real estate project (named DB Ozone) under development in Dahisar, Mumbai until 31 March 2024. As on the date of approval of the Scheme, the Company has disposed off the interest in the above real estate project and simultaneously has acquired a controlling equity interest in one operating hotels with 313 keys and a 50% equity interest in a joint 779-key hotel project currently under construction. The registered office of AHIPL is situated at 7th floor, Resham Bhavan, Veer Nariman Road, Churchgate, Mumbai – 400 020..

C. RATIONALE AND OBJECTIVE OF THE SCHEME:

(a) Rationale for Amalgamation:

- (i) The Amalgamating Company is in the process of developing a 5.4-acre freehold site at Sahar, Andheri (East), close to the Mumbai International Airport, wherein a mixed-use development of real estate and hospitality is being planned.
- (ii) To enable the project to progress, it is necessary to consolidate the operations of the Amalgamating Company with that of the Amalgamated Company.

(b) Rationale for Demerger:

- (i) The Demerged Company is a diversified company engaged in two businesses viz. (i) real Estate and (ii) hospitality. The Hospitality Business (*defined hereinafter*) of the Demerged Company includes ownership/ licensing/ management of multiple hotel properties and providing services including accommodation, dining, banqueting, etc.
- (ii) Each business of the Demerged Company has a differentiated strategy, different industry specific risks and operates *inter alia* under different market dynamics, growth trajectory, and funding requirements, structure, and timescales. The nature and competition involved in each of both the businesses of the Demerged Company is distinct from each other and consequently each business or undertaking can attract a different set of investors, strategic partners, lenders, and other stakeholders.
- (iii) The Demerged Company's Hospitality Business has evolved significantly over time, and in future it will continue develop multiple ongoing and forthcoming hotel projects requiring a differentiated capital structure, partnerships, and management, and is now ready to operate independently as a separate publicly listed entity in order to keep pace with the rapidly growing hospitality industry. Therefore, the proposed scheme seeks to separate the Hospitality Business from the Remaining Business (*defined hereafter*) of the Demerged Company and demerge it into the Resulting Company. The proposed Scheme would be in the best interests of the Parties and their respective shareholders, employees, creditors, and other stakeholders.



- (iv) The proposed reorganization pursuant to this Scheme is expected, *inter alia*, to have the following benefits:
1. The Resulting Company as a focused entity would attract the right sets of investors, strategic partners, and collaborators, whose investment strategies and risk profiles are closely aligned with the hospitality industry.
 2. Given the unique characteristics of the hospitality industry, the creation of a separate publicly listed entity for the Hospitality Business would facilitate the development of new growth opportunities, better utilization, and operation of existing assets/properties, attracting and retaining of sector focused management and talent pool, and creating sustainable value for shareholders. This approach allows for a focused strategy that aligns in line with hospitality industry-specific market dynamics.
 3. The Scheme would unlock value of the Hospitality Business for existing shareholders of the Demerged Company through independent, market-driven valuation of their shares in the Resulting Company which will be listed pursuant to the Scheme.
 4. The convergence of favorable factors and the Indian government's focus on the travel & tourism industry, infrastructure development, and rapid digitalization, offers significant growth opportunities for the Hospitality Business.

D. PARTS OF THE SCHEME:

The Scheme is divided into following parts:

- **Part I** deals with the Definitions, Interpretation and Share Capital;
- **Part II** deals with the amalgamation of Amalgamating Company into and with the Amalgamated Company;
- **Part III** deals with the transfer and vesting of the Demerged Undertaking (*defined hereinafter*) into the Resulting Company (*defined hereinafter*) on a going concern basis on as is where is basis in accordance with Sections 230 to 232 read with Sections 52 and 66 and other applicable provisions of the Act (*defined hereinafter*) and in accordance with Section 2(19AA) and other applicable provisions of the Income-tax Act (*defined hereinafter*) and other matters consequential or otherwise integrally connected therewith, including changes to the share capital account of the Resulting Company;
- **Part IV** deals with reduction of preference share capital of the Demerged Company;
- **Part V** deals with the adjustment of the Securities Premium Account of the Demerged Company pursuant to the Demerger;
- **Part VI** deals with the General Provisions.



PART – I
DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless inconsistent with or repugnant to the subject or context, (i) capitalized terms defined by inclusion in quotations and/or the parenthesis have the meaning so ascribed; and (ii) the following expressions shall have the meanings respectively assigned against them:

“Act” or “the Act” means the Companies Act, 2013, the Rules and Regulations made thereunder and will include any statutory modification(s) or re-enactment(s) thereof for the time being in force;

“Applicable Law” or “Law” means any applicable national, foreign, provincial, local or other law including applicable provisions of all: (i) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), bye-laws, codes, notifications, rules, regulations, policies, guidelines, circulars, clearances, approvals, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, Tribunal; (ii) Permits; and (iii) orders, decisions, writs, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties in each case having the force of law and that is binding or applicable to a Person as may be in force from time to time;

“Appointed Date 1” means opening hours of 1 April 2024 or such other date as may be approved by the Board of the Parties;

“Appointed Date 2” means opening hours of 1 April 2025 or such other date as may be approved by the Boards of the Parties;

“Appropriate Authority” means and includes, whether in or outside India (as applicable): (a) any national, state, territory, provincial, district, local or similar governmental, statutory, regulatory, administrative authority, agency, board, branch, commission, department or public body or authority, tribunal or court or other entity, in each case authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law; (b) 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; (c) any stock exchange of India or any other country, the Registrar of Companies, Regional Director, Ministry of Corporate Affairs, SEBI (*defined hereinafter*), NCLT (*defined hereinafter*), and any other sectoral regulators or authorities as may be applicable; and (d) anybody exercising executive, legislative, judicial, regulatory or administrative functions including delegated function/ authority of or pertaining to government, including any other government authority, agency, department, board, commission or instrumentality or any political sub-division thereof or an arbitrator and any self-regulatory organization;

“Board” in relation to the Parties, means the board of directors of such Party, 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 matters pertaining to this Scheme or any other matter relating hereto;

“BSE” means BSE Limited;

“Demerged Company” means Valor Estate Limited (formerly known as D B Realty Limited);



“Demerged Employees” means all the employees of the Demerged Company who are engaged in or relate to the Demerged Undertaking;

“Demerged Liabilities” shall have the meaning set out in Clause 15.7;

“Demerged Undertaking” means all the businesses, undertakings, activities, operations and properties of the Demerged Company, in relation to the Hospitality Business of the Demerged Company as on the Appointed Date 2, on a going concern basis, whether in or outside India, including but not limited to, the following:

- (a) all immovable properties and rights thereto i.e. land together with the buildings and structures standing thereon (including capital work in progress), whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise including all rights and interests in the hotels, roads, gardens, drains and culverts, civil works, foundations for civil works, buildings, warehouses, offices, apartments, complexes, residential and other premises etc. related to the Hospitality Business, unless otherwise mutually determined by the Board of Demerged Company and Resulting Company, in accordance with Clause 15.4 below, and all documents (including panchnamas, declarations, deeds or receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;
- (b) all assets, as are movable in nature and which form part of the Hospitality Business, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated, whether or not recorded in the books of accounts of the Demerged Company, (including capital work in progress, plant and machinery, furniture, fixtures, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles), actionable claims, earnest monies and sundry debtors, prepaid expenses, bills of exchange, promissory notes, financial assets including direct investments in entities engaged in the Hospitality Business (by way of investment in share capital, loans and advances, share of profit/interest in such entities), recoverable in cash or in kind or for value to be received, receivables, funds, cash and bank balances and deposits including accrued interest thereto with any Appropriate Authority, banks, customers and other persons, dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, shares, bonds, debentures, debenture stock, units or pass through certificates, securities, the benefits of any bank guarantees, performance guarantees and Tax related assets/credits pertaining to the Hospitality Business, including but not limited to goods and service tax input credits (if transferable), sales tax/entry tax/TDS/TCS credits or set-offs, withholding tax/TDS/TCS, Taxes withheld/paid in a foreign country, self-assessment tax, regular tax, surcharge, cess, Tax refunds, rights of any claim not made by the Demerged Company in respect of any refund of Tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Demerged Company and any interest thereon, with regard to any law, act or rule or scheme made by the Appropriate Authority, deferred tax assets/liabilities, accumulated losses under the Income-tax Act and allowance for unabsorbed depreciation under the Income-tax Act;
- (c) all permits, licenses, permissions, right of way, approvals, authorisations, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, certifications, accreditations, awards, sanctions, privileges, memberships, allotments, quotas, no objection certificates, exemptions, pre-qualifications, bid acceptances, concessions, subsidies, Tax deferrals, and exemptions, Tax benefits and other benefits (in each case including the benefit of any applications made for the same), if any, liberties and



- advantages, and other licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies, related to or pertaining to the Hospitality Business including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto, whether or not recorded in the books of accounts of the Demerged Company;
- (d) all contracts, agreements, service orders, operation and maintenance contracts, memoranda of understanding/ undertakings/ agreements, bids, tariff policies, expressions of interest, letters of intent, tenancy rights, agreements for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, powers of attorney, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise, as amended and restated from time to time and all rights, title, interests, assurances, claims and benefits thereunder related to or pertaining to the Hospitality Business;
 - (e) all insurance policies related to or pertaining to the Hospitality Business;
 - (f) all Intellectual Property that exclusively forms part of the Hospitality Business;
 - (g) all rights to use and avail telephones, 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, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Demerged Company exclusively forming part of the Hospitality Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company and exclusively forming part of the Hospitality Business. For the avoidance of doubt, it is clarified that the facilities and services mentioned in this sub paragraph (g) which are used for or form part of the Remaining Business, and all the rights, title and interest in the same shall not form part of the Demerged Undertaking;
 - (h) all books, records, files, papers, process information, cuisine knowledge, software licenses (whether proprietary or otherwise), computer programs, mobile and web applications, software applications, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, lists of suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form that exclusively form part of the Hospitality Business;
 - (i) the Demerged Liabilities (including Liabilities of the Demerged Company with regard to the Demerged Employees (whether under employment agreements, appointment letters, settlement agreements, or otherwise) including with respect to the payment of gratuity, superannuation, pension benefits, leave encashment and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise);
 - (j) the Demerged Employees;
 - (k) all legal or other proceedings of whatsoever nature, including quasi-judicial, arbitral and other proceedings, related to or pertaining to the Hospitality Business, which are capable of being continued by or against the Resulting Company under Applicable Law; and
 - (l) any assets, liabilities, agreements, undertakings, activities, operations or properties that are mutually determined by the Board of the Demerged Company and the Resulting Company as relating to or pertaining to the Hospitality Business;



“Demerger” means transfer by way of a demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company on a going concern basis on as is where is basis and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company in accordance with the Share Entitlement Ratio, pursuant to the provisions of Section 2(19AA) and other relevant provisions of the Income-tax Act;

“Effective Date” means the day on which all conditions precedent set forth in Clause 38 (Conditions Precedent) are complied with or otherwise duly waived. Reference in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “effect of this Scheme” or “upon the Scheme becoming effective” shall mean the Effective Date;

“Encumbrance” or “Encumbered” means without limitation (a) any options, equitable interest, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title defect or 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, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/or any other interest held by a third party; (b) any voting agreement, beneficial ownership (including usufruct and similar entitlements), interest, option, right of first offer/ refusal or transfer restriction or any other interest held by a third person; (c) any adverse claim as to title, possession or use; and/or (d) any agreement, conditional or otherwise, to create any of the foregoing;

“GST” means the central tax as defined under the Central Goods and Services Tax Act, 2017, the integrated tax as defined under the Integrated Goods and Services Tax Act, 2017, and the state tax as defined under State Goods and Services Tax acts;

“Hospitality Business” means the hospitality and hotels business of the Demerged Company undertaken by way of *inter alia* owning, licensing, operating, managing, servicing, marketing and supervising the operations of hotels and includes accommodation, dining and banqueting services, and the Demerged Company’s direct investments in entities engaged in the Hospitality Business (by way of investment in share capital, loans and advances, share of profit/interest in such entities);

“Ind AS” shall mean the Indian Accounting Standards notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time;

“Intellectual Property” means trademarks, brands, logos, and analogous devices owned by or in which VEL holds or shall hold interests, specifically pertaining to usages associated with “Advent Hotels International,” “Advent International,” and other similar denominations related to the VEL’s Hospitality Business.

“Income-tax Act” means the Income-tax Act, 1961, together with all applicable orders, ordinances, directions including circulars and notifications and similar legal enactments, in each case issued under the Income-tax Act, 1961;



"Liabilities" means all debts, liabilities (including contingent liabilities, and obligations under any licenses or permits or schemes or claims from customers), loans raised and used, obligations incurred, duties of any kind, nature or description and undertakings of every kind or nature and the liabilities of any description whatsoever, whether or not recorded in the books of accounts or disclosed in the balance sheet, whether present or future, and howsoever raised or incurred or utilized along with any charge, Encumbrance, lien or security thereon;

"National Company Law Tribunal" or "NCLT" or "Tribunal" means the National Company Law Tribunal, Mumbai having jurisdiction over the Parties 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;

"NSE" means National Stock Exchange of India Limited;

"Parties" shall mean collectively the Amalgamating Company, the Amalgamated Company / the Demerged Company and the Resulting Company, and "Party" shall mean each of them, individually as the context may so require;

"Record Date" means a mutually agreed date to be fixed by Board of the Demerged Company and the Resulting Company, for the purposes of determining the shareholders of the Demerged Company to whom shares of the Resulting Company would be allotted pursuant to the Demerger in accordance with Clause 20 of this Scheme;

"Registrar of Companies" or "ROC" means the relevant Registrar of Companies having jurisdiction over the Parties under the Act;

"Remaining Business" means all the businesses, undertakings, activities, operations, assets and liabilities of the Demerged Company other than those that form part of the Demerged Undertaking;

"Resulting Company" means Advent Hotels International Private Limited (formerly known as Shiva Realtors Suburban Private Limited) ("AHIPL");

"Resulting Company New Equity Shares" shall have the meaning set out in Clause 20.1;

"Resulting Company New Preference Shares" shall have the meaning set out in Clause 20.1;

"Rupees" or "Rs." means Indian rupees, being the lawful currency of Republic of India;

"Sanction Order" means the order of the NCLT sanctioning this Scheme;

"Scheme" means this Composite Scheme of Amalgamation and Arrangement in its present form as submitted to NCLT or this Scheme with such modification(s), if any made, in accordance with Clause 36 hereto;

"Securities Premium Account" means the line item classified as securities premium as presented in the balance sheet of the Demerged Company and forming part of the reserves and surplus of the Demerged Company;



"SEBI" means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992

"SEBI Scheme Circular – Equity" means the master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 issued by SEBI on June 20, 2023 and/or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;

"SEBI LODR Regulations" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

"Share Entitlement Ratio" shall have the meaning set out in Clause 20.1;

"Stock Exchanges" means the BSE and the NSE;

"Tax" or "Taxes" means and includes any tax, whether direct or indirect, including income tax (including withholding tax, dividend distribution tax, TDS/TCS), GST, excise duty, central sales tax, service tax, octroi, local body tax and customs duty, duties, charges, unearned income, transfer charges, fees, surcharge, cess, levies or other similar assessments by or payable to an Appropriate Authority, including in relation to: (a) income, services, gross receipts, premium, immovable property, movable property, assets, profession, entry, capital gains, municipal, interest, expenditure, imports, wealth, gift, sales, use, transfer, licensing, withholding, employment, payroll and franchise taxes, and (b) any interest, fines, penalties, assessments, or additions to Tax resulting from, attributable to or incurred in connection with any proceedings or late payments in respect thereof;

"Tax Laws" means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature

"TCS" means tax collectible at source, in accordance with the provisions of Tax Laws; and

"TDS" means tax deductible at source, in accordance with the provisions of Tax Laws.

2. INTERPRETATION

- 2.1. 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, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996, Income-tax Act and other Applicable Law, as the case may be.
- 2.2. References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- 2.3. The headings herein shall not affect the construction of this Scheme.
- 2.4. Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to any statute or to any statutory provision shall include any subordinate legislation made from time to time under that statute or provision.
- 2.5. The singular shall include the plural and *vice versa*; and references to one gender include all genders.
- 2.6. Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.



- 2.7. References to a person include any individual, firm, body corporate (whether or not incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality).

3. SHARE CAPITAL

- 3.1. The share capital of the Amalgamating Company as on May 31, 2024 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
10,000 Equity Shares of Rs. 100/- each	10,00,000
TOTAL	10,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 100/- each	10,00,000
TOTAL	10,00,000

As on the date of approval of the Scheme by the Board of respective Parties, the entire share capital of the Amalgamating Company is held by the Amalgamated Company.

- 3.2. The share capital of the Amalgamated Company / the Demerged Company as on May 31, 2024 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
92,50,00,000 Equity Shares of Rs. 10/- each	925,00,00,000
7,50,00,000 8% Redeemable Preference Shares of Rs. 10/- each	75,00,00,000
TOTAL	10,00,00,00,000
Issued, Subscribed and Paid-up Share Capital	
53,77,89,378 Equity Shares of Rs. 10/- each	537,78,93,780
7,17,55,740 8% Redeemable Preference Shares of Rs. 10/- each	71,75,57,400
TOTAL	609,54,51,180

Subsequent to the above date, there has been no change in the Authorized, issued, subscribed and paid up share capital of the Amalgamated Company / the Demerged Company till the date of approval of the Scheme by the Board of the Amalgamated Company / the Demerged Company. The Amalgamated Company / the Demerged Company has outstanding employee stock options under its existing stock option schemes, the exercise of which may result in an increase in the issued and paid-up share capital of the Amalgamated Company / the Demerged Company. The equity shares of the Amalgamated Company / the Demerged Company are listed on Stock Exchanges.

- 3.3. The share capital of the Resulting Company as on May 31, 2024 is as under:

Particulars	Amount in Rs
Authorized Share Capital	
2,00,000 Equity shares of Rs. 10 each	20,00,000
TOTAL	20,00,000
Issued, Subscribed and Paid-up Share Capital	
20,000 Equity Shares of Rs. 10/- each fully paid-up	2,00,000
TOTAL	2,00,000

As on the date of approval of the Scheme by the Board of respective Parties, the entire share capital of the Resulting Company is held by Demerged Company.



The equity shares of the Resulting Company are presently not listed on any Stock Exchange. An application shall be made with the BSE and NSE post the effectiveness of the Scheme, for listing of the equity shares of the Resulting Company so that upon Demerger of the Demerged Undertaking into the Resulting Company, the members of the Resulting Company have ready access to market and freely trade in the shares of the Resulting Company.

4. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 4.1. Part II of this Scheme shall be effective from the Appointed Date 1 and shall be operative from the Effective Date.
- 4.2. Part III of this Scheme shall be effective from the Appointed Date 2 and shall be operative from the Effective Date.



PART – II
AMALGAMATION OF THE AMALGAMATING COMPANY INTO AND WITH THE AMALGAMATED COMPANY

5. TRANSFER OF ASSETS AND LIABILITIES

- 5.1. With effect from the Appointed Date 1 and subject to the provisions of this Scheme and pursuant to Section 232 of the Act and Section 2(1B) of the Income-tax Act, the Amalgamating Company shall stand amalgamated with the Amalgamated Company as a going concern and all assets, liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc. of the Amalgamating Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company, so as to become as and from the Appointed Date 1, the assets, liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc. of the Amalgamated Company by virtue of, and in the manner provided in this Scheme.
- 5.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon Part II of the Scheme becoming effective and with effect from the Appointed Date 1:
- 5.2.1. with respect to the assets of the Amalgamating Company that are movable in nature or are otherwise capable of being transferred by manual delivery or by paying over or endorsement and/ or delivery, the same may be so transferred by the Amalgamating Company by operation of law without any further act or execution of an instrument with the intent of vesting such assets with the Amalgamated Company as on the Appointed Date 1;
- 5.2.2. subject to Clause 5.2.3 below, with respect to the assets of the Amalgamating Company, other than those referred to in Clause 5.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), cash and bank balances, liquid investments related to the Hospitality Business, investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Amalgamating Company shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Amalgamated Company, with effect from the Appointed Date 1, by operation of law as transmission or as the case may be In favour of the Amalgamated Company;
- 5.2.3. all debts, liabilities, duties and obligations (debentures or other debt securities) of the Amalgamating Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Amalgamated Company, so as to become on and from the Appointed Date 1, the debts, liabilities, duties and obligations of the Amalgamated Company on the same terms and conditions as were applicable to the Amalgamating Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 5;
- 5.2.4. the vesting of the entire undertaking of the Amalgamating Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of Amalgamating Company or part thereof on or over which they are subsisting on and vesting of such assets in Amalgamated Company and no such Encumbrances shall extend over or apply to any other asset(s) of Amalgamated



Company. Any reference in any security documents or arrangements (to which Amalgamating Company is a party) related to any assets of Amalgamating Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Amalgamated Company. Similarly, Amalgamated Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of Amalgamating Company shall not extend or be deemed to extend or apply to the assets so vested;

- 5.2.5. Taxes, if any, paid or payable by the Amalgamating Company after the Appointed Date 1 shall be treated as paid or payable by the Amalgamated Company and the Amalgamated Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable;
- 5.2.6. if the Amalgamating Company is entitled to any unutilized credits (including balances or advances), benefits, subsidies, grants, special status and other benefits or privileges of whatsoever nature under the incentive schemes and policies including tax holiday or concessions under any Tax Laws or Applicable Laws, the Amalgamated Company shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits as the case may be automatically without any specific approval or permission;
- 5.2.7. upon Part II of the Scheme becoming effective, the Amalgamating Company and / or the Amalgamated Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme;
- 5.2.8. it is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Amalgamating Company, shall, if so required by the Amalgamated Company, issue notices in such form as the Amalgamated Company may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Amalgamated Company, as the person entitled thereto, to the end and intent that the right of the Amalgamating Company, to recover or realise the same, stands transferred to the Amalgamated Company and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 5.2.9. On and from the Effective Date and till such time that the name of the bank accounts of the Amalgamating Company has been replaced with that of the Amalgamated Company, the Amalgamated Company shall be entitled to maintain and operate the bank accounts of the Amalgamating Company in the name of the Amalgamating Company and for such time as may be determined to be necessary by the Amalgamated Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Amalgamating Company after the Effective Date shall be accepted by the bankers of the Amalgamated Company and credited to the account of the Amalgamated Company, if presented by the Amalgamated Company; and
- 5.2.10. without prejudice to the foregoing provisions of Clause 5.2, and upon the effectiveness of Part II of the Scheme, the Amalgamating Company, and the Amalgamated Company shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Amalgamated Company may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned ROC or filing of necessary applications, notices, intimations or letters with any authority or person, to give effect to the above provisions.



6. PERMITS

With effect from the Appointed Date 1, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Amalgamating Company, pursuant to the provisions of Section 230 to 232 of the Act, shall without any further act, instrument or deed, be transferred to, and vest in, or be deemed to have been transferred to, and vested in, and be available to, the Amalgamated Company so as to become as and from the Effective Date, the Permits, estates, assets, rights, title, interests and authorities of the Amalgamated Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Appointed Date 1 and until the Permits are transferred, vested, recorded, effected, and/ or perfected, in the record of the Appropriate Authority, in favour of the Amalgamated Company, the Amalgamated Company is authorized to carry on business in the name and style of the Amalgamating Company and under the relevant license and/or permit and/ or approval, as the case may be, and the Amalgamated Company shall keep a record and/ or account of such transactions.

7. CONTRACTS

- 7.1. Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature, subsisting or having effect on or immediately before the Appointed Date 1, to which the Amalgamating Company is a party shall remain in full force and effect against or in favour of the Amalgamated Company and shall be binding on and be enforceable by and against the Amalgamated Company as fully and effectually as if the Amalgamated Company had at all material times been a party thereto. The Amalgamated Company will, if required, enter into novation agreement(s) in relation to such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above. Any inter-se contracts between the Amalgamating Company on the one hand and the Amalgamated Company on the other hand shall stand cancelled and cease to operate upon the effectiveness of Part II of this Scheme.
- 7.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the assets and liabilities of the Amalgamating Company occurs by virtue of this Scheme, the Amalgamated Company may, at any time after Part II of the Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Amalgamating Company is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. The Amalgamated Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.
- 7.3. On and from the Effective Date, and thereafter, the Amalgamated Company shall be entitled to complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Amalgamating Company in the name of the Amalgamating Company in so far as may be necessary until the transfer of rights and obligations of the Amalgamating Company, to the Amalgamated Company under this Scheme has been given effect to under such contracts and transactions.

8. EMPLOYEES

- 8.1. On Part II of the Scheme becoming effective, all employees of the Amalgamating Company in service on the Effective Date, shall be deemed to have become employees of the Amalgamated Company with effect from the Appointed Date 1 or their respective joining date, whichever is



later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated Company shall not be less favourable than those applicable to them with reference to the Amalgamating Company on the Effective Date. The Amalgamated Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Amalgamating Company with any union/employee of the Amalgamating Company recognized by the Amalgamating Company. It is hereby clarified that the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which the employees of the Amalgamating Company are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Amalgamated Company or to be established and caused to be recognized by the appropriate authorities, by the Amalgamated Company.

- 8.2. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Amalgamating Company would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Amalgamating Company.
- 8.3. Upon transfer of the aforesaid funds to the respective funds of the Amalgamated Company, the existing trusts created for such funds by the Amalgamating Company shall stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the employees of the Amalgamating Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.
- 8.4. Without prejudice to the aforesaid, the Board of the Amalgamated Company, if it deems fit and subject to applicable laws, shall be entitled to retain separate trusts or funds within the Amalgamated Company for the erstwhile fund(s) of the Amalgamating Company.

9. LEGAL PROCEEDINGS

If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the "Proceedings") by or against the Amalgamating Company is pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would have been continued, prosecuted and enforced by or against the Amalgamating Company as if this Scheme had not been made. On and from the Effective Date, the Amalgamated Company may initiate any legal proceeding for and on behalf of the Amalgamating Company.

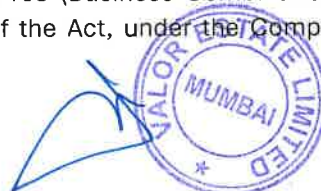
10. CONSIDERATION

- 10.1. Since the Amalgamating Company is wholly owned subsidiary of the Amalgamated Company, upon amalgamation of the Amalgamating Company with the Amalgamated Company, no consideration shall be issued by the Amalgamated Company.
- 10.2. Upon the Scheme becoming effective, the entire share capital of the Amalgamating Company held by the Amalgamated Company along with its nominees, shall stand cancelled without any further application, act, or deed.

11. ACCOUNTING TREATMENT BY THE AMALGAMATED COMPANY IN ITS BOOKS OF ACCOUNTS

Upon the Scheme being effective and with effect from the Appointed Date 1:

- 11.1. The Amalgamated Company shall account for the amalgamation of the Amalgamating Company in the books of accounts in accordance with "Pooling of Interest Method" of accounting as laid down in Appendix C of Indian Accounting Standard (Ind AS) 103 (Business Combinations of entities under common control) notified under Section 133 of the Act, under the Companies



(Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:

- 11.1.1. the Amalgamated Company shall, upon the Scheme coming into effect record the assets and liabilities, if any, of the Amalgamating Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the financial statement of the Amalgamating Company.
 - 11.1.2. the identity of the reserves of the Amalgamating Company shall be preserved and the Amalgamated Company shall record the reserves of the Amalgamating Company, at the book values thereof and in the same form as appearing in the financial statement of the Amalgamating Company.
 - 11.1.3. pursuant to the Amalgamation of the Amalgamating Company with the Amalgamated Company, the inter-company balances between the Amalgamated Company and the Amalgamating Company, if any appearing in the books of the Amalgamated Company shall stand cancelled and there shall be no further obligation in that behalf.
 - 11.1.4. the value of the investment held by the Amalgamated Company in the Amalgamating Company shall stand cancelled pursuant to Amalgamation.
 - 11.1.5. the difference between the share capital of the Amalgamating Company and the book value of the investment
 - 11.1.6. ed in terms of clause 11.1.4 above shall be transferred to the account of Capital Reserve or any other reserves, as specified under the standard.
- 11.2. As the Amalgamating Company shall stand dissolved without being wound up without being dissolved upon the Scheme becoming effective, no accounting treatment is being prescribed under this Scheme in the books of the Amalgamating Company.

12. TAXES / DUTIES / CESS

- 12.1. This Scheme has been drawn up to comply with the conditions as specified under Section 2(1B) and other relevant sections of the Income-tax Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said sections and other relevant provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other relevant provisions of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant sections of the Income-tax Act. Such modification will, however, not affect the other parts of the Scheme.
- 12.2. With effect from the Appointed Date 1 and upon the effectiveness of the Scheme, by operation of law pursuant to the order of the Tribunal:
- 12.3. Taxes, whether direct or indirect, of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, TDS, TCS, dividend distribution tax, equalisation levy, tax credits, if any, paid by the Amalgamating Company shall be treated as paid by the Amalgamated Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable, notwithstanding that challans or records may be in the name of the Amalgamating Company. Further, any TDS by the Amalgamating Company / the Amalgamated Company on payables to the Amalgamated Company / the Amalgamating Company, respectively, which income shall not be accrued in the books pursuant to the Scheme, shall also be deemed to be advance taxes paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.
- 12.4. The Amalgamating Company / the Amalgamated Company is expressly permitted to revise and file their income tax returns and other statutory returns, along with the necessary prescribed forms, filings and annexures even beyond the due date, if required, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / value added tax /



goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of TDS, credit of foreign Taxes paid / withheld, etc. if any, as may be required for the purposes of / consequent to implementation of the Scheme. All compliances undertaken by the Amalgamating Company from the Appointed Date 1 till the Effective Date will be considered as compliances undertaken by the Amalgamated Company. The Amalgamated Company shall be entitled to credit of the tax paid including, but not limited to, credit of the advance tax, self-assessment tax, TDS, TCS and credit under GST law, in relation to the Amalgamating Company, for the period between the Appointed Date and the Effective Date.

- 12.5. It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, rebate, etc., the Amalgamated Company, if so required, shall issue notice in the name of the Amalgamating Company, in such form as it may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, rebate, etc. granted by any Government Body, local authority or by any other person under the Tax Laws due to the Amalgamating Company shall stand vested in the Amalgamated Company and the above benefits be paid or made good or held on account of the Amalgamated Company, as the person entitled thereto, to the end and intent that the right of the Amalgamating Company to recover or realise or claim such benefit or incentives or unutilised credits, stands transferred to the Amalgamated Company. All Taxes / credits including income-tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax or any other direct or indirect taxes as may be applicable, etc. paid or payable by the Amalgamating Company before the Appointed Date, shall be on account of the Amalgamating Company. All the expenses incurred by the Amalgamating Company and the Amalgamated Company in relation to the amalgamation of the Amalgamating Company with the Amalgamated Company in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Amalgamated Company in accordance with Section 35DD of the Income-tax Act over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.
- 12.6. Obligation for deduction of tax at source on any payment made by or to be made by the Amalgamating Company, under Tax Laws or other Applicable Laws / regulations dealing with Taxes / duties / levies duly complied by the Amalgamating Company shall be made or deemed to have been made and duly complied with by the Amalgamated Company.

13. DISSOLUTION OF AMALGAMATING COMPANY WITHOUT WINDING UP

On Part II of this Scheme becoming effective, the Amalgamating Company shall stand dissolved without winding up. On and from the Effective Date, the name of the Amalgamating Company shall be struck off from the records of the concerned ROC.

14. CONDUCT OF BUSINESS UPTO THE EFFECTIVE DATE

- 14.1. With effect from the date of approval of the Scheme by the respective Boards of the Parties and up to and including the Effective Date:

the Amalgamating Company shall carry on its business with reasonable diligence and business prudence and in the same manner as it has been hitherto conducting; and the Amalgamating Company with effect from the Appointed Date 1 and up to and including the Effective Date shall be deemed to have been carrying on and shall carry on their businesses and activities and shall hold and stand possessed of their assets for and on account of, and in trust for the Amalgamated Company.



PART – III
DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING FROM THE DEMERGED COMPANY
INTO THE RESULTING COMPANY

15. DEMERGER AND VESTING OF THE HOSPITALITY UNDERTAKING

- 15.1. Upon the Part III of the Scheme becoming effective and with effect from the Appointed Date 2, and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 read with Section 52 and 66 of the Act and Section 2(19AA) of the Income-tax Act, the Hospitality Business of the Demerged Company along with all its assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. shall, without any further act, instrument or deed, be demerged from Demerged Company and transferred to and be vested in or be deemed to have been vested in the Resulting Company as a going concern so as to become as and from the Appointed Date 2, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Resulting Company by virtue of, and in the manner provided in this Scheme.
- 15.2. In respect of such of the assets and properties forming part of the Demerged Undertaking as are movable in nature or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery , the same shall stand transferred by the Demerged Company upon coming into effect of this Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of the Resulting Company.
- 15.3. Subject to Clause 15.4 below, with respect to the assets of the emerged Undertaking, other than those referred to in Clause 15.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), financial assets including direct investments in entities engaged in the Hospitality Business (by way of investment in share capital, loans and advances, share of profit/interest in such entities), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Demerged Company, shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company, with effect from the Appointed Date 2 by operation of law as transmission or as the case may be in favour of Resulting Company. With regard to the licenses of the properties, the Resulting Company will enter into novation agreements, if it is so required.
- 15.4. All immoveable property, whether or not included in the books of the Demerged Company, whether freehold or leasehold (including but not limited to capital works in progress, land, buildings, sites, tenancy rights related thereto, and any other document of title, rights, interest and easements in relation thereto) forming part of Demerged Undertaking shall stand transferred to and be vested in the Resulting Company, without any act or deed to be done or executed by the Demerged Company and/ or the Resulting Company. Provided that, the Boards of the Demerged Company and the Resulting Company may mutually decide if any particular asset (including any hotel undertaking, business, activities, employees, permits, consents etc.) which relates to the Hospitality Business shall not be vested in the Resulting Company for such period and on such terms as may be mutually determined by the Companies pursuant to this Scheme in the event of non-receipt of any consents, permission etc. required for vesting of such assets, as intended, or imposition of any onerous conditions associated with such consents or permissions.
- 15.5. Notwithstanding anything contained in this Scheme, the immovable properties of the Demerged Company situated within any state in relation to the Demerged Undertaking as the Resulting Company may determine, whether owned or leased, whether executed before or after the Effective Date, for the purpose *inter alia* payment of stamp duty, and vesting into the Resulting



Company and if the Resulting Company so decides, the concerned parties, shall execute and 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, shall be deemed to be conveyed at a consideration being the fair market value of such properties (arrived at by a government approved independent valuer). The execution of such conveyance shall form an integral part of the Scheme.

- 15.6. The Demerged Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.
- 15.7. Upon effectiveness of the Scheme, all debts, liabilities, loans, obligations and duties of the Demerged Company as on the Appointed Date 2 and relatable to the Demerged Undertaking ("Demerged Liabilities") shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Appointed Date 2 and the Resulting Company shall meet, discharge and satisfy the same. The term "Demerged Liabilities" shall include:
- 15.7.1. the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Demerged Undertaking;
- 15.7.2. the specific loans or borrowings (including debentures, bonds, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking); and
- 15.7.3. in cases other than those referred to in Clauses 15.7.1 or 15.7.2 above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to the demerger bears to the total value of the assets of the Demerged Company immediately prior to the Appointed Date 2.

However, the tax liabilities and tax demands or refunds received or to be received by the Demerged Company for a period prior to the Appointed Date 2 in relation to the Demerged Company shall not be transferred as part of the Demerged Undertaking to the Resulting Company.

- 15.8. In so far as any Encumbrance in respect of the Demerged Liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the Demerged Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 15.9. All Intellectual Property and rights thereto of the Demerged Company that exclusively forms part of the Hospitality Business, whether registered or unregistered, along with all rights of commercial nature including attached goodwill, title, interest, and all other interests relating to the goods or services being dealt with by the Demerged Company and forming part of the Demerged Undertaking, shall become the property of and/or stand vested in, the Resulting Company.



- 15.10. Taxes, if any, paid or payable by the Demerged Company after the Appointed Date 2 and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.
- 15.11. If the Demerged Company is entitled to any unutilized credits (including balances or advances), benefits under the incentive schemes and policies including tax holiday or concessions relating to the Demerged Undertaking under any Tax Laws or Applicable Laws, the Resulting Company shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilized credits, as the case may be, without any specific approval or permission.
- 15.12. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 15.13. It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Resulting Company, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realize the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 15.14. On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate the bank accounts of the Demerged Company, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company.
- 15.15. Without prejudice to the foregoing provisions of sub clauses of this Clause 15.1, and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned ROC or filing of necessary applications, notices, intimations or letters with any authority or Person to give effect to the Scheme.

16. PERMITS

- 16.1. With effect from the Appointed Date 2, Permits relating to the Demerged Undertaking shall be transferred to and vested in the Resulting Company and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the Resulting Company on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking in the Resulting Company and continuation of operations pertaining to the Demerged Undertaking in the Resulting Company without any hindrance, and shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the Resulting Company without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Resulting Company as if the same were originally given by, issued to or



executed in favour of the Resulting Company and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company.

- 16.2. The benefit of all Permits pertaining to the Demerged Undertaking shall without any other order to this effect, transfer and vest into and become available to the Resulting Company pursuant to the sanction of this Scheme.

17. CONTRACTS

- 17.1. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments in relation to the Demerged Undertaking, to which the Demerged Company is a party and which is subsisting or having effect on or immediately before the Appointed Date 2 shall remain in full force and effect against or in favour of the Resulting Company and shall be binding on and be enforceable by and against the Resulting Company as fully and effectually as if the Resulting Company had at all material times been a party or beneficiary or obligee thereto. The Resulting Company will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above and, if required, cause such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above to be formally taken on record/ recognised by the Appropriate Authorities.
- 17.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme, the Resulting Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Appointed Date 2, the Resulting Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.
- 17.3. On and from the Effective Date, and thereafter, the Resulting Company shall be entitled to enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Demerged Undertaking, in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been given effect to under such contracts and transactions.

18. EMPLOYEES

- 18.1. On Part III of the Scheme becoming effective, all employees of the Demerged Company in service on the Effective Date, engaged in or in relation to the Demerged Undertaking, shall be deemed to have become employees of the Resulting Company with effect from the Appointed Date 2 or their respective joining date, whichever is later, without any interruption in service, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company. The Resulting Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The Resulting Company agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits. The decision on



whether or not an employee is part of the Demerged Undertaking, be decided by the Demerged Company, and shall be final and binding on all concerned.

- 18.2. The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such gratuity fund and superannuation funds nominated by the Resulting Company and/ or such new gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Resulting Company. Pending the transfer as aforesaid, the gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing gratuity fund and superannuation fund respectively of the Demerged Company.
- 18.3. As far as provident fund is concerned, the balances standing to the credit of the said employees in the existing provident fund of the Demerged Company shall be retained in such provident fund and such provident fund shall be continued for the benefit of: (a) the said employees who are transferred to the Resulting Company, as aforesaid, and (b) other employees of the Demerged Company. In relation to said employees being transferred, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions thereof. The rules of such existing provident fund shall stand amended accordingly. The employees of the Demerged Company engaged in or in relation to the Demerged Undertaking who are transferred to the Resulting Company, as aforesaid, shall be deemed to constitute a separate class of employees of the Resulting Company for the purpose of compliance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

19. LEGAL PROCEEDINGS

- 19.1. Upon the coming into effect of this Scheme, proceedings relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.
- 19.2. The Resulting Company: (a) shall be replaced/ added as party to such proceedings relating to the Demerged Undertaking; and (b) shall prosecute or defend such proceedings at its own cost and the liability of the Demerged Company shall consequently stand nullified. For the avoidance of doubt, it is clarified that only the Demerged Company shall be liable for the result of such order or judgment including any relief or positive impact/benefit or adverse impact/liability accruing from such order or judgment. It is clarified that except, as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any proceedings relating to the Demerged Undertaking that stand transferred to the Resulting Company.

20. CONSIDERATION

- 20.1. Upon Part III of the Scheme coming into effect and in consideration of and subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot shares, on a proportionate basis to each shareholder of the Demerged Company

1 fully paid-up equity share of INR 10 of the Resulting Company ("Resulting Company New Equity Shares"), credited as fully paid-up, for every 10 equity shares of INR 10 each of the Demerged Company
and

1 fully paid-up preference share of INR 10 of the Resulting Company ("Resulting Company New Preference Shares"), credited as fully paid-up,



**for every 10 preference share of INR 10 each of the Demerged Company,
("Share Entitlement Ratio")**

held by such shareholder whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date. It is hereby clarified that no shares shall be issued by the Resulting Company in respect of the shares held by the Demerged Company in the Resulting Company. The equity shares of the Resulting Company to be issued and allotted as provided in this Clause 20.1 shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Resulting Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of Resulting Company.

- 20.2. Any fraction arising out of allotment of equity, preference shares as per clause 20.1 above shall be rounded off to the nearest higher integer.
- 20.3. It is hereby clarified that in case no preference shares of the Demerged company are outstanding as on the Record date, then no consideration shall be required to be issued to the preference shareholder of the Demerged Company.
- 20.4. The issue and allotment of shares as provided in Clause 20.1, is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company and/ or the Demerged Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of shares, as the case may be, pursuant to the aforesaid Clause 20.1.
- 20.5. The shares issued pursuant to Clause 20.1 shall be in dematerialized form only, provided that the shareholders of Demerged Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. All those shareholders who hold shares of the Demerged Company in physical form shall receive the Resulting Company New Equity Shares and Resulting Company New Preference Shares in dematerialized form only, provided that the details of their account with the depository participant are intimated in writing to the Demerged Company and provided such intimation has been received by the Demerged Company at least 7 (seven) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Demerged Company in physical form 7 (seven) days before the Record Date, the Resulting Company shall keep such shares in abeyance / escrow account / with a trustee nominated by the Board of the Resulting Company for the benefit of such shareholders or shall be dealt with as provided under the Applicable Law and will be credited to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Resulting Company and/or its registrar, if permitted under Applicable Law
- 20.6. In the event, the Parties restructure their equity share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the Share Entitlement Ratio, per Clause 20.1 above shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions.
- 20.7. The Resulting Company shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Scheme Circular – Equity and other relevant provisions as may be applicable. The equity shares allotted by the Resulting Company in terms of Clause 20.1 above, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the



shareholding pattern of the Resulting Company between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.

- 20.8. Resulting Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

20.9. **Fractional Entitlement, if any:**

20.9.1 If the allotment of the Resulting Company New Equity Shares pursuant to clause 20.1 and after considering rounding-off to nearest higher integer as per clause 20.2, results in any fractional entitlement, then such fractional entitlements shall be consolidated and thereupon allotted in lieu thereof to trustee(s) authorized by the Board of the Resulting Company in this behalf which shall hold such Resulting Company New Equity Shares in trust on behalf of the shareholders of the Demerged Company, entitled to fractional entitlements with the express understanding that such trustee(s) shall sell such Resulting Company New Equity Shares so allotted on the NSE and/ or BSE within a period of 90 days from the date of allotment of such Resulting Company New Equity Shares, at such price or prices and to such persons, as the trustee(s) deems fit, subject to the provisions of the SEBI Scheme Circular – Equity, and shall distribute the net sale proceeds, after deductions of applicable taxes and expenses incurred, in proportion to their respective fractional entitlements.

20.9.2 In case the number of Resulting Company New Equity Shares to be allotted to the trustee(s) authorized by the Board of the Resulting Company by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer.

21. **REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY**

Upon the Scheme coming into effect, all equity shares of the Resulting Company held by the Demerged Company (directly and/ or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Resulting Company to the Demerged Company in lieu of such shares of the Resulting Company. For avoidance of doubt, it is clarified that the reduction in the share capital of the Resulting Company, pursuant to such cancellation shall be effected as an integral part of this Scheme and not in accordance with Section 66 of the Act. The order of 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 shall be necessary.

22. **ACCOUNTING TREATMENT BY THE DEMERGED COMPANY AND THE RESULTING COMPANY IN RESPECT OF THEIR RESPECTIVE BOOKS OF ACCOUNTS**

22.1. **Accounting treatment in the books of the Demerged Company:**

22.1.1. The Demerged Company shall, upon the Scheme becoming effective, reduce the carrying values of the assets and liabilities of the Demerged Undertaking vested in the Resulting Company pursuant to this Scheme at their respective book values as on the Effective Date;

22.1.2. Inter-company balances and transaction between the Resulting Company and the Demerged Undertaking of the Demerged Company, if any, including inter- company investments shall stand cancelled; and

22.1.3. The difference being the excess of the carrying value of assets over the book value of the liabilities pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to this Scheme after giving effect to Clause 22.1.2 shall be recognized in 'Other Equity', and will be adjusted firstly to the balance in capital reserves of the Demerged Company and the balance difference, if any against Securities Premium Account.



22.2. Accounting treatment in the books of the Resulting Company:

- 22.2.1. Upon the coming into effect of this Scheme, the Resulting Company shall record the assets and liabilities of the Demerged Undertaking at their respective book values, as on the Effective Date in the books of the Demerged Company
- 22.2.2. The identity of the reserves of the Demerged Company in relation to the Demerged Undertaking shall be preserved and the Resulting Company shall record the reserves of the Demerged Company in relation to the Demerged Undertaking, at the book values thereof and in the same form as appearing in the financial statement of the Demerged Company.
- 22.2.3. The Resulting Company shall credit to its share capital account, the aggregate face value of the Resulting Company New Equity Shares and Resulting Company New Preference Shares issued by it pursuant to Clause 20.1 of this Scheme;
- 22.2.4. Inter-company balances and transaction between the Resulting Company and the Demerged Undertaking of the Demerged Company, if any, including inter-company investments will stand cancelled;
- 22.2.5. The difference between value of assets and liabilities of the Demerged Undertaking as recorded by the Resulting Company after considering effect of Clause 22.2.2, Clause 22.2.3 and Clause 22.2.4 shall be adjusted as capital reserve; and
- 22.2.6. When the financial statements will be prepared under the Indian Accounting Standards ("Ind AS"), as per Ind AS 103, the financial information in the financial statements in respect of prior periods (prior to the Effective Date) shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

23. TAXES / DUTIES / CESS

- 23.1. This Scheme has been drawn up to comply with the conditions as specified under Section 2(19AA) and other relevant sections of the Income-tax Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said sections and other relevant provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other relevant provisions of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) and other relevant sections of the Income-tax Act. Such modification will, however, not affect the other parts of the Scheme.
- 23.2. With effect from the Appointed Date 2 and upon the effectiveness of the Scheme, by operation of law pursuant to the order of the Tribunal:
 - 23.2.1. Taxes, whether direct or indirect, of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, TDS, TCS, dividend distribution tax, equalisation levy, tax credits, if any, paid by the Demerged Company in relation to the Demerged Undertaking shall be treated as paid by the Resulting Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable, notwithstanding that challans or records may be in the name of the Demerged Company. Further, any TDS by the Demerged Company / the Resulting Company on payables to the Resulting Company / the Demerged Company in relation to the Demerged Undertaking, respectively, which income shall not be accrued in the books pursuant to the Scheme, shall also be deemed to be advance taxes paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
 - 23.2.2. The Demerged Company / the Resulting Company is expressly permitted to revise and file their Income-tax returns and other statutory returns, along with the necessary prescribed forms, filings and annexures even beyond the due date, if required, including



tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / value added tax / goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of TDS, credit of foreign Taxes paid / withheld, etc. if any, as may be required for the purposes of / consequent to implementation of the Scheme. All compliances undertaken by the Demerged Company in relation to the Demerged Undertaking from the Appointed Date 2 till the Effective Date will be considered as compliances undertaken by the Resulting Company. The Resulting Company shall be entitled to credit of the tax paid including, but not limited to, credit of the advance tax, self-assessment tax, TDS, TCS and credit under GST law, in relation to the Demerged undertaking of Demerged Company, for the period between the Appointed Date 2 and the Effective Date.

- 23.3. It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, rebate, etc., the Resulting Company, if so required, shall issue notice in the name of the Demerged Company, in such form as it may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, rebate, etc. granted by any Government Body, local authority or by any other person under the Tax Laws due to the Demerged Company in relation to the Demerged Undertaking shall stand vested in the Resulting Company and the above benefits be paid or made good or held on account of the Resulting Company, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise or claim such benefit or incentives or unutilised credits, in relation to the Demerged Undertaking stands transferred to the Resulting Company. All Taxes / credits including income-tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax or any other direct or indirect taxes as may be applicable, etc. paid or payable by the Demerged Company in relation to the Demerged Undertaking, before the Appointed Date 2, shall be on account of the Demerged Company. All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Demerger of Demerged Undertaking of the Demerged Company to the Resulting Company in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting Company in accordance with Section 35DD of the Income-tax Act over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.
- 23.4. Obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company in relation to the Demerged Undertaking, under Tax Laws or other Applicable Laws / regulations dealing with Taxes / duties / levies duly complied by the Demerged Company shall be made or deemed to have been made and duly complied with by the Resulting Company.

24. CROSS CLAIMS AND WRONG POCKET ASSETS:

- 24.1. Unless otherwise specified in the terms of the Scheme, no part of the Demerged Undertaking, shall be retained by the Demerged Company after the Effective Date pursuant to the Demerger. If any part of any of the Demerged Undertaking is inadvertently not transferred to the Resulting Company on the Effective Date pursuant to the Demerger, the Demerged Company shall take such actions as may be reasonably required to ensure that such part of the relevant Demerged Undertaking, as the case may be, is transferred to the Resulting Company promptly and for no further consideration, and without any Tax implications. The Demerged Company shall bear all costs and expenses as may be required to be incurred by each of the Demerged Company or the Resulting Company, for giving effect to this Clause.
- 24.2. No part of the Remaining Business shall be transferred to the Resulting Company pursuant to the Demerger. If any part of the Remaining Business is inadvertently held by the Resulting Company after the Effective Date, the Resulting Company shall take such actions as may be reasonably



required to ensure that such part of the Remaining Business is transferred back to the Demerged Company, promptly and for no consideration, and without any Tax implications. The Resulting Company shall bear all costs and expenses as may be required to be incurred by each of the Demerged Company or the Resulting Company for giving effect to this Clause

- 24.3. If the Demerged Company realizes any amounts after the Effective Date that form part of the Demerged Undertaking, it shall immediately make payment of such amounts to the Resulting Company. It is clarified that all receivables relating to the Demerged Undertaking, for the period prior to the Effective Date, but received after the Effective Date, relate to the Demerged Undertaking and shall be paid to the Resulting Company for no additional consideration, and without any Tax implications. If the Resulting Company realizes any amounts after the Effective Date that pertains to the Demerged Company or the Remaining Business, the Resulting Company shall immediately pay such amounts to the Demerged Company. Similarly, if the Demerged Company discharges any Demerged Liability after the Effective Date, the Resulting Company shall make payment of such amounts to the Demerged Company.

25. ALTERATION OF THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE RESULTING COMPANY

- 25.1. With effect from the Effective Date, the memorandum of association and articles of association of the Resulting Company shall be deemed to be altered and amended, without any further act or deed to *inter alia* include the objects as required for carrying on the business activities of the Demerged Company in relation to the Demerged Undertaking, pursuant to the Scheme and applicable provisions of the Act.
- 25.2. The Memorandum of Association of the Resulting Company shall, if necessary, be amended and restated to comply with the provisions required of a listed company. The amendments stipulated under this clause shall take effect on the Scheme becoming effective as the shareholders of the Resulting Company, in approving the Scheme as a whole, have approved and given the relevant consents as required under the Act for the amendment of the memorandum of association of the Resulting Company enabling the composite scheme of arrangement and listing and no separate resolutions are required to be passed under section 13 or any other applicable provisions of the Act.
- 25.3. Accordingly, consequential (numbering) changes, if required, shall be made to the memorandum of association of the Resulting Company, without any act, instrument or deed, in terms of Clause 25.2 above, pursuant to Sections 13, 14 and other applicable provisions of the Act.
- 25.4. The Articles of Association of the Resulting Company shall, if necessary, be amended and restated to comply with the provisions required of a listed company. The amendments under this Clause shall take effect on the Scheme becoming effective because the shareholders of the Resulting Company, in approving the Scheme as a whole, have approved and given the relevant consents as required under the Act for the amendment of the articles of association of the Resulting Company enabling the composite scheme of arrangement and listing and no separate resolutions are required to be passed under section 14 or any other applicable provisions of the Act.
- 25.5. Accordingly, consequential (numbering) changes, if required, shall be made to the article numbers of the articles of association of the Resulting Company, without any act, instrument or deed, in terms of Clause 25.4, above, pursuant to Sections 13, 14 and other applicable provisions of the Act.



- 25.6. Filing of the certified copy of this Scheme as sanctioned by the Tribunal, in terms of Sections 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the Tribunal and a printed copy of the amended memorandum of association and articles of association shall be sufficient for the purposes of the applicable provisions of the Act and the ROC shall register the same and make the necessary alterations in the memorandum of association and articles of association of the Resulting Company accordingly and shall certify the registration thereof in accordance with the applicable provisions of the Act.
- 25.7. The Resulting Company shall file with the ROC, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

26. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 26.1. Upon this Scheme coming into effect, the resolutions / power of attorneys / letter of authority(ies) executed by the Amalgamating Company or the Demerged Company in relation to the Demerged Undertaking, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions, power of attorney and letter of authority(ies) passed / executed by the Amalgamated Company or the Resulting Company respectively and if any such resolutions have any monetary limits approved under the provisions of the Act or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under like resolutions passed by the Amalgamated Company or the Resulting Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions for the purpose of the Amalgamated Company or the Resulting Company.
- 26.2. Without prejudice to the generality of Clause 26.1 above, upon the Scheme coming into effect, the borrowing limit of the Resulting Company under Section 180(1)(c) of the Act shall be increased to Indian Rupees 3,000 crores.
- 26.3. Without prejudice to the generality of Clause 26.1 above, upon the Scheme coming into effect, the limit under Section 180(1)(a) of the Act shall be increased in relation to creation or modification of security, mortgage, charges and hypothecation as may be necessary on the assets of the Resulting Company, in favour of the lenders and/ or other instruments for the borrowings such that the outstanding amount of debt at any point of time does not exceed the limits mentioned in Clause 26.2 above.
- 26.4. Without prejudice to the generality of Clause 26.1 above, upon the Scheme coming into effect, the investment limits of the Resulting Company in terms of Section 186 of the Act shall be deemed increased without any further act, instrument or deed to the equivalent of the aggregate investments forming part of the Demerged Undertaking transferred by the Demerged Company to the Resulting Company pursuant to the Scheme. Such limits shall be incremental to the existing investment limits of the Resulting Company.

27. REMAINING BUSINESS OF THE DEMERGED COMPANY:

- 27.1. The Remaining Business and all the assets, properties, rights, Liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company, and the Resulting Company shall have no right, claim or obligation in relation to the Remaining Business of the Demerged Company and nothing in this Scheme shall operate to transfer any of the Remaining Business to the Resulting Company or to make the Resulting Company liable for any of the Demerged Company's Liabilities (excluding the Demerged Liabilities).
- 27.2. All legal, taxation and other proceedings of whatever nature (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company with respect to the Remaining Business, under any statute, whether relating to the period prior to or after the Appointed Date 2 and whether pending on the Appointed Date 2 or which may be instituted in



future, whether or not in respect of any matter arising before the Appointed Date 2 and relating to the Remaining Business of the Demerged Company, (including those relating to any property, right, power, Liability, obligation or duty of the Demerged Company in respect of the Remaining Business and any Income-tax related Liabilities) shall be continued and enforced by or against the Demerged Company, as applicable, even after the Appointed Date 2.

28. TRANSFER OF AUTHORISED CAPITAL

- 28.1. Upon coming into effect of Part III of this Scheme, Rs. 75,00,00,000 (Indian Rupees [Seventy Five Crores Only]) shall stand transferred from the authorised capital of the Demerged Company and get combined with the authorised capital of the Resulting Company and the memorandum of association and Articles of Association of the Resulting Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Resulting Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorised capital of the Demerged Company shall be utilized and applied to the increased authorised share capital of the Resulting Company and there would be no requirement for any further payment of stamp duty and/or fee by the Resulting Company for increase in the authorised share capital to that extent.
- 28.2. Consequently, the memorandum of association of the Resulting Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 14, 61 and 64 of the Act and Section 230 to 232 read with Section 52 and 66 and other applicable provisions of the Act, and be replaced by the following Clause:

"The Authorised Share Capital of the Company is Rs. [75,00,00,000] (Indian Rupees [Seventy Five Crores] Only) divided into [6,50,00,000] ([Six Crores and Fifty Lakhs]) Equity Shares of Rs. [10]/- (Rupees [Ten] only) each and [1,00,00,000] ([One Crore]) preference shares of Rs. [10]/- each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force".

- 28.3. It is clarified that the approval of the members of the Resulting Company to this Scheme shall be deemed to be their consent/ approval also to the consequential alteration of the memorandum of association of the Resulting Company and the Resulting Company shall not be required to seek separate consent/ approval of its shareholders for such alteration of the memorandum of association as required under Sections 13, 61, and 64 of the Act and other applicable provisions of the Act.

29. CONVERSION INTO PUBLIC COMPANY

- 29.1. As an integral part of the Scheme, and upon the coming into effect of the Scheme, the Resulting Company viz. Advent Hotels International Private Limited (formerly known as Shiva Realtors Suburban Private Limited) being a private limited company shall be converted into a public limited company. Subsequent to conversion, the name of "Advent Hotels International Private Limited" shall stand changed to "Advent Hotels International Limited" without any further act or deed.



- 29.2. Pursuant to this Scheme, the Resulting Company shall file the requisite forms with the ROC and shall obtain a fresh certificate upon conversion into public limited company.
- 29.3. It is hereby clarified that for the purposes of this Clause, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above conversion into public limited company and no further resolution under the Act would be required to be separately passed.

30. CONDUCT OF BUSINESS UPTO THE EFFECTIVE DATE

- 30.1. With effect from the Appointed Date 2, and up to and including the Effective Date:
- 30.1.1. the Demerged Company (in relation to the Demerged Undertaking) shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Resulting Company;
 - 30.1.2. all profits or income arising or accruing to the Demerged Company in relation to the Demerged Undertaking and all Taxes paid thereon (including but not limited to advance tax, TDS, minimum alternate tax, dividend distribution tax, securities transaction tax, Taxes withheld/ paid in a foreign country, etc.) or losses arising or incurred by the Demerged Company in relation to the Demerged Undertaking shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, as the case may be, of the Resulting Company; and
 - 30.1.3. all loans raised and all liabilities and obligations incurred by the Demerged Company in relation to the Demerged Undertaking after the Appointed Date 2 and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Resulting Company.
- 30.2. With effect from the date of approval of the Scheme by Board of the respective Parties and up to and including the Effective Date:
- 30.2.1. The Demerged Company in relation to the Demerged Undertaking shall carry on their business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:
 - (a) when the same is expressly provided in this Scheme; or
 - (b) when the same is in the ordinary course of business date of filing of this Scheme in the Tribunal; or
 - (c) when written consent of the Resulting Company, as the case may be, has been obtained in this regard.
 - 30.2.2. The Demerged Company in relation to the Demerged Undertaking shall not alter or substantially expand its business, or undertake (i) any material decision in relation to its business and affairs and operations other than that in the ordinary course of business; (ii) any agreement or transaction (other than an agreement or transaction in the ordinary course of business); and (iii) any new business, or discontinue any existing business or change the capacity of facilities other than that in the ordinary course of business, except with the written concurrence of the Resulting Company;



- 30.2.3. The Demerged Company in relation to the Demerged Undertaking shall not vary the terms and conditions of employment of any of its employees, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken except with the written concurrence of the Resulting Company;
 - 30.2.4. The Demerged Company shall not amend its memorandum of association or articles of association, except with the written concurrence of the Resulting Company, unless required to be done pursuant to actions between the Appointed Date 2 and Effective Date expressly permitted under this Scheme; and
 - 30.2.5. The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require to carry out the business of the Demerged Company and to give effect to the Scheme.
- 30.3. For the purpose of giving effect to the order passed under Sections 230 to 232 read with Section 52 and 66 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Resulting Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the record of the change in the legal right(s) upon the demerger of the Demerged Undertaking, in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges, and be liable to pay all Taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/ or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company as the case may be pursuant to the sanction of the Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Resulting Company as the case may be. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/ or substitution.

31. REMOVAL OF DIFFICULTIES

- 31.1. The Demerged Company and the Resulting Company through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing may:
 - 31.1.1. 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 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;
 - 31.1.2. do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.
- 31.2. In case of any question that may arise as to whether a specific asset or liability or employee pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking, the same shall be decided by a mutual agreement between the Board (or any committee constituted by the Board to deal with the matters in relation to the Scheme) of the Demerged Company and the Resulting Company.



PART – IV
REDUCTION OF PREFERENCE SHARE CAPITAL OF THE DEMERGED COMPANY
IMMEDIATELY FOLLOWED BY CONSOLIDATION

32. SUBJECT TO ISSUANCE OF PREFERENCE SHARE UNDER CLAUSE 20.1, UPON THIS SCHEME BECOMING EFFECTIVE, WITH EFFECT FROM THE APPOINTED DATE 2:

- 32.1. The issued, subscribed and paid-up value of preference share capital of the Demerged Company shall be reduced by way of reduction of face value of preference shares without any further act or deed by the Demerged Company or by the holders of the said preference shares in the following manner:

Every 1 preference share having face value of Rs. 10/- each shall stand reduced to 1 preference share having face value of Rs. 9/- each and post such reduction Every 10 such preference share having face value of Rs. 9/- each shall be consolidated into 9 number of preference shares having face value of Rs. 10/- each.

- 32.2. Any fraction arising out of such reduction and consolidation as per clause 32.1 above shall be rounded off to the nearest higher integer.
- 32.3. This is an integral part of this Scheme, and no consideration will be issued for such reduction of preference share capital.
- 32.4. Such reduction of preference share capital of the Demerged Company as provided in Clause 32.1 above shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 and other applicable provisions of the Act confirming the reduction and no separate sanction under Section 66 and other applicable provisions of the Act will be necessary. Notwithstanding the reduction in paid-up preference share capital of the Demerged Company, the Demerged Company shall not be required to add the words "and reduced" as a suffix to its name.



PART – V
REDUCTION OF THE SECURITIES PREMIUM ACCOUNT OF THE DEMERGED COMPANY

33. Upon this Scheme becoming effective and with effect from the Appointed Date 2:

- 33.1. The approvals including approvals from the shareholders of the Demerged Company received pursuant to the provisions of the sections 230 to 232 of the Act under this Scheme shall be deemed to be sufficient approval(s) for giving effect to the provisions of this Clause 33 including under Section 52, Section 66 and the other related provisions of the Act. The Demerged Company shall not, nor shall be obliged to, (i) call for a separate meeting of its shareholders and creditors for obtaining their approval sanctioning the reduction of the Securities Premium Account of the Demerged Company; or (ii) obtain any additional approvals / compliances under Section 66 of the Act.
- 33.2. The reduction in the Securities Premium Account of the Demerged Company in accordance with this Clause 33 is in accordance with the provisions of Section 230 to 232 read with Section 52 of the Act, as the same does not result in the extinguishment or diminution of any liability in respect of the unpaid share capital of the Demerged Company or payment to any shareholder of any paid-up share capital of the Demerged Company and the order of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 and Section 230 of the Act confirming such reduction of share capital of the Demerged Company. The reduction in the Securities Premium Account of the Demerged Company in the manner contemplated in this Scheme would not have any impact on the shareholding pattern of the Demerged Company nor would it have any adverse impact on the creditors or employees of the Demerged Company. The order of the NCLT sanctioning this Scheme shall also be deemed to be an order passed under Section 66 and 52 of the Act for the purpose of confirming the reduction.
- 33.3. Notwithstanding the reduction in the Securities Premium Account, the Demerged Company shall not be required to add 'And Reduced' as a suffix to its name. The reduction in the Securities Premium Account shall be effected as an integral part of the Scheme and in accordance with the applicable provisions of the Act without any further act or deed on the part of the Demerged Company.



PART – VI
GENERAL TERMS & CONDITIONS

34. FACILITATION PROVISIONS

- 34.1. Immediately upon the Scheme being effective, the Parties shall enter into agreements as may be necessary, *inter alia* in relation to use by the Parties of office space, infrastructure facilities, information technology services, security personnel, trademarks and other intellectual property rights, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.
- 34.2. It is clarified that approval of the Scheme by the shareholders of respective Parties under sections 230 to 232 of the Act shall be deemed to have their approval under Section 188 and other applicable provisions of the Act and Regulation 23 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that no separate approval of the of the Board or audit committee or shareholders shall be required to be sought by the Parties.

35. APPLICATIONS/ PETITIONS TO THE TRIBUNAL

- 35.1. The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 read with Section 52 and 66 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction, the registered offices of the respective Parties are situated, for sanction of this Scheme under the provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law.
- 35.2. The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Parties may require to own the assets and/ or liabilities to carry on the business.

36. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 36.1. On behalf of the Parties, the Board of the respective parties acting themselves or through authorized persons, may consent jointly but not individually, on behalf of all persons concerned, to any modifications or amendments of this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by all of them (i.e. the Board of the Amalgamating Company, the Amalgamated Company / the Demerged Company and the Resulting Company) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.
- 36.2. For the purpose of giving effect to this Scheme or to any modification thereof the Board of the Parties acting themselves or through authorized persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. It is clarified that individual company acting themselves or through authorized persons may individually approach the Tribunal or any other Appropriate Authority to seek clarifications for implementation of the Scheme.
- 36.3. It is clarified that if any modifications are required post satisfaction of the conditions precedent mentioned in Clause 38 and the Scheme having been made effective, the Effective Date shall not be affected by any such modifications that might be required to be made and the Effective Date for such modified Scheme shall be same as the date on which Scheme was made effective prior to the modifications.



37. DIVIDENDS

- 37.1. Each of the Parties shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.
- 37.2. Prior to the effectiveness of the Scheme, the holders of the shares of each of the Parties shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.
- 37.3. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Parties to demand or claim any dividends (other than unclaimed dividends) which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of the Companies, and subject to the approval, if required, of the respective shareholders of such Parties.

38. CONDITIONS PRECEDENT

Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

- 38.1. obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- 38.2. approval of the Scheme by the requisite majority of each class of shareholders and creditors of the respective Parties as applicable or as may be required under the Act and as may be directed by the Tribunal (subject to granting of any dispensation);
- 38.3. the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Demerged Company and the Resulting Company;
- 38.4. certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the ROC having jurisdiction over the Parties.

39. EFFECT OF NON-RECEIPT OF PERMITS AND MATTERS RELATING TO REVOCATION/ WITHDRAWAL OF THIS SCHEME

- 39.1. The Amalgamating Company, the Amalgamated Company / the Demerged Company and the Resulting Company acting through their respective Boards shall each be at liberty to withdraw from this Scheme: (a) in case any condition or alteration imposed by any Appropriate Authority is unacceptable to any of them; or (b) they are of the view that coming into effect of the respective parts to this Scheme could have adverse implications on the respective company.
- 39.2. If this Scheme is not effective within such period as may be mutually agreed upon between the Parties through their respective Boards or their authorised representative, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.
- 39.3. In the event of revocation/ withdrawal under Clause 39.1 or above, no rights and liabilities whatsoever shall accrue to or be incurred inter se Parties 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 as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.



40. SEVERABILITY

- 40.1. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to, only if the Scheme is approved in its entirety and given effect to in accordance with the terms of the Scheme, except to the extent that the Companies may otherwise agree in writing.
- 40.2. Subject to Clause 40.1 above, if any part of this Scheme is found to be unworkable or unenforceable for any reason whatsoever, then it is the intention of the Parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to the Parties, in which case the Parties, acting through their respective Boards, shall attempt to bring about a modification in this Scheme, as will best preserve for the Parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected by the NCLT or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws

41. COSTS AND TAXES

All costs, charges, and expenses (including, but not limited to, any Taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme shall be paid by the Demerged Company.

