

SCHEME OF ARRANGEMENT

BETWEEN

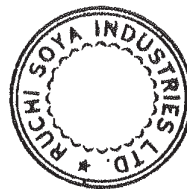
**RUCHI SOYA INDUSTRIES LIMITED
(THE TRANSFEROR COMPANY)**

AND

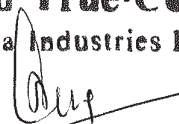
**MRIG TRADING PRIVATE LIMITED
(THE TRANSFEREE COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS



Certified True Copy
For Ruchi Soya Industries Ltd.,


Company Secretary.

**SCHEME OF ARRANGEMENT
UNDER SECTION 230 TO 232 OF THE COMPANIES ACT 2013**

BETWEEN

**RUCHI SOYA INDUSTRIES LIMITED
(THE TRANSFEROR COMPANY)**

AND

**MRIG TRADING PRIVATE LIMITED
(THE TRANSFEREE COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

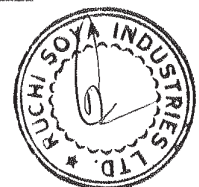
This Composite Scheme of Compromise or Arrangement hereinafter referred to as “the Scheme” is presented under provisions of Section 230 to Section 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 (the “Act”), if any, read with Sections 2(42C) and 2(19AA) of the Income Tax, 1961, as may be applicable, for (1) compromise by the Specified Creditors (as defined hereinafter) in the manner provided for herein and as envisaged in the Scheme (2) transfer of the Business Undertaking (as defined hereinafter) of the Transferor Company and vesting of the same with the Transferee Company (as defined hereinafter) on a going concern basis by way of a Slump Sale (as defined hereinafter on “as is where is” basis).

In addition, this composite scheme of arrangement or compromise also provides for various other matters consequential or otherwise integrally connected herewith.

- A. THE TRANSFEROR COMPANY:** Ruchi Soya Industries Limited (CIN: L15140MH1986PLC038536) is a public limited Company, incorporated on January 6, 1986 in the State of Maharashtra under the provisions of the Companies Act, 1956, having its registered office at Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, near Mayur Nagar, Goregaon (East) Mumbai – 400065. The equity shares of the Transferor Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

The main objects of the Transferor Company, *inter alia* are:

- (a) To acquire, promote, establish and carry on business of manufactures, importers, exporters, traders, dealers and processing of high protein soyabean meal, high protein foods, soyafLOUR, soyameal, texturised proteins, protein concentrates, proteinisolates,



lecithin, glycerine, emulsifiers, oils, deoiled cakes, refined oils, hydrogenated oils (vanaspati), margarine, peanut butter, peanut milk, refined oil from or out of cottonseeds, castor, linseeds, sunflower, soyabean, ricebran, groundnut and other types of edible and non-edible essential and non essential oil seeds and vegetable seeds of all kinds any type of processing viz. ordinary crushing, solvent extraction, chemical or any other process and to utilize the oils and cakes and proteins to be produced therefrom.

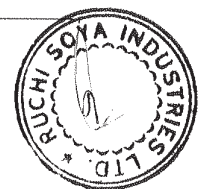
- (b) To carry on the business of manufacture and processing of nutrition foods, cattle feeds, manure, fatty acids, soaps, perfumes, chemicals and other products in which such oils seeds, oils cakes and proteins are utilized and of making, preparing and processing of formulations and by-products of oilseeds, oils, proteins from the products aforesaid.
- (c) To act as dealers, whole-sellers, retailers, stockists, commissions agents, representatives, selling agents, purchasing agents, distributors and brokers, exporters, importer manufactures, cultivator farmers, processors, refiners of soyabean, groundnut, sesame seeds, all other oil seeds and non –edible oils, vanaspati, oil cakes, proteins and protein foods.

Transferor Company is one of the largest integrated oilseed solvent extraction and edible oil refining companies in terms of oilseed crushing and oil refining capacity. Transferor Company is the front runner in food and agri products segment in India and one of the biggest exporters of soya meal, lecithin and other food ingredients from India. Nutrela, Mahakosh, Sunrich, Ruchi Gold and Ruchi Star are the most trusted brands of the Transferor Company. Transferor Company plays a leading role in popularizing palm plantation in India and has access to over 2,00,000 hectares of land which is suitable for palm cultivation. The Transferor Company is committed to renewable energy and have taken effective measures to conserve energy, promote renewable energy by investing in renewable energy .The Transferor Company has diversified into renewable energy and is committed to environmental protection as part of its business strategy which reinforces its mission of becoming a truly sustainable company.

The Transferor Company has the following business segments:

1. Extractions : Various types of seed extractions
2. Vanaspati : Vanaspati, Bakery fats and Table spread
3. Oils: Crude oils, refined oils
4. Food Products : Textured Soya protein, Soya flour
5. Wind Power: Power Generation from Wind Mills
6. Others: Gram, Wheat, Rice, Maize, Corn, Seeds, Coffee, Marine Products, Tuar, Peas, Barley, Soap, Fresh Fruit Bunch, seedling and Plant and Equipment, Cotton Bales, Toiletry preparations and Cotton seed oil cake.

The Transferor Company has manufacturing plants across India. The Transferor Company has a robust distribution and dealer network comprising of 118 company depots (with storage and logistics facilities), which serve more than 5800 distributors across the country reaching over 1.15 million retail outlets.



B. THE TRANSFEREE COMPANY: Mrig Trading Private Limited, (CIN: U51909MH2003PTC138972) is a private limited company, incorporated on February 3, 2003 in the State of Maharashtra under the provisions of the Companies Act, 1956, having its registered office at 614, Tulsiani Chambers, Nariman Point, Mumbai - 400021. The Transferee Company is a wholly owned subsidiary of the Transferor Company.

The main objects of the Transferor Company *inter alia* are to carry on in India or abroad the business of exports, imports, distribution, merchant, trade, acting as stockists and for that purpose buy, sell, distribute or otherwise deal in commodities, goods, articles, materials and things of every description and kind.

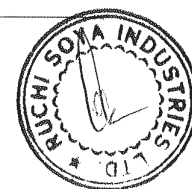
C. BACKGROUND

The performance of the Transferor Company was adversely impacted by sustained pressure in global commodities market, weak and erratic monsoon in the country, foreign exchange fluctuations and overall economic downturn. Due to turbulent economic market conditions in global markets coupled with steep fall in the prices of commodities such as soyabean, edible oils, coffee, guar gum and castor, businesses had an adverse impact and suffered operational losses.

The export sales of the Transferor Company declined substantially during the last financial year due to lower arrival of soya crop because of erratic monsoon, government policies and intense competition in the export market, which led to far lower utilisation of production facilities for crushing operations and adverse performance due to commercial disparity, inability to absorb fixed costs and unfair competition from unorganised sectors. Further, the performance of the Transferor Company was also impacted by the volatile market conditions and foreign exchange fluctuations in the global market. As a result during the financial year 2015-2016 ("FY 15-16") the net revenue of the Transferor Company was Rs. 27,735 crores as against Rs. 28,308 crores during the previous financial year. The Earnings before Interest and Finance Cost, Tax, Depreciation and Amortization (EBITDA) of the Transferor Company stood at Rs. (192.32) crore in FY 15-16 as against Rs. 626.03 crore recorded in the previous financial year. The profit before tax decreased from Rs. 80.62 crore to Rs. (958.56) crore in FY15-16. The Profit after Tax decreased from Rs. 60.93 crores during the previous year to Rs (878.70) crore in FY15-16.

Trends in turnover (March 31, 2013 to March 31, 2017)

Particulars	(Rs. In laacs)				
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Other operating Revenue	22,886	32,143	55,142	30,899	9,920
Net Sales Realization	2,476,647	2,373,274	2,633,386	2,703,223	1,971,738
Annual Sales Growth (%)		-7.18%	15.39%	-1.20%	-32.84%



D. RATIONALE FOR THE SCHEME.

The rationale for the Scheme is set out as below:

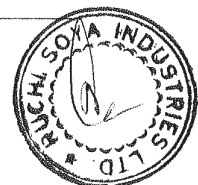
- i. Each of the varied businesses being carried on by Transferor Company has potential for sustainable profitable growth and is also capable of attracting different set of investors and strategic partners to scale up the size and operations.
- ii. Each business vertical will get the requisite management focus and autonomy to pursue the possibilities of expansion ,growth and can be managed more efficiently leading to better returns.
- iii. To achieve greater economies of scale and provide a larger and stronger base for potential growth.
- iv. To enable better realization of potential of the businesses and yield beneficial results and enhanced value creation.
- v. To simplify the corporate structure of the Transferor Company and enable focused attention on performance improvement, reduction in operational and administrative expenses and overheads, better cost and operational efficiencies and will also result in coordinated optimum utilization of resources
- vi. To facilitate debt resolution and allow retirement of restructured debt in line with the Reserve Bank of India (“RBI”) guidelines for resolution of stressed assets under the various schemes of RBI such as Change in Ownership of Borrowing Entities (outside Strategic Debt Restructuring Scheme), etc as notified and amended from time to time, by RBI.
- vii. It would be in the best interest of the shareholders, creditors, employees and other stakeholders of Transferor Company as it would result in enhancement of stakeholders’ value.

E. The Scheme is divided into the following parts:

- a) **PART I** deals with the Definitions and Share Capital;
- b) **PART II** deals with the arrangement or compromise with the Specified Creditors;
- c) **PART III** deals with transfer of Business Undertaking of the Transferor Company to the Transferee Company;
- d) **PART IV** deals with the Consideration and Accounting Treatment in Books of the Transferor Company and the Transferee Company ;
- e) **PART V** deals with the General Clauses, Terms and Conditions; and
- f) **PART VI** deals with Other Terms and Conditions.

PART I

1. DEFINITION AND SHARE CAPITAL

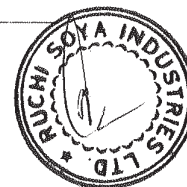


1.1. DEFINITIONS

In this Scheme unless the context otherwise requires, the following expressions shall have the following meaning:

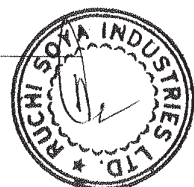
- 1.1.1. “**Act**” or “**The Act**” means the Companies Act, 2013, or any statutory modification or reenactment thereof for the time being in force, rules, regulations, orders, or an statutory modification or re-enactment or amendments thereof;
- 1.1.2. “**Board**” in relation to the Transferor Company and Transferee Company shall mean the respective Board of Directors of each company;
- 1.1.3. “**BSE**” means Bombay Stock Exchange Limited where the equity shares of the Transferor Company are listed;
- 1.1.4. “**Business Undertaking**” means the undertaking of the Transferor Company carrying on the business activity of sale of certain branded products manufactured, marketed and distributed by the Transferor Company forming part of and used for the purpose of carrying on the business of sale, marketing and distribution of the products of the Transferor Company including the Off Take Agreement *inter alia* providing a long term supply arrangement between the Transferor Company and Transferee Company of the manufactured products, tenancy rights of the depot, enabling assets, warehouse and marketing office on terms and conditions to be defined in the definitive agreements and shall include (without limitation):
 - a) all rights of commercial nature including attached goodwill, title, interest, labels and certain brands registration, copyrights, trademarks, advertisement and publicity materials, or such other intellectual rights, powers, licenses, tenancy rights, registrations, contracts of whatsoever nature, in power or possession or in the control of or vested in or enjoyed by the Transferor Company attached to the Business Undertaking,
 - b) all debts, liabilities duties, obligations and guarantees of the Transferor Company relating to the Business Undertaking which shall include liabilities either present and contingent or both, directly and specifically arising out of the activities or operations of the Business Undertaking and specific loans and borrowings raised, if any, incurred and utilized solely for the activities or operations of the Business Undertaking
 - c) employees, if any, engaged by the Transferor Company with respect to the Business Undertaking ;
 - d) all contracts, engagement, arrangements, rights related to advertising, brand promotion, brand ambassadors with respect to the Business Undertaking;
 - e) all debtors, current assets, investments, loans and advances with respect to the Business Undertaking ;

Any question that may arise with respect to whether a specific asset or liability pertains or does not pertain to the Business Undertaking or whether it arises out of the activities or operations of the Business Undertaking or not

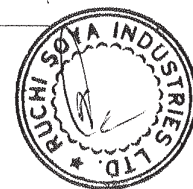


shall be mutually agreed between the Board of Transferor Company and Transferee Company.

- 1.1.5. **“Consortium Secured Working Capital Lenders”** means the lenders who have provided secured fund based and non fund based working capital to the Transferor Company under the “consortium banking arrangement”;
- 1.1.6. **“Contingent Liabilities of Subsidiaries”** means contingent liabilities arising on account guarantee given by the Transferor Company on behalf of its subsidiaries;
- 1.1.7. **“Cut Off date”** means September 30, 2017;
- 1.1.8. **“Definitive Agreements”** means all agreements including Off Take Agreement to be executed for the purpose of transfer of Business Undertaking to the Transferee Company pursuant to the Scheme of Arrangement.
- 1.1.9. **“Effective Date”** means the last of the dates on which the certified copy of the order of the National Company Law Tribunal, Mumbai Bench at Mumbai sanctioning the Scheme is filed with the Registrar of Companies, Mumbai, Maharashtra. Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date;
- 1.1.10. **“ECB”** means the External Commercial Borrowings of the Transferor Company;
- 1.1.11. **“Encumbrances”** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever;
- 1.1.12. **“Governmental Authority”** means any applicable central, state or local government, legislative body, regulatory authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India;
- 1.1.13. **“IT Act”** means the Income Tax Act, 1961;
- 1.1.14. **“Investor”** means Devonshire Capital Holdings Limited, incorporated under the laws of British Virgin Islands on 18th March 1996 under IBC Act with registration no IBC 179020 and also registered in Hongkong SAR having its office at Hongkong at 206, 2/F Tesbury Centre , 28 Queen’s Road east Wanchai , Hong kong. It is a privately held independent organization primarily in the business of merchant banking, investment banking, asset management and managing assets in the asia pacific region with focus on investing in companies with a proven track record of consumer led businesses, market share leadership and growing economy. Devonshire Capital Holding Limited shall mean and include the investors in its managed funds, co-investors and other funds from time to time;



- 1.1.15. “**MCLR**” means Marginal Cost of funds based Lending Rate;
- 1.1.16. “**National Company Law Tribunal**” or “**NCLT**” means the National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Transferor Company and Transferee Company;
- 1.1.17. “**NCD**” means Non Convertible Debentures;
- 1.1.18. “**NSE**” means National Stock Exchange of India where the equity shares of the Transferor Company are listed;
- 1.1.19. “**Outside Consortium Secured Working Capital Lenders**” means lenders who have provided secured working capital debt to Transferor Company “outside the consortium banking arrangement”;
- 1.1.20. “**Outside Consortium Unsecured Working Capital Lenders**” means lenders who have provided unsecured working capital debt to Transferor Company “outside the consortium banking arrangement”;
- 1.1.21. “**Overdue Interest**” means interest calculated (a) at 1 year MCLR of State Bank of India (current effective rate of 7.95% p.a.) in respect of all unpaid interest due to Specified Creditors other than ECB, Unsecured Operational Domestic Creditors and Unsecured Operational Overseas Creditors and (b) at normal interest rate as per terms of sanction in respect of unpaid interest related to ECB, as on Cut Off Date;
- 1.1.22. “**Residual Business**” means the remaining business of the Transferor Company other than the Business Undertaking;
- 1.1.23. “**ROC**” means the Registrar of Companies, Mumbai;
- 1.1.24. “**RTL**” means the Rupee Term Loan of the Transferor Company;
- 1.1.25. “**Scheme**” means this Scheme of Arrangement or Compromise in its present form, including the schedules, as amended or modified in accordance with the provisions hereof;
- 1.1.26. “**SEBI**” means the Securities and Exchange Board of India;
- 1.1.27. “**Slump Sale**” means the sale and transfer of the Business Undertaking on as-is-where-is and going concern basis as defined under section 2(42C) of the Income-tax Act, 1961, for a lump sum consideration without values being assigned to the individual assets and liabilities ;
- 1.1.28. “**Specified Creditors**” collectively means the lenders of the RTL, ECB, Consortium Secured Working Capital, Outside Consortium Secured Working Capital, Outside Consortium Unsecured Working Capital, Unsecured Operational Creditors, Contingent Liabilities of Subsidiaries and includes banks and asset reconstruction company;



1.1.29. **“Transferee Company”** means Mrig Trading Private Limited, a company incorporated under the Companies Act, 1956 with the Corporate Identity Number (CIN): U51909MH2003PTC138972, having its registered office at 614, Tulsiani Chambers, Nariman Point, Mumbai - 400021.

1.1.30. **“Transferor Company”** means Ruchi Soya Industries Limited, a company incorporated under the Companies Act, 1956 with the Corporate Identity Number (CIN): L15140MH1986PLC038536, having its registered office at Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, near Mayur Nagar, Goregaon (East) Mumbai – 400065;

1.1.31. **“Unsecured Operational Overseas Creditors”** means the overseas unsecured operational creditors of the Transferor Company.

1.1.32. **“Unsecured Operational Domestic Creditors”** means the domestic unsecured operational creditors of the Transferor Company.

1.2. SHARE CAPITAL

1.2.1. The share capital of Transferor Company as on March 31, 2017 is as under:

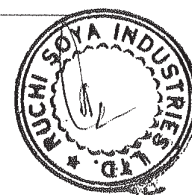
Particulars	In INR.
Authorized:	
1,01,02,50,000 Equity Shares of INR. 2/- each	2,02,05,00,000
Total	2,02,05,00,000
Issued, Subscribed and Paid –Up:	
33,41,00,722 Equity Shares of INR. 2/- each	66,82,01,444
Less:	
76,30,115 Treasury Equity Shares	1,52,60,230
Total	65,29,41,214

Subsequent to the above date, there has been no change in the Authorised share capital of the Transferor Company.

1.2.2. The Share Capital of Transferee Company as on March 31, 2017 is as under:

Particulars	In INR.
Authorized:	
10,000 Equity Shares of INR. 10/- each	1,00,000
Total	1,00,000
Issued, Subscribed and Paid –Up:	
10,000 Equity Shares of INR. 10/- each	1,00,000
Total	1,00,000

Subsequent to the above date, there has been no change in the Authorized Capital of the Transferee Company. The Transferee Company is a wholly owned subsidiary of the Transferor Company.



PART II**2. ARRANGEMENT OR COMPROMISE WITH THE CREDITORS OF THE TRANSFEROR COMPANY****2.1. ARRANGEMENT OR COMPROMISE WITH THE SPECIFIED CREDITORS OF THE TRANSFEROR COMPANY**

This Scheme provides for arrangement or compromise with Specified Creditors, without any further act, application or deed in full and final settlement of the dues including interest in the manner provided herein after. The upfront payments are based on effectiveness of the Scheme and the inflow of funds by end of March 2018. If there is a change in the timing of inflow, it will have a consequential impact on the repayment structure. The arrangement or compromised pursuant to this Scheme shall supersede all the previous terms and conditions agreed upon between the Transferor Company and the Specified Creditors and shall be binding.

2.1.1. RTL AND ECB

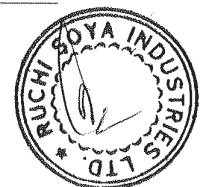
2.1.1.1. The entire principal outstanding towards the RTL (excluding the interest due thereon) as on the Cut Off Date in full and final settlement of their entire dues shall be paid upfront partially by March 31, 2018 and the balance principal outstanding shall be converted into Non Convertible Debentures (NCD) carrying an interest of 0.01% redeemable at par in 3 annual instalments commencing from March 31, 2019 and ending on March 31, 2021 in the following manner:

Particulars	2018-19	2019-20	2020-21
Repayable year wise	18.53%	30.88%	50.59%

The Overdue interest on the RTL as on the Cut Off Date shall be arrived at on the basis of the State Bank of India (SBI) MCLR of 1 year and shall be discharged by issue of NCD having a face value of Rs. 1000/- each, carrying an interest rate of 0.01% p.a. and redeemable at par in 3 annual instalments as per the repayment schedule of the principal repayment as given above. No interest shall be paid on the RTL after the Cut Off Date other than the interest payable on the NCD.

2.1.1.2. The entire principal outstanding towards the ECB (excluding the interest due thereon) as on the Cut Off Date in full and final settlement of their entire dues shall be paid upfront partially by March 31, 2018 and the balance principal outstanding shall be repaid in 3 annual instalments commencing from March 31, 2019 and ending on March 31, 2021 in the following manner:

Particulars	2018-19	2019-20	2020-21
Repayable year wise	18.53%	30.88%	50.59%



The Overdue Interest on the ECBs as per the normal terms of sanction as on the Cut Off Date shall be added to the principal amount outstanding and repaid as per repayment schedule given above. No interest shall be paid on the ECB after the Cut Off Date other than the Overdue Interest as mentioned above.

2.1.2. CONSORTIUM SECURED WORKING CAPITAL LENDERS

2.1.2.1.Fund Based

The entire principal outstanding on the fund based working capital facilities of consortium (excluding interest due thereon) as on the Cut Off Date in full and final settlement of their entire due shall be paid upfront partially by March 31, 2018 and the balance principal outstanding shall be discharged by issue of Non Convertible Debentures of face Value Rs. 1000/- each carrying interest of 0.01% p.a redeemable at par in 9 annual instalments commencing from March 31, 2019 to March 31, 2027 in the following manner.

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Repayable year wise	2.65%	4.34%	6.27%	19.29%	23.15%	24.71%	6.51%	6.63%	6.45%

The Overdue interest on the above fund based working capital facilities as on the Cut Off Date shall be arrived at on the basis of the State Bank of India (SBI) MCLR of 1 year and shall be discharged by issue of NCD having a face value of Rs. 1000/- each, carrying an interest rate of 0.01% p.a. and redeemable at par in 9 annual instalments commencing from March 31, 2019 to March 31, 2027 as per the repayment schedule of principal repayment as given above.

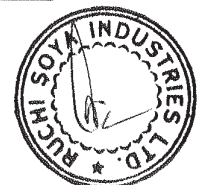
2.1.2.2.Non Fund Based

The entire principal outstanding of Non Fund based working capital limits to the extent of Rs. 1942 crores shall continue to be made available to the Transferor Company by the Consortium Secured Working Capital Lenders.

2.1.3. OUTSIDE CONSORTIUM SECURED WORKING CAPITAL LENDERS

The entire principal outstanding towards the secured fund based working capital facilities outside the consortium as on the Cut Off Date shall be settled at 30% of the principal outstanding in full and final settlement and shall be discharged by way of issue of Non Convertible Debentures of face value of Rs. 1000/- each, carrying interest of 0.01% p.a redeemable at par in 9 annual instalments commencing from September 30, 2019 and ending on September 30, 2027 in the following manner:

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Repayable year wise	9.36%	9.36%	9.36%	9.36%	9.36%	9.36%	9.36%	9.36%	25.12%



The Overdue interest on the above fund based working capital facilities due as on the Cut Off Date shall be arrived at on the basis of the State Bank of India (SBI) MCLR of 1 year and shall be discharged by issue of NCD having a face value of Rs. 1000/- each, carrying an interest rate of 0.01% p.a. and redeemable at par in 9 annual instalments commencing from March 31, 2019 to March 31, 2027 as per the repayment schedule of principal repayment as given above.

2.1.4. OUTSIDE CONSORTIUM UNSECURED WORKING CAPITAL LENDERS

The entire principal outstanding towards the unsecured working capital facilities outside the consortium as on the Cut Off Date shall be settled at 15% of the principal outstanding in full and final settlement and shall be discharged by way of issue of Non Convertible Debentures of face value of Rs. 1000/- each, carrying interest of 0.01% p.a. redeemable at par in 9 annual instalments commencing from September 30, 2019 and ending on September 30, 2027 in the following manner:

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Repayable year wise	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	80%

The interest outstanding on the above fund based working capital facilities due as on the Cut Off Date shall be arrived at on the basis of the State Bank of India (SBI) MCLR of 1 year and shall be discharged by issue of NCD redeemable at par having a face value of Rs. 1000/- each, carrying an interest rate of 0.01% p.a. and redeemable in 9 annual instalments commencing from March 31, 2019 to March 31, 2027 as per the repayment schedule of principal repayment as given above.

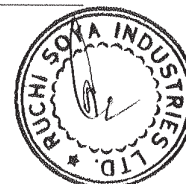
2.1.5. UNSECURED OPERATIONAL OVERSEAS CREDITORS

The entire principal outstanding towards the Unsecured Operational Overseas Creditors as on the Cut Off Date shall be settled at 15% of the principal outstanding in full and final settlement and shall be redeemable at par in 9 annual instalments commencing from September 30, 2019 and ending on September 30, 2027 in the following manner:

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Repayable year wise	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	80%

2.1.6. UNSECURED OPERATIONAL DOMESTIC CREDITORS

The entire principal outstanding towards Unsecured Operational Domestic Creditors related to suppliers of packing material, consumables and other materials will be repaid and re-availed from time to time in the ordinary course of business to ensure uninterrupted supply of materials for business and non-disruption in the operational activities. Deferred sales tax liability and



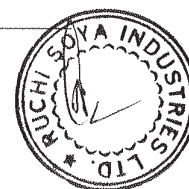
nominal preference share capital outstanding will be paid as per the respective terms of repayment and redemption respectively.

2.1.7. CONTINGENT LIABILITIES OF SUBSIDIARIES

The entire Contingent Liability of its subsidiaries as at the Cut Off Date shall be settled at 15% of the portion of the guaranteed amount in relation to the outstanding amount and discharged by issue of NCD having face value of Rs. 1,000/- each carrying interest at the rate of 0.01% p.a. each to be redeemable at par in 9 annual installments commencing from September 30, 2019 and ending on September 30, 2027 in the following manner:

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Repayable year wise	7.76%	7.76%	7.76%	7.76%	7.76%	7.76%	7.76%	7.76%	37.92%

- 2.1.8. Except for the payment expressly stipulated in terms of this Scheme, the Specified Creditors shall waive/ write off the balance principal amount, interest, penal interest and such other charges of whatsoever nature or nomenclature relatable to the period before or after the Cut Off Date.
- 2.1.9. In the event of there being any dispute between the Transferor Company and the Specified Creditors and the same being subject to the NCLT proceedings, the time period taken for resolving such dispute shall be excluded from the period available to the Transferor Company under Clause 2 of this Scheme.
- 2.1.10. Upon the Scheme coming in to effect on the Effective Date any suit, writ, petition, appeal, revision, claim, litigation, disputes or other proceedings of whatsoever nature (hereinafter referred to as 'the proceedings') against the Transferor Company by any of the Specified Creditors, filed or pending before any court or any authority under any law, shall stand terminated (except as regards the determination of the outstanding principal amount due by Transferor Company to the Specified Creditors). The rights, obligations and liabilities of the Specified Creditors shall be governed by the terms of this Scheme. The proceeding in the above clause shall mean and include legal proceedings against the Transferor Company, its Promoters, its Directors, Officers, Key Managerial Persons or any other person, which may arise directly/indirectly.
- 2.1.11. Any amount paid, appropriated or received by to the Specified Creditor/s after the Cut off Date and before the Effective Date shall stand adjusted against and/or reduced from the amount payable as per the Scheme on coming into effect of this Scheme.
- 2.1.12. If the Transferor Company fails to obtain the approval by majorities of any one or more class/ classes of the Specified Creditor, then it is the intention of the parties and the approving Specified Creditors that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any class of Specified Creditors or majority of



the class in the approving Specified Creditors , in which case the parties 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.

2.1.13. The Specified Creditors covered by the Scheme shall not be entitled to claim any payment save and except in accordance with the Scheme.

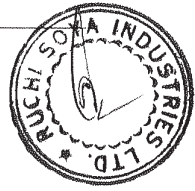
2.1.14. ACCOUNTING TREATMENT FOR WRITE BACK OF SPECIFIED CREDITORS:

The write back of the waiver amount of the Specified Creditors will be credited to the profit and loss account of the Transferor Company.

2.2. RELIEFS AND CONCESSIONS

The following reliefs and concessions shall be granted to the Transferor Company:

- 2.2.1. The Transferor Company shall seek waiver of interest and/or principal and reschedule the repayment of instalment by way of arrangement with all the Specified Creditors with moratorium and nominal interest for agreed period in line with the cash flow.
- 2.2.2. Holding on Operations shall be permitted/ allowed to the Transferor Company until this Scheme becomes effective. Holding on Operations shall essential imply:
 - a) Continuous operations in the account, like opening fresh letters of credit (LCs) to the extent of reduction in devolvement, even if devolvement is not fully cleared,
 - b) Roll over of LC opened;
- 2.2.3. Non-levy of any penal interest, penal charges for delays or irregularities from Cut-Off Date until implementation of this Scheme.
- 2.2.4. Interest/ Principal recovered post the Cut Off Date to be refunded or adjusted against future principal/interest commitment under restructured dues, commission on non-fund based facilities etc.
- 2.2.5. The account status of the Specified Creditors which *inter alia* includes banks shall be upgraded to standard category immediately on the date of change in ownership of the Transferor Company.
- 2.2.6. The provision held by the Specified Creditors which *inter alia* includes banks as on the date of change in ownership, shall not be reversed immediately.
- 2.2.7. Specified Creditors being financial institutions are allowed to reverse the provision only after all the outstanding loan/facilities of the borrowing entities perform satisfactorily for a period of one (1) year or such other period as may be stipulated by RBI from time to time (“Specified period”);

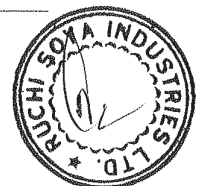


- 2.2.8. No interest shall be paid to Specified Creditors after the Cut Off Date other than interest payable on the NCDs or Overdue Interest on ECBs as above, after the approval of the Scheme.

PART III

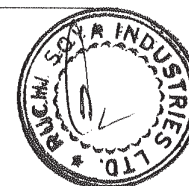
3. TRANSFER OF BUSINESS UNDERTAKING OF THE TRANSFEROR COMPANY TO THE TRANSFEEE COMPANY

- 3.1. With effect from Effective Date and upon the Scheme becoming effective, the Business Undertaking together with all its properties, assets, rights, benefits, interests and obligations shall under the provisions of Sections 230 to 232 and all other applicable provisions of the Act, stand transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company, so as to become the undertaking of the Transferee Company along with all the rights, titles, and interests of the Transferor Company therein, free from any and all Encumbrances, subject however to the rights retained by the Transferor Company and accepted by the Board of Directors of the Transferee Company, as a going concern by way of Slump Sale, without any further act, instrument, deed, matter or thing. Without prejudice to the generality of the above, in particular, Business Undertaking shall stand transferred and vested in the Transferee Company in the manner described below:
- a. Upon Scheme coming into effect on the Effective Date all assets whether tangible or intangible (whether or not recorded in the books of accounts) pertaining to the Business Undertaking that are movable in nature or are incorporeal property or otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by operation of law or pursuant to the vesting orders of NCLT, shall stand transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company.
 - b. Upon the Scheme coming into effect on the Effective Date, all the assets of the Business Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by transfer or by vesting and recordal pursuant to the Scheme, shall stand transferred and vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company, without any further act, instrument or deed required by either of the Transferor Company or the Transferee Company, and without any approval or acknowledgement of any third party. The transfer and vesting pursuant to this sub-Clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being transferred and vested, and the title to such property shall be deemed to have transferred and vested accordingly.
 - c. Upon the Scheme coming into effect on the Effective Date and all rights, entitlements, licenses, applications and registrations relating to copyrights, trademarks, certain brand names, logos and other intellectual property rights of every kind and description (including without limitation all rights in relation to certain trademarks, brand names and logos, , whether registered,



unregistered or pending registration, and the goodwill arising there from, in relation to Business Undertaking, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible or entitled, shall become the rights, entitlement or property of the Transferee Company and shall be enforceable by or against the Transferee Company, as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or the holder or owner thereof, without any further act, instrument or deed required by either of the Transferor Company or the Transferee Company and without any approval or acknowledgement of any third party.

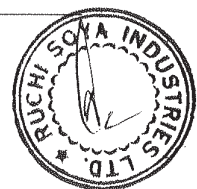
- d. Upon the Scheme coming into effect on the Effective date, all tenancies with respect to warehouse, depot, marketing offices, office spaces, guest houses, residential premises including those provided to or occupied by the employees of the Business Undertaking of Transferor Company, interest in connection with such properties and the documents of such interest, tenancies, rights and easement in relation thereto, shall stand transferred to and be vested in the Transferee Company, without any further act or deed required to be done or executed by the Transferee Company. The Transferee Company shall be entitled to exercise and enjoy all rights and privileges attached to such immoveable properties and shall be liable to pay the rent, license fees, taxes and such other charges in relation to the rights.
- e. Upon the Scheme coming into effect on the Effective Date, all books, records, files, papers, process information, catalogue, advertising materials, if any, whether in physical or electronic form, pertaining to the Business Undertaking of the Transferor Company shall stand transferred to or deemed to vest in the Transferee Company.
- f. Upon the Scheme coming into effect on the Effective Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Business Undertaking shall without any further act or deed, be transferred to or be deemed to be transferred to Transferee Company so as to become as from the Effective Date the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.
- g. In so far as any properties and assets comprised in the Business Undertaking is offered as security for any liabilities relating to the Residual Business of Transferor Company, then to that extent such security shall, without any further act, instrument or deed, be modified to extend to and operate only against the properties and assets relating to the Residual Business of Transferor Company and the properties and assets of the Business Undertaking shall stand released and discharged from such security subject to the confirmation from the lenders.



- h. In so far as any properties and assets relating to the Residual Business are offered as security for any liabilities forming part of the Business Undertaking then to that extent such security shall, without any further act, instrument or deed, be modified to extend to and operate only against the properties and assets relating to the Business Undertaking and the properties and assets relating to the Residual Business shall stand released and discharged from such security.
- i. The transfer and vesting of the Business Undertaking as aforesaid shall be free of security interests, charges, mortgages, if any, subsisting over or in respect of the property and assets or any part thereof relating to the Business Undertaking. Notwithstanding, to the above, the Brands of Transferor Company forming part of the Business Undertaking will be transferred by the Transferor Company to the Transferee Company with a negative lien on the brands transferred to the Business Undertaking in favour of the Transferor Company till the Slump Sale consideration is fully discharged by the Transferee Company to the Transferor Company.
- j. Upon the Scheme coming into effect on the Effective Date, any contract of the Transferor Company relating to or benefiting at present the Business Undertaking shall be substituted by separate contract thereby relating to and/or benefiting Transferor Company and Transferee Company respectively.
- k. Upon the Scheme coming into effect on the Effective Date, all guarantees provided by any bank in relation to the Business Undertaking in favour of Transferor Company outstanding as on the Effective Date shall stand substituted in favour of and vest in Transferee Company and shall enure to the benefit of the Transferee Company.

3.2. **CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- a. Upon the Scheme coming into effect on the Effective Date, all contracts including the contracts, deeds, bonds, agreements, rights, permits entitlements for the purpose of carrying on the activity of the Business Undertaking and in relation thereto and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Business Undertaking including but not limited to the depot office and marketing office shall stand transferred to and vested in Transferee Company and shall be deemed to have become the integral part of Transferee Company. Such contracts, agreements etc. described above shall continue to be in full force and continue to be effective as hitherto in favour of Transferee Company and shall be the legal and enforceable right and interest of the Transferee Company. Upon the Scheme coming into effect of the Effective Date the rights, interest, duties and obligations flowing from such contracts and properties, shall be deemed to have been entered in and novated in favour of Transferee Company by operation of law.
- b. The Transferor Company and/or the Transferee Company, as the case may be, shall at any time upon the Scheme coming into effect and in accordance with the provisions hereof, if so required under any law or otherwise, execute



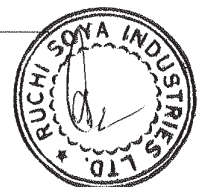
deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Business Undertaking to which the Transferor Company has been a party, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company

3.3. LEGAL PROCEEDING

- 3.3.1. All legal proceedings of whatsoever nature by or against Transferor Company pending and/or arising relating only to the Business Undertaking of Transferor Company, as and from the Effective Date, shall be continued and enforced by or against Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against Transferor Company.
- 3.3.2. Upon the Scheme coming into effect on the Effective Date, if any proceedings are taken against Transferor Company or its successor in respect of the matters referred to in sub-clause 3.3.1 above, it shall defend the same at the cost of Transferee Company and Transferee Company shall reimburse and indemnify Transferor Company or its successor against all liabilities and obligations incurred by Transferor Company or its successor in respect thereof. Transferee Company undertakes to have all legal or other proceedings initiated by or against Transferor Company referred to in sub-clause 3.3.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against Transferee Company to the exclusion of Transferor Company or its successor.

3.4. EMPLOYEES

- 3.4.1. Upon the Scheme coming into effect on the Effective Date, all permanent employees relatable to the Business Undertaking and in direct service of Transferor Company shall be deemed to have become employees of Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Transferee Company shall not be less favorable than those applicable to them with reference to Transferor Company immediately preceding the transfer.
- 3.4.2. It is provided that so far as the provident fund, gratuity fund, superannuation fund, or any other special scheme(s)/ fund(s), if any, created or existing for the benefit of the employees of Transferor Company are concerned, upon the Scheme coming into effect on the Effective Date, Transferee Company shall stand substituted for Transferor Company or all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contributions to the said schemes/ funds in accordance with provisions of such schemes/ funds as per the terms provided in the respective trust deeds/ agreements, to the end and intent that all the rights, duties, powers and obligations of Transferor Company in relation to such schemes/ funds shall become those of Transferee Company. It is clarified that



the services of the employees of Transferor Company will be treated as having been continuous for the purpose of the aforesaid schemes/ funds.

3.5. CONDUCT OF BUSINESS OF BUSINESS UNDERTAKING BY TRANSFEROR COMPANY TILL EFFECTIVE DATE

- 3.5.1. Transferor Company shall carry on its business and activities relating to the Business Undertaking and undertakes to hold the assets with utmost prudence and preserve the economic value of the brands, the assets and not to take any action that may result in diminution of value of the brands until the Effective Date.
- 3.5.2. As and from the date of acceptance of this Scheme by the Board of Transferor Company and till the Effective Date, Transferor Company shall not alienate, charge, mortgage, encumber or otherwise deal with the assets of the Business Undertaking or any part thereof without the prior written concurrence of the Board of Transferee Company except in the normal course of business.
- 3.5.3. It is clarified that all profits accruing to the Transferor Company or all losses incurred by it relating to the Business Undertaking until the Effective Date, shall continue to be treated as the profits or losses, as the case may be, of the Transferor Company.

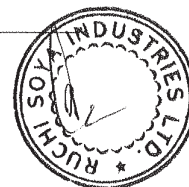
3.6. SAVING OF CONCLUDED TRANSACTIONS AND PROCEEDINGS

The transfer of and vesting of the Business Undertaking as per this Scheme and the continuance of proceedings by or against Transferee Company shall not affect any transaction or proceedings already concluded by Transferor Company in respect of the Business Undertaking on or after the date of approval of the Scheme by the Board till the Effective Date, to the end and intent that Transferee Company accepts and adopts all acts, deeds and things done and executed by Transferor Company in respect thereto as done and executed on behalf of itself.

3.7. TAXES AND DUTIES

Upon the Scheme coming into effect on the Effective Date, all direct and indirect taxes (including but not limited to input credit, CENVAT, value added tax, sales tax, Goods and Service tax, as applicable) payable by or refundable to the Business Undertaking, including all or any refunds or claims shall be treated as the tax liability or refunds/claims; as the case may be, of Transferee Company, and any tax, incentives, advantages, privileges, exemptions, reliefs, benefits, credits, remissions, deductions etc., as would have been available to the Business Undertaking, shall be available to Transferee Company.

The Transferee Company shall be entitled to file /revise its goods and service tax returns, tax deducted at source certificates, tax deducted at source returns, income tax returns and other statutory returns and filings, if required under the Tax Laws, and shall have the right to claim or adjust refunds, advance tax credits, tax deducted at source or foreign taxes withheld or paid, input tax credits etc. if any, as may be required consequent to implementation of this Scheme.



PART IV

4. CONSIDERATION AND ACCOUNTING TREATMENT

4.1. CONSIDERATION

4.1.1. Upon the Scheme coming into effect on the Effective Date and upon the transfer of the Business Undertaking and vesting of the same in the Transferee Company by way of a Slump Sale, the Transferee Company shall discharge a lump sum consideration of Rs. 4000 crore (Rupees four thousand crore) to the Transferor Company in the following manner:

- a. An amount of Rs. 800 crores (Rupees eight hundred crores) shall be paid in cash as first tranche to the Transferor Company on the approval of Specified Creditors including regulatory / statutory approvals for transfer of the Business Undertaking;
- b. The balance consideration of Rs. 3200 crore (Rupees three thousand two hundred crores) out of the total lump sum consideration of Rs. 4000 crores (Rupees four thousand crores) after adjustment of the amount paid to the Transferor Company in accordance with sub- clause (a) hereinabove, shall be in six annual instalments commencing from the Effective Date.

4.1.2. The lump sum consideration for the transfer and vesting of the Business Undertaking to the Transferee Company by way of Slump Sale as stated in Clauses 4.1.1 herein above has been determined and agreed upon by the respective Boards of each of the Transferor Company and the Transferee Company based on their independent judgment after taking into consideration the recommendation of the Audit Committee, the valuation of the Business Undertaking conducted by independent chartered accountants, Haresh Upendra & Co. and the fairness opinion provided by Saffron Capital Advisors Private Limited, independent merchant bankers registered with SEBI, as presented before the audit committee of the Board of the Transferor Company.

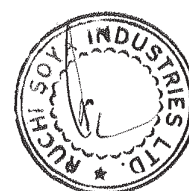
4.2. ACCOUNTING TREATMENT

4.2.1. In the books of the Transferor Company

Upon the Scheme coming into effect on the Effective Date, the Transferor Company shall account for the transfer of the Business Undertaking to the Transferee Company in its books as given below:

The Assets and Liabilities of the Transferor Company relating to the Business Undertaking transferred to the Transferee Company shall be derecognized at their carrying amount from the Effective Date and no gain or loss will be recognized in the 'Statement of Profit and Loss'. The difference between the carrying value of net assets transferred and consideration received would be transferred to the capital reserve.

4.2.2. In the books of the Transferee Company



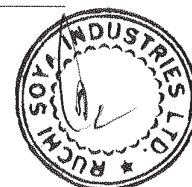
Upon the Scheme coming into effect on the Effective Date, the Transferee Company shall account for the transfer of the Business Undertaking of the Transferor Company in its books as given below:

- a. The Transferee Company shall account for the transfer in accordance with the 'Pooling of Interest Method' laid down by Appendix C - 'Business combinations of entities under common control' of Ind AS – 103 'Business Combinations' notified under the provisions of the Companies Act, 2013;
- b. The Transferee Company shall, on this Scheme becoming effective, record all Assets and Liabilities of the Business Undertaking of the Transferor Company vested in it pursuant to this Scheme, at the respective carrying values thereof and in the same form as appearing in the books of the Transferor Company;
- c. The Transferee Company shall credit the cash consideration to be paid to the Transferor Company pursuant to clause 4.1 of this Scheme;
- d. The difference between the carrying value of net assets acquired and consideration paid pursuant to this Scheme shall be accounted based on the accounting principles prescribed under Ind AS - 103, i.e. shall be transferred to the capital reserve; and
- e. On this Scheme becoming effective, the financial statements of the Transferee Company (including comparative period presented in the financial statements of the Transferee Company) shall be restated for the accounting impact of this Scheme, as stated above, as if this Scheme had occurred from the beginning of the preceding period in the financial statements in accordance with Para 9 (iii) of Appendix C 'Business combinations of entities under Common Control' of Ind AS - 103 'Business Combinations'.

PART V

5. RESIDUAL BUSINESS

- 5.1. The Residual Business of the Transferor Company and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.
- 5.2. All employees of relating to Residual Business of the Transferor Company who are in service on the date immediately preceding the Effective Date shall continue to remain employees of the Transferor Company without any break or interruption in service on same terms and conditions on which they were engaged by the Transferor Company.
- 5.3. All legal or other proceedings by or against the Transferor Company under any statute, whether pending on the Effective Date or which may be instituted in



future at any time thereafter and relating to the Residual Business, shall be continued and enforced by or against the Transferor Company after the Effective Date.

5.4. All profits accruing to the Transferor Company or losses incurred by it [including the effect of taxes (including advance taxes paid), if any, thereon] relating to the Residual Business with effect from the Effective Date and thereafter, shall continue to be treated as the profits or losses, as the case may be, of the Transferor Company.

5.5. Compliance with section 180(1) (a) and other relevant provisions of the Act:

The consent/ approval given by the shareholders of the Transferor Company to the proposed arrangement, in writing by way of a consent letter /affidavit or by passing a resolution at a general meeting or at a NCLT convened meeting of the shareholders of the Transferor Company as may be applicable, shall also be deemed as a consent of the shareholders of the Transferor Company, as the case may be, under section 180(1) (a) and all other relevant provisions of the Act, as applicable.

5.6. Validity of existing Resolutions

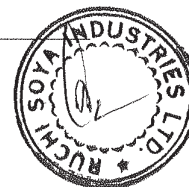
Upon coming into effect of the Scheme, the resolutions passed by the Board and/or the shareholders of the Transferor Company pertaining to the Business Undertaking, as are considered necessary by the Board of the Transferee Company and which are valid and subsisting on the Effective Date shall continue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

5.7. INVESTMENT OF INVESTOR IN THE TRANSFEROR AND TRANSFEE COMPANY

The Transferor Company and the Investor have entered into a Binding Term Sheet on November 2, 2017. The Binding Term Sheet *inter alia* provides for the following:

5.7.1. The Investor shall acquire by either subscribing or acquiring fully paid equity shares aggregating upto 51% of the total equity share capital of the Transferor Company for an aggregate consideration to be arrived as per the prevailing and applicable SEBI guidelines on or before March 31, 2018 or any other date being not later than the Effective Date. The Investor and the Transferor Company shall execute Definitive Agreements for the same and give effect to the Binding Term Sheet.

5.7.2. Upon acquisition of upto 51% of the equity share capital of the Transferor Company, the Investor shall have controlling stake with a right to appoint majority of directors on the Board of the Transferor Company;



- 5.7.3. The Investor shall acquire 100% of equity share capital of the Transferee Company which shall acquire the Business Undertaking of the Transferor Company pursuant to this Scheme through Slump Sale for a lump sum consideration, subject to (a) Transferee Company getting clear title to the brands,, (b) Business Undertaking shall be sold to Transferee Company upon payment of the first tranche of the Consideration Amount amounting to Rs. 800 crores to Transferor Company upon approval of transfer of Business undertaking by the Specified Creditors including regulatory /statutory approvals, (c) Total Consideration Amount for the sale of the Business Undertaking to the Transferee Company shall be Rs. 4,000 crores, payable to the Transferor Company as mentioned in clause 4.1 of this Scheme.
- 5.7.4. In addition to the clause 5.7.3 above, (a) Transferor Company shall have a negative lien on the brands until complete payments are made according to the schedule to be defined in the Definitive Agreements; (b) Transferee Company and Transferor Company shall enter into an Offtake Agreement *inter alia* providing for, a long term supply arrangement between the Transferor Company and Transferee Company for processed products. The Offtake Agreement shall include a Take or Pay agreement with Transferor Company in order to guarantee the amounts of the offtake to be agreed in the definitive documents; (c) Transferee Company shall also have a right of first refusal in case of any excess capacity in Transferor Company and (d) Investor shall have a right to review the transaction structure and revise the binding offer based on the discussions with the Specified Creditors of the Company prior to the execution of Definitive Agreements

PART VI

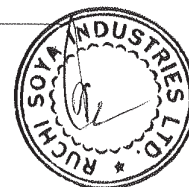
6. OTHER TERMS AND CONDITIONS

6.1. APPLICATION TO NCLT

The Transferor Company and the Transferee Companies shall, as may be required, make applications and/or petitions under Sections 230 to 232 of the Act and/ or other applicable provisions of the Act to the NCLT for sanction of this Scheme and all matters ancillary or incidental thereto.

6.2. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 6.2.1. The Transferor Company and the Transferee Companies through their respective Boards may assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and/ or any other authority may deem fit to direct or impose or which may be otherwise considered necessary, desirable or appropriate by them.
- 6.2.2. The Transferor Company and the Transferee Companies acting through their respective authorized representatives, be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any



authority or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

6.3. EFFECTIVENESS OF THE SCHEME

Upon the sanction of the Scheme and after the Scheme has become effective upon completion of the conditions listed in Clause 6.4 of this PART VI, in the following sequence:

- a. with effect from the Effective Date, the transfer of Business Undertaking of the Transferor Company and the vesting of the same in the Transferee Company by way of a Slump Sale shall be deemed to have occurred, pursuant to this Scheme, in accordance with Section 2 (42C) of the IT Act;

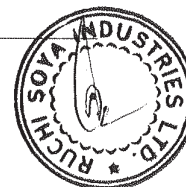
6.4. CONDITIONALITY OF THE SCHEME

The effectiveness of this Scheme is and shall be conditional upon and subject to:

- a. The Investor acquiring upto 51% of the equity share capital of the Transferor Company on or before March 31, 2018 or any other date not being later than the Effective Date;
- b. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the shareholders and/or creditors of each of the Transferor Company and the Transferee Company as may be required under applicable laws;
- c. The Scheme being approved by the "public" shareholders of the Transferor Company through postal ballot/e-voting with the votes cast by "public" shareholders in favour of the Scheme being more than the votes cast against it, as required under Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.. For the purposes of this sub-clause, the term 'public' shall have the meaning ascribed to such term under Rule 2 of Securities Contracts (Regulation) Rules, 1957.
- d. The Stock Exchanges issuing their observation/ no-objection letters and SEBI issuing its comments on the Scheme, as required under applicable laws.
- e. The Scheme being sanctioned by the NCLT under Sections 230 to 232 of the Act and/or other applicable provisions of the Act.
- f. Certified copies of the orders of the NCLT sanctioning this Scheme being filed with the ROC, by each of the Transferor Company and the Transferee Company;
- g. Receipt of such other approvals and sanctions as may be required under any law for the time being in force.

6.5. APPROVALS TO BE OBTAINED BY THE TRANSFEEE COMPANY

The Transferee Company shall, pending the sanction of the Scheme, be entitled to apply to any Government Authority, if required, under applicable law for such



consents and approvals which the Transferee Company may require to own the Business Undertaking and to carry on the business.

6.6. EFFECT OF NON-RECEIPT OF THE APPROVALS OR SANCTIONS

In the event any of the sanctions, consents or approvals referred to in the Clause 6.4 of this PART VI above is not obtained or received and/or the Scheme, or any part thereof, has not been sanctioned by the NCLT before March 31, 2018 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Boards (and which the Boards of Directors of the Company are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and become null and void and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

6.7. COSTS, CHARGES & EXPENSES

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

