

Prabhat Dairy Limited



Where Goodness Begins

February 21, 2019

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai	National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051
Ref. Scrip Code : 539351	Ref: Symbol - PRABHAT

Sub.: Submission of Draft Scheme of Amalgamation and Arrangement involving merger of Cheese Land Agro (India) Pvt. Ltd. with Prabhat Dairy Limited in accordance with the provisions of section 230 to 233 of the Companies Act, 2013 read with the applicable rules made there under.

Ref.: Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations")

Dear Sir/Madam,

This is in continuation to our letter dated February 13, 2019, the Board at its meeting held on 13th February, 2019 has considered and approved the Scheme of the Amalgamation and Arrangement under Section 230 - 233 of the Companies Act, 2013 for the merger of Cheese Land Agro (India) Private Limited, wholly owned subsidiary of the Company, with the Company subject to such approvals as may be required.

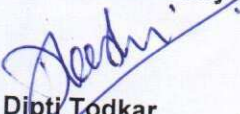
In terms of the provision contained in regulation 37(6) of the Listing Regulations, we are hereby attaching the following documents for the purpose of disclosure as required under the Listing Regulations.

- i) Draft scheme of Amalgamation and Arrangement
- ii) Copy of Form CAA-9 filed by the Company with the Stock Exchanges
- iii) Board Resolution of the Company approving the draft scheme of amalgamation and arrangement.

We hereby request you to kindly take the same on your records and acknowledge.

Thanking You
Yours faithfully

For Prabhat Dairy Limited


Dipati Todkar
Company Secretary



SCHEME OF AMALGAMATION AND ARRANGEMENT

OF

CHEESE LAND AGRO (INDIA) PVT. LTD.
("TRANSFEROR COMPANY")

WITH

PRABHAT DAIRY LIMITED
("TRANSFeree COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 233 OF THE COMPANIES ACT, 2013 AND ANY OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH APPLICABLE RULES MADE
THEREUNDER

For PRABHAT DAIRY LIMITED

COMPANY SECRETARY

For Cheese Land Agro (India) Private Limited

Director

1. PREAMBLE

This Scheme of Amalgamation and Arrangement ("Scheme") provides for amalgamation of Cheese Land Agro (India) Pvt Ltd. (Company Registration No: 136135 and having CIN: U15209PN2010PTC136135) defined as "the Transferor Company" with Prabhat Dairy Limited (Company Registration No.: 013068 and having CIN: U15203PN1998PLC013068) defined as "the Transferee Company" pursuant to Sections 230 to 233 and other relevant provisions of the Companies Act, 2013.

2. DESCRIPTION OF COMPANIES

2.1 CHEESE LAND AGRO (INDIA) PVT LTD ("Transferor Company")

The Transferor Company was incorporated on April 22, 2010 as a Private Limited Company under the Companies Act, 1956 under the name and style of "Cheese Land Agro (India) Pvt. Ltd." with Company Registration No.: 136135 and CIN: U15209PN2010PTC136135 as per the certificate of incorporation issued by the Registrar of Companies, Maharashtra, Pune.

The registered office of the Transferor Company is situated at GAT NO 121/2A, At Ranjankhol, Shirampur Ahmednagar- 413720

The main objects clause as set out in the Memorandum of Association is as under:

To carry on in India or elsewhere the business to manufacture, produce, process, cultivate, make, convert, grow, indent, move, trade, prepare, disinfect, compound, purify, prepare, refine, stock, consign, mix, clean, collect, store, concentrate, segregate, pack, repack, grade, preserve, extract, buy, sell, resell, import, export, distribute, market, supply and to act as agent, broker, stockist, licensor, or otherwise to deal in all types, descriptions, tests, uses and packs of dairy products, fats, dairy farming and their by-products, ingredients, derivatives, residues including milk, condensed milk, powdered milk, skimmed milk, pasteurized milk, flavoured milk, whole milk, powder, cheese, yogurt, butter, margarine, milk products like cheese and cheese related products, cheese crumbs, cream, paneer, mattha, ghee, curd, & all other items whether natural, artificial, or synthetic, of a character, similar or analogous and medicinal preparations from milk and dairy products.

The Company is primarily engaged in the business of cattle feed and manufacturing, trading and marketing all types of dairy products

The entire paid-up share capital of the Transferor Company is beneficially held by the Transferee Company and accordingly the Transferor Company is a wholly owned subsidiary of the Transferee Company

2.2 PRABHAT DAIRY LIMITED ("Transferee Company")

The Transferee Company was incorporated on November 25, 1998 as a Private Limited Company under the Companies Act, 1956 under the name and style of "Prabhat Dairy Private Limited" with Company Registration No.: 013068 and CIN:



L15203PN1998PLC013068 as per the Certificate of Incorporation issued by the Registrar of Companies, Maharashtra, Pune.

Wide fresh certificate of Incorporation dated March 19, 2015: the Company was converted into Public Limited Company from Private Limited Company and consequently the name of the Company was changed from "Prabhat Dairy Private Limited" to "Prabhat Dairy Limited"

The registered office of the Company is situated at 121/2A at Post Ranjankhol Bahata Ahmednagar, Shirampur MH-413720.

The main objects clause as set out in the Memorandum of Association is as under:

1. To trade, buy, sell, distribute, indent, manufacture, cultivate, grow, produce, collect, store, make, convert, pack, move, preserve, stock, consign, treat, process, prepare, refine, purify, import, export and generally to deal whether as wholesalers, retailers, stockiest, agent, subagent, indenters, merchants, distributors, consignors, jobbers in and to carry on the business of dairy, dairy products, dairy farming, dairymen, milk contractors, milk collection centers, dairy farmers, millers, surveyors and vendors of milk, milk products like condensed milk, powdered milk, pasteurized milk, flavoured milk, whole milk powder, skimmed milk powder, fats, cream, cheese, butter, yogurt, margarine, punner, ghee, and all kind of things and products from milk like sweets, toffees, chocolates, ice creams, and all articles and things made wholly or partly from milk or milk products and/or wherein milk and/or milk products are constituent part and/ or products involving use of milk and/or milk products, and medicinal preparations from milk and dairy products.

2. To create infrastructures and common facilities centre and to establish, run, manage Food Park and Food processing Zone and to acquire, establish, let out lease, license, exchange, furnish, occupy, possess and to construct, own, conduct, manage, hire, rent out and also to carry on business of establishing and / or running food park which will assist, support in establishment of small or medium scale industries engaged in manufacturing, processing, preserving, freezing, drying, canning, packing, refining, bottling, buying, selling and dealing whether as wholesalers or retailers or as exporters, or imports or as principals or agents, in milk and milk products, agricultural products and services, horticultural products of every description, processed fruits and vegetables, bottled and tinned, processed and packaged foods, chutneys, pickles, pastes, spices, condiments, ketchups, sauces, salad dressings, ready to eat foods, health and instant foods including baby and diet foods, cereals, beverages, cordials, tonics, restorative and extruded food stuff, snacks, jams, jelly, squashes, pickles, sausages, concentrates, extracts, essences, flavours, syrups, sorbats, aerated drinks, liquids, drinks, beverages, juices, flavoured drinks, health and diet drinks, packed drinking water, extruded foods, frozen foods, dehydrated foods, pre cooked foods, canned foods, preserved foods, health foods, fast foods, cream, cheese, butter, biscuits, breads, cakes, pastries, confectionery, sweets, chocolates, toffees, breakfast foods, protein foods, diet products, strained, baby foods, instant foods, cereal products, table delicacies and all other items whether natural, artificial or synthetic of charter and consumable provisions of every description for human and /or animal consumption



3. To carry on the business of acquisition of land and other immovable properties whether cultivating for agricultural purposes and oriented projects all over India and undertake forestry horticulture and other allied activities and to carry on the business of agriculturists, horticulturist, floriculturists, planters, Sericulturists, cultivators, farmers, dealers of produce of soil of water and specially to plant, grow, cultivate, import, export, buy, sell, process, manufacturer, blend, refrigerate, store, package, any other way deal in tea, coffee, tobacco, cinchona, cardamom, hibber, cocoa, jobaba, cereals, food grain, spices, mushrooms, fungal, food stuff potato product, oil and other seeds, all varieties of fruits and vegetables, flowers, coconuts, groundnuts, cashewnuts, almonds and other varieties of edible and in-edibles nuts and all kind of trees whether ornamental or commercial and whether hard and soft wood, soil, or water and all products and by product thereof and to prepare, manufacture and render marketable any such produce to sell, dispose off purchase and deal in such produce either when it is prepared, manufactured and roasted and either by wholesale, retail or other commercial method. The Company is primarily engaged in the business of cattle feed and manufacture, trade, market all types of dairy products

The shares of the Transferee Company are listed on "NSE" and "BSE".

3. RATIONALE OF THE SCHEME

The Transferor Company is a wholly-owned subsidiary company of the Transferee Company. In order to consolidate and effectively manage the Transferor Company and the Transferee Company in a single entity, which will provide several benefits including synergy, economies of scale, attain efficiencies and cost competitiveness, it is intended that the Transferor Company be amalgamated with Transferee Company. The amalgamation of Transferor Company with Transferee Company would inter alia have the following benefits:

- (a) The amalgamation will provide synergetic benefits to the cattle feed business of the Transferor Company by consolidating operations of the Transferor Company into a single entity and there by streamlining the corporate structure and activities and maximizing stakeholders value creation.
- (b) The amalgamation will lead to greater efficiency in overall combined business including economies of scale, efficiency of operations, cash flow management and unfettered access to cash flow generated by the combined business which can be deployed more efficiently for the purpose of development of businesses of the combined entity and their growth opportunities, eliminate inter corporate dependencies, minimize the administrative compliances and to maximize shareholders value.
- (c) The amalgamation will provide for more productive and optimum utilization of various resources by pooling of the managerial, technical and financial resources of the Transferor Company and the Transferee Company which will fuel the growth of the business and help effectively address the ever growing competition.
- (d) The amalgamation will result in economy of scales, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs.



- (e) The amalgamation will result in a reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company; and
- (f) The amalgamation would motivate employees of the Transferor Company by providing better opportunities to scale up their performance with a larger corporate entity having large revenue base, resources, asset base etc. which will boost employee morale and provide impetus to better corporate performance ultimately enhancing overall shareholder value.

In view of the aforesaid objectives, the board of directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation for the transfer and vesting of the Undertaking of the Transferor Company (as defined hereunder) and business of the Transferor Company with and into the Transferee Company and other matters herein, with an opinion that the amalgamation and other provisions of the Scheme would benefit the shareholders, employees and other stakeholders of the Transferor Company and the Transferee Company.

The amalgamation of the Transferor Company with the Transferee Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date and shall be in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B) thereof or any amendments thereto.

4. PARTS OF THE SCHEME

This Scheme of Amalgamation and Arrangement is divided into the following parts:

Part A – Definitions and Share Capital;

Part B – dealing with the amalgamation of the Transferor Company with the Transferee Company and

Part C – dealing with the General Terms and Conditions and other matters consequential to and integrally connected with the Scheme of Amalgamation and Arrangement.



PART A – DEFINITIONS AND SHARE CAPITAL

5. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 5.1 "Act" means the Companies Act, 2013, and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactments or amendments made thereto from time to time.
- 5.2 "Applicable Laws" shall mean any statute, notification, bye-laws, rules, regulations, guidelines, common law, policy, code, directives, ordinance, schemes, notices, orders or instructions, laws enacted or issued or sanctioned by any appropriate authority in India including any modifications or re-enactment thereof for the time being in force.
- 5.3 "Appointed Date" means the October 01, 2018 or such other date as may be mutually agreed by the Board of Directors of the Transferor Company and the Transferee Company or such other date as may be fixed or directed by the Central Government or any other Governmental Authority, as the case may be, and which is acceptable to the Board of Directors of the Transferor Company and the Transferee Company, and is the date with effect from which the Scheme shall upon receipt of requisite approvals, be deemed to be operative.
- 5.4 "BSE" means Bombay Stock Exchange
- 5.5 "Effective Date" means the last of the dates on which the conditions referred to in Clause 22 of this Scheme have been fulfilled. All 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.
- 5.6 "Encumbrance" means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "encumber" or "encumbered" shall be construed accordingly.
- 5.7 "Board of Directors" means the board of directors of the Transferor Company or Transferee Company as the case may be and shall include a duly constituted committee thereof.
- 5.8 "Governmental Authority" means any applicable Central, State or Local Government, statutory, regulatory, departmental or public body or authority of relevant jurisdiction, legislative body or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Official Liquidators, Regional Directors, Foreign Investment Promotion Board, Reserve Bank of India, or arbitration or arbitral body having jurisdiction, courts and other government and regulatory authorities of India.
- 5.9 "NCLT" or means National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Transferor Company and the Transferee Company and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of NCLT to sanction the Scheme under the Act.
- "NSE" means National Stock Exchange of India



5.11 "Scheme" or "Scheme of Amalgamation and Arrangement" means this Scheme of Amalgamation and Arrangement in its present form including any modifications or amendments thereto, either approved by Board of Directors of Transferor Company and Transferee Company or imposed or directed by the Central Government or the NCLT, Mumbai Bench or any other Governmental Authority and which is accepted by Board of Directors of Transferor Company and Transferee Company.

5.12 "Stock Exchanges" means the NSE and/or the BSE.

5.13 "The Transferor Company" shall have the same meaning as ascribed to it in Clause 2.1 above.

5.14 "The Transferee Company" shall have the same meaning as ascribed to it in Clause 2.2 above.

5.15 "Undertaking of the Transferor Company" shall mean the entire business and whole of the undertaking of the Transferor Company as a going concern, all its assets, rights, licenses and powers, and all its debts, outstanding, liabilities, duties and obligations and employees as on the Appointed Date including, but not limited to, the following:

- (a) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent) of the Transferor Company whether situated in India or abroad, but not limited to plants and machinery, computers, equipment, buildings and structures, offices, residential and other premises, including all tangible and intangible assets, stock in trade, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, deposits, all stocks, assets, investments of all kinds (including shares, scrips, subsidiaries, stocks, bonds, debentures, stocks, units or pass through certificates) including shares or other securities held by the Transferor Company, cash balances or deposits with banks, cheques on hand, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including but not limited to lease rights of the Transferor Company), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, tenancies or license in relation to the office and for residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), assets held by or relating to any Transferor Company employee benefit plan, export incentives accrued, derivative instruments, forward contracts, insurance claims receivable, tax holiday benefit, incentives, credits (including tax credits), minimum alternative tax credit entitlement, tax losses, rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership.



power, or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, in each case, whether in India or abroad;

- (b) All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status, and other benefits or privileges and claims as to any patents, trademarks, designs, quotas, rights, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations;
- (c) All intellectual property rights, engineering and process information, software licenses (whether proprietary or otherwise), drawings, records, files, books, papers, computer programmes, manuals, data, catalogues, sales and advertising material, lists of present and former customers and suppliers, customer credit information, customer pricing information, other customer information and all other records and documents, whether in physical or electronic form, relating to the business activities and operations of the Transferor Company;
- (d) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act, scheme or rule, as refund of any tax, duty, cess or of any excess payment;
- (e) Rights to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, under any law, act, rule or scheme, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. whether under the Income Tax Act, 1961, the rules and regulations thereunder, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India;
- (f) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized. Provided that if there exists any reference in the security documents or arrangements entered into by the Transferor Company under which the assets of the Transferor Company stand offered as a security for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to the Undertaking of the Transferor Company vested in the Transferee Company by the virtue of the Scheme. The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in Transferee Company by virtue of the amalgamation. The Transferee



Company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective;

(g) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or other compensation or benefits, if any, whether in the event of resignation, death, voluntary retirement or retrenchment or otherwise;

(h) All permanent and temporary employees engaged by the Transferor Company at various locations, if any;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under, in order of preference, the Act, the Securities Contracts (Regulation) Act, 1956 and other applicable laws, rules, regulations, by-laws as the case may be or any statutory modifications or re-enactment thereof from time to time.

6. SHARE CAPITAL

6.1 The Share Capital of the Transferor Company as on March 31, 2018 was as under:

Particulars	Amount (Rs.)
Authorised Capital:	
32,50,000 Equity Shares of Rs. 10/- each	3,25,00,000/-
Total (Rupees Three Crores and Twenty-Five Lakhs only)	3,25,00,000/-
Issued, Subscribed and Paid up capital:	
30,00,000 Equity Shares of Rs. 10/- each	3,00,00,000/-
Total (Rupees Three Crores Only)	3,00,00,000/-

Subsequent to March 31, 2018, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company.

As on the date of approval of the Scheme by the Board of Directors, the entire share capital of the Transferor Company is beneficially held by the Transferee Company. Accordingly, the Transferor Company is a wholly owned subsidiary of the Transferee Company.

6.2 The Share Capital of the Transferee Company as on March 31, 2018 was as under:

Particulars	Amount (Rs.)
Authorised Capital:	
10,00,00,000 Equity Shares of Rs. 10/- each	100,00,00,000/-
Total (Rupees Hundred Crores only/-)	100,00,00,000/-
Issued, Subscribed and Paid up capital:	
9,76,76,131 Equity Shares of Rs. 10/- each (Ten Crore Only)	97,67,61,310/-
Total (Rupees Ninety-Seven Crores Sixty-Seven Lakhs Sixty-One Thousand Three Hundred and Ten only)	97,67,61,310/-

Subsequent to March 31, 2018, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company.



PART B – AMALGAMATION OF TRANSFEROR COMPANY WITH transferee COMPANY

7. TRANSFER AND VESTING OF UNDERTAKING OF THE TRANSFEROR COMPANY

7.1 General: Upon the coming into effect of the Scheme and with effect from the Appointed Date and pursuant to the provisions of Section 230 to 233 and other applicable provisions of the Act, if any, the Undertaking of the Transferor Company shall, without any further act, instrument or deed, be and stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme, together with all estate, rights, titles and interests and authorities including accretions and appurtenances therein including dividends, or other benefits receivable. Notwithstanding anything contained in this Scheme, the provisions of this Scheme and all clauses hereunder shall be given effect to from the Appointed Date.

7.2 Transfer of Assets: Without prejudice to the generality of Clause 7.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

7.2.1 All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 233 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 233 of the Act. 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 in order to give effect to the provisions of this sub-clause.

7.2.2 In respect of such assets owned and belonging to the Undertaking of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Section 230 to 233 and other applicable provisions of the Act.

7.2.3 In respect of movables, other than those dealt with in Clause 7.2.2 above, of the Transferor Company including the sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall, without any further act, instrument or deed, on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debts, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).



7.2.4 All consents, permissions, licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, claims, liberties, special status, other benefits or privileges and any powers of attorney given by, issued to or executed in favour of the Transferor Company including in relation to the Undertaking of the Transferor Company, and all rights and benefits which have accrued to the Transferor Company shall, under the provisions of Section 230 to 233 and other applicable provisions, if any, of the Act, stand transferred to and vested in, or shall be deemed to be transferred to or vested in, the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, so as to become, as and from the Appointed Date, consents, permissions, licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, claims, liberties, special status, other benefits or privileges and any powers of attorney of the Transferee Company which are valid, binding and enforceable on the same terms, and the Transferee 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 Transferee Company.

7.3 **Transfer of Liabilities:** Without prejudice to the generality of Clause 7.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

7.3.1 All the liabilities including all secured and unsecured debts, whether in Indian rupees or foreign currency), sundry creditors, contingent liabilities, duties, obligations and undertaking of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations (the "Liabilities") shall, without any further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause. Further, all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

7.3.2 Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of the Scheme, all debentures, bonds, notes or other debt securities and other instruments of like nature (whether convertible into equity shares or not), if any, shall pursuant to the provisions of Sections 230 to 233 and other relevant provisions of the Act, without any further act, instrument or deed, become the debt securities of the Transferee Company on the same terms and conditions except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it was the issuer of such debt securities, so transferred and vested.



- 7.3.3 Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 7.3.4 All loans raised or used and all liabilities and obligations incurred by the Transferor Company for the operations of the Transferor Company after the Appointed Date 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 Transferee Company in which the Undertaking of the Transferor Company shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act, deed or instrument, be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 7.3.5 The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or borrower, as the case may be, that pursuant to the Scheme becoming effective, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto.
- 7.3.6 The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or borrower that pursuant to the Scheme becoming effective, the said person, debtor or borrower shall pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company.
- 7.3.7 The transfer and vesting of the assets comprised in the Undertaking of the Transferor Company to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same. All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secures or relate to the Liabilities shall, after the Effective Date, without any further act, deed or instrument, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing Encumbrance, if any, referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances, if any, shall not relate or attach to any of the other assets of the Transferee Company unless specifically agreed to by the Transferee Company with such secured creditor/s and subject to consents and approvals of the existing secured creditors of the Transferee Company, if any. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 7.3.8 Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute such instruments or documents or do all such acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the Registrar



of Companies having jurisdiction to give formal effect to the above provisions, if required

- 7.3.9 It is expressly provided that no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 7.4 Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Clause 7 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and / or superseded by the foregoing provisions.
- 7.5 Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.
- 7.6 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 7.7 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date until such times the name of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain banks accounts in the name of Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued by or against the Transferee Company after the coming into effect of the Scheme.



7.8. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that if any assets (including estates, claims, rights, entitlements, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, permissions, authorisations, schemes, arrangements or other instruments of whatsoever nature which belongs to the Transferor Company or to which the Transferor Company is a party and which cannot be transferred to the Transferee Company for any reason whatsoever, the Transferee Company shall hold such assets or be entitled to all the rights, powers or interests in such instruments in trust in the name of the Transferor Company for its benefit in terms of this Scheme, in so far as it is permissible so to do, till such time the formal transfer is effected.

8. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

8.1. Upon the coming into effect of this Scheme and subject to all the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

8.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking of the Transferor Company occurs by virtue of this Scheme itself, the Transferee 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 Laws or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite agreements or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above as which the Transferor Company are obliged or bound to carry out or perform.

8.3. The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party.

LEGAL PROCEEDINGS

Upon the effectiveness of the Scheme, all suits, appeal, actions and other legal proceedings of whatsoever nature by or against the Transferor Company pending and / or arising on or before the Appointed Date shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or of anything contained in this Scheme, but shall be transferred in the name of the Transferee Company and shall be continued, prosecuted and enforced by or against the Transferee Company, in the same manner and to the



same extent as it would be or might have been continued, prosecuted or enforced by or against the Transferor Company as if the same had been filed by, pending and / or arising against the Transferee Company,

9.2 The Transferee Company will undertake to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 9.1 above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company. The Transferor Company and the Transferee Company shall make relevant applications in that behalf and the Transferor Company and the Transferee Company shall co-operate with each other in respect of any such legal and other proceedings.

10. SAVING OF CONCLUDED TRANSACTIONS

10.1 The transfer of the Undertaking of the Transferor Company, the effectiveness of contracts, deeds and other instruments and the continuance of the legal proceedings shall not affect any transactions or proceedings already concluded by the Transferor Company, on or before the Effective Date or on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company, in respect thereto, as if done and executed on its behalf.

11. STAFF AND EMPLOYEES

Upon the Scheme becoming effective:

11.1 All employees who are in service of the Transferor Company on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions of service (including as to remuneration) not less favourable than those subsisting with the Transferor Company as on the Effective Date.

11.2 The existing provident fund, gratuity fund and pension and other benefits provided by the Transferor Company to its employees or any other special funds created or existing for the benefit of the employees of the Transferor Company shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and until such time shall be maintained separately. In the event that the Transferee Company does not have its own funds with respect to any such matters, the Transferee Company shall create its own fund(s) to which the contributions pertaining to the employees of Transferor Company shall be transferred.

The Transferee Company agrees that for the purpose of payment of any gratuity or other terminal benefits, the past services of such permanent and confirmed employees, if any, with the Transferor Company shall also be taken into account.

11.4 The liabilities of the employees / officers towards the Transferor Company shall stand transferred to the Transferee Company. Further, any prosecution or disciplinary action, initiated, pending or contemplated against any employee or officer by the Transferor Company as on the Effective Date shall be continued under the extant provisions of the Transferor Company and any penalty / penalties imposed in this regard on any officer or



employee would continue to operate against the concerned employee or officer and shall be enforced fully and effectually by the Transferee Company.

- 11.5 Without prejudice to the generality of the aforesaid, the Transferee Company shall have the right to transfer the employees of the Transferor Company to any branch, office, region, establishment, division, profit / cost center or department of the Transferee Company or its subsidiaries or affiliate / associate companies, situated anywhere in India or overseas, if warranted and as may be deemed necessary from time to time.
- 11.6 Except with the prior approval of the Transferee Company, the Transferor Company shall not, between Appointed Date and Effective Date, vary the terms and conditions of the employment of the employees unless such variance in the terms and conditions of employment of the employees are in the ordinary course of business.
- 11.7 The Transferee Company shall be liable to pay and shall pay to each of the officers and employees such compensation in the event of the retrenchment of any of them as they may be entitled to receive according to any agreement between them and the Transferor Company or between them and the Transferee Company, as the case may be, or as may be required by any law for the time being in force, such compensation to be paid to each of them on the basis that their service has been continuous and has not been interrupted by virtue of the Undertaking of the Transferor Company having been taken over by the Transferee Company under this Scheme.

12. TAX TREATMENT

- 12.1 This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified in Section 2(1B) and other relevant provisions of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including that 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 related provisions of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified, unless the Board of Directors decide otherwise, to the extent required to comply with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961.
- 12.2 All taxes and duties including cess and surcharge if any (including but not limited to income tax, tax deducted at source, customs duty, excise duty, service tax, sales tax, value added tax, goods and services tax, professional tax, entry tax, local body tax etc.) paid or discharged by the Transferor Company in respect of the operations and/or the profits of the business of the Transferor Company before the Appointed Date whether by way of direct payment, deduction at source, advance tax or otherwise howsoever shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 12.3 All the profits or income, taxes (including advance tax, tax deducted at source and minimum alternate tax credit) or any costs, charges, expenditure accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purposes be treated and deemed to be accrued from the Appointed Date as the profits or income, taxes (including tax losses, minimum



alternate tax credit), costs, charges, expenditure or losses of the Transferee Company, as the case may be.

- 12.4 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, central sales tax, applicable state value added tax, goods and services tax act, service tax laws, excise duty laws and all other applicable tax laws, and to claim refunds and or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 12.5 All tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company pending and / or arising at the Appointed Date shall be continued and / or enforced until the Effective Date by the Transferor Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by / or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 12.6 Any tax liabilities under the Income Tax Act, 1961, service tax laws, excise duty laws, central sales tax laws, goods and services tax act, applicable state value added tax laws or other Applicable Laws dealing with taxes, duties or levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
- 12.7 Any refund, under the Income Tax Act, 1961, service tax laws, excise duty laws, central sales tax laws, goods and services tax act, applicable state value added tax laws or other Applicable Laws dealing with taxes, duties or levies due to the Transferor Company consequent to the assessment made on the Transferor Company (including any refund for which no credit is taken in the accounts of the Transferor Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- 12.8 The tax and duty payments including cess and surcharge if any (including without limitation income tax, service tax, excise duty, central sales tax, goods and services tax act, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by the Transferor Company / the Transferee Company on transactions with the Transferee Company / Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.



- 12.10 All intangible assets (including but not limited to goodwill) belonging to but not recorded in the books of account of the Transferor Company and all intangible assets (including but not limited to goodwill) arising or recorded in the process of the amalgamation, if any, in books of account of the Transferee Company shall, for all purposes, be regarded as an intangible asset in terms of Explanation 3(b) to Section 32(1) of the Income Tax Act, 1961 and the Transferee Company shall be eligible for depreciation thereunder at the prescribed rates.
- 12.11 Without prejudice to the generality of the foregoing, all benefits, incentives, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciation, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, goods and services tax act, customs duty drawback, etc.) to which the Transferor Company is entitled to in terms of Applicable Laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.
- 12.12 Upon coming into effect of this Scheme, all tax compliances under any tax laws by the Transferor Company on or after the Appointed Date shall be deemed to be made by the Transferee Company.

13. CONSIDERATION

- 13.1 The entire equity share capital of the Transferor Company is beneficially held by the Transferee Company. In other words, the Transferor Company is a wholly-owned subsidiary company of the Transferee Company. Accordingly, pursuant to this Scheme, no shares of the Transferee Company shall be issued and allotted in respect of shares held by it in the Transferor Company. Upon the Scheme becoming effective, the entire share capital of the Transferor Company shall be cancelled and extinguished without any further act, deed or instrument as an integral part of this Scheme.
- 13.2 The investments in the shares of the Transferor Company appearing in the books of account of the Transferee Company shall, without any further act, deed or instrument, stand cancelled.

14. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

- 14.1 Upon coming into effect of this scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for as per the Indian Accounting Standard (IND AS-103) on "Business Combinations" prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as notified under section 133 of the Companies Act, 2013, as amended from time to time or as per the Accounting Standard 14 on "Accounting for Amalgamations" as prescribed under the Companies (Accounting Standards) Rules, 2006, as may be applicable.
- 14.2 All the assets, liabilities and reserves (whether capital or revenue or arising on revaluation) of the Transferor Company as on the Appointed Date shall stand transferred to in the, and the same shall be recorded by, the Transferee Company at their respective carrying amount and in the same form and manner as appearing in the books of account of the Transferor Company as on the Appointed Date.



- 14.3 The identity of the reserves standing in the books of account of the Transferor Company shall be preserved and shall appear in the financial statements of the Transferee Company in the same form and at the same values at which they appeared in the financial statements of the Transferor Company. As a result of preserving the identity, reserves which prior to this Scheme becoming effective were available for distribution as dividend would also be available for distribution as dividend after the Scheme becoming effective.
- 14.4 As stated in Clause 13 above, no new shares will be issued or allotted by the Transferee Company pursuant to this Scheme. The investment in the equity shares of the Transferor Company appearing in the books of account of the Transferee Company ("Investment Amount") shall stand cancelled and any difference between the Investment Amount and the paid-up share capital of the Transferor Company shall accordingly be adjusted against reserves of the Transferee Company.
- 14.5 In case there is any difference in the accounting policies adopted by the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference will be quantified and adjusted in the reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 14.6 If there are any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between the Transferor Company and the Transferee Company, if any, shall, ipso facto, stand discharged and come to end and the same shall be eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.
- 14.7 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with this Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

15. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEREE COMPANY

15.1 Aggregation of Authorised Share Capital

- 15.1.1 Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, Mumbai, Maharashtra, by the authorised share capital of the Transferor Company amounting to Rs. 3,25,00,000/- (Rupees Three Crores and Twenty Five Lakh only) as stated in Clause 6.1 above and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, to the extent required, and the consent of the members to the Scheme shall be deemed to be sufficient for the purposes of effecting the amendment, and no further resolution(s) under Sections 13, 14, 63 and 232 and/or 233 of the Companies Act, 2013 as applicable would be required to be separately passed, as the case may be and for this purpose, the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the



increased share capital of the Transferee Company and there would be no requirement for further payment of stamp duty and/or fee by the Transferee Company for increase in the authorised share capital to that extent.

15.1.2 Upon this Scheme becoming effective and consequent upon the amalgamation of the Transferor Company into the Transferee Company, the authorised share capital of the Transferee Company will be as under:

Particulars	Amount (Rs.)
Authorised Capital:	
10,32,50,000 Equity Shares of Rs. 10/- each	103,25,00,000/-
Total (Rupees One Hundred Three Crores and Twenty-Five Lakhs Only/-)	103,25,00,000/-
Issued, Subscribed and Paid up capital:	
9,76,76,131 Equity Shares of Rs. 10/- each	97,67,61,310/-
Total (Ninety-Seven Crores Sixty-Seven Lakhs Sixty-One Thousand Three Hundred and Ten only/-)	97,67,61,310/-

15.1.3 It is hereby clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act, and Clause V (a) of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

"V. The Authorised Share Capital of the Company is Rs. 103,25,00,000/- (Rupees One Hundred Three Crores and Twenty-Five Lakhs Only) divided into 10,32,50,000 (Ten Crore Thirty-Two Lakhs and Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each with power to increase or decrease the same."

16. DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS

16.1 Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

16.2 The Transferor Company shall be dissolved without winding up on the Scheme becoming effective.



PART C - GENERAL TERMS AND CONDITIONS

17. OPERATIVE DATE OF THE SCHEME

This Scheme though effective from the Appointed Date shall be operative / implemented from the Effective Date.

18. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date, and up to the Effective Date

18.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall be deemed to have held and stand possessed of the Undertaking, on account of, and for the benefit of and in trust for the Transferee Company.

18.2 All the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) of the Transferor Company shall, for all purposes be treated and be deemed to be and accrued as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.

18.3 The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not, alienate, charge, mortgage, encumber or otherwise deal with the said assets or any part thereof except in the ordinary course of business or if the same is expressly permitted by this Scheme or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date except with prior consent of the Transferee Company.

Provided that as far as the obligations referred as above are concerned, the restrictions thereunder shall be applicable from the date of the acceptance of the present Scheme by the respective Board of Directors of the Transferor Company and Transferee Company even if the same are prior to the Appointed Date

18.4 The Transferor Company shall not, without prior consent of the Transferee Company, take any major policy decisions in respect of management of the Transferor Company and for business of the Transferor Company and shall not change its present Capital Structure.

18.5 The Transferor Company and the Transferee Company shall co-operate with each other for smooth transfer of the Undertaking to the Transferee Company and directors of the Transferor Company and any director of the Transferee Company shall be empowered to give effect to the scheme in all aspects as may be necessary or expedient including settling any question or difficulties arising in relation to the Scheme in such manner as they deem fit to attain the objectives of this Scheme and their decision in this regard shall be final and binding.

18.6 It is hereby agreed and clarified that whenever under this Scheme, the approval of the Transferor Company is required to be obtained, it shall be the approval of any one of the Director of the Transferor Company and whenever under this Scheme, the approval



of the Transferee Company is required to be obtained, it shall be the approval of any one of the Director of the Transferee Company.

19. DIVIDEND, PROFIT, BONUS, RIGHT SHARES

19.1 For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company and the Transferor Company from declaring and paying dividends, whether interim or final, to its shareholders.

19.2 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

20. APPLICATION TO THE CENTRAL GOVERNMENT OR SUCH OTHER GOVERNMENTAL AUTHORITY

20.1 The Transferor Company and Transferee Company shall make all applications/petitions under applicable Sections 230 to 233 and other applicable provisions of the Act to the Central Government (through the office of Regional Directorate, Mumbai, Maharashtra) or such other Governmental Authority for sanctioning of this Scheme and for dissolution of Transferor Company without winding up under the provisions of Act and obtain all approvals as may be required under law.

20.2 Since the Transferee Company is a listed company, this Scheme shall be subject to the compliances of all the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and all statutory directives of the Securities Exchange Board of India ("SEBI") insofar as they relate to sanction and approval of the scheme. However, SEBI vide notification no. SEBI/LAD/NRO/GN/2016-17/29 dated February 15, 2017 has amended the Listing regulations and relaxed the requirement of obtaining prior approval or no objection/observation letter of the SEBI and Stock Exchanges in the case of merger of wholly owned subsidiary company with its holding company. The draft schemes shall be filed with Stock Exchanges for disclosure purpose in compliance with the above notification.

20.3 Since this Scheme is entered between the Transferee Company and its wholly owned subsidiary company being the Transferor Company, the approval of Hon'ble NCLT will not be required as per provisions of section 233 of the Companies Act 2013. However, the Transferor Company and Transferee Company shall apply for all the approvals to the Hon'ble NCLT, if required, necessary and if directed by the Central Government or such other Governmental Authority.

21. MODIFICATIONS, AMENDMENTS TO THE SCHEME

21.1 The Transferor Company (by Its Board of Directors) and Transferee Company (by Its Board of Directors) may assent from time to time on behalf of all persons concerned to any modifications or amendments or addition to this Scheme or to any conditions or



limitations which the Central Government or any authorities under the Applicable Law may deem fit to approve of or impose and to resolve any doubt or difficulties that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things as may be necessary, desirable or proper for carrying the Scheme into effect.

21.2 For the purpose of giving effect of this Scheme or to any modifications or amendments, thereof, the Directors of the Transferor Company and Transferee Company may give and are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

22. SCHEME CONDITIONAL UPON APPROVALS / SANCTIONS

This Scheme is specifically conditional upon and subject to:

22.1 The approval of, and agreement to the Scheme by the requisite majorities of such classes of persons of the Transferor Company and the Transferee Company under Sections 230 to 233 of the Companies Act, 2013, or as may be directed by the Central Government or such other Governmental Authority, and necessary resolutions being passed under the Act for the purpose.

22.2 The sanctions of the Central Government, Registrar of Companies and Official Liquidators or such other Governmental Authority being obtained under Sections 230 to 233 and other applicable provisions of the Act. If so required on behalf of the Transferor Company and Transferee Company.

22.3 Filing certified copies of the Central Government's order or order of such other Governmental Authority referred to in this Scheme being filed with the Registrar of Companies, Maharashtra

23. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTION

23.1 In the event of any of the conditions referred in Clause 22 hereinabove are not satisfied or the said sanctions and approvals are not obtained and / or the said order or orders not passed as aforesaid within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company through their respective Board of Directors or any director authorized by the Board of Directors, the Scheme shall stand nullified, revoked, cancelled and shall become void and be of no effect and shall be deemed to have never have been in existence.

23.2 The Board of Directors of the Transferor Company and the Transferee Company are hereby authorized and empowered to agree to and extend the period as aforesaid determined from time to time without any limitations in exercise of their powers.

In the event of any subsequent change in law or regulations which does not require the Scheme to be approved by the Central Government or any other Governmental Authority as the case may be, the Transferor Company and the Transferee Company shall have the right to withdraw the Scheme as filed before the Central Government or any other Governmental Authority as the case may be.

In the event of revocation under Clause 23.3 above, no rights and liabilities whatsoever shall accrue to or be incurred to the Transferor Company and the Transferee Company.



or their respective members 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 Laws, and in such case, the Transferor Company and the Transferee Company shall bear its own costs unless otherwise mutually agreed.

23.5. The Board of Directors or any director authorized by the Board of Directors of the Transferor Companies and / or the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.

24. EFFECTIVE DATE OF THE SCHEME

This Scheme although to come into operation from Appointed Date shall not come into effect until the last of the following dates viz.

24.1. The date on which the last of all the consents, approvals, permissions, resolutions, sanctions and/or orders as are hereinabove referred to have been obtained or passed, and

24.2. The date on which all necessary certified copies of the order under sections 230 to 233 of the Act are duly filed with the Registrar of Companies, Maharashtra and such date shall be referred to as Effective Date for the purpose of the Scheme.

25. SEVERABILITY

If any part of this Scheme is invalid, ruled illegal by the Central Government or any other Governmental Authority as the case may be, or unenforceable under present or future Applicable Laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and / or the Transferee Company, then in such case the Transferor Company and / or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part deleted.

26. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this Scheme shall be borne by the Transferee Company only.



FORM NO. CAA.9

[Pursuant to section 233(1)(a) and rule 25(1)]

Notice of the scheme inviting objections or suggestions

Notice is hereby given by **M/s Prabhat Dairy Limited** (~~transferor~~/ transferee company) that a scheme of ~~merger or~~ amalgamation and arrangement is proposed to be entered with **M/s Cheese Land Agro (India) Private Limited** (~~transferor~~/ transferee company) and in pursuance of sub-section (1)(a) of Section 233 of the Companies Act, 2013, objections or suggestions are invited in respect of the scheme.

A copy of the scheme of ~~merger or~~ amalgamation and arrangement is enclosed.

Objections or suggestions are invited from –

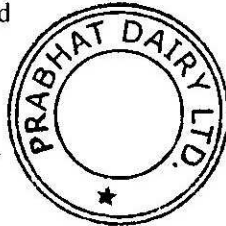
- (i) the Registrar (Registrar of Companies - Pune);
- (ii) Official Liquidator (Official Liquidator, Ministry of Corporate Affairs, High Court of Bombay, Bank of India Building, 5th Floor, Mahatma Gandhi Road, Mumbai).
- (iii) Any person whose interest is likely to be affected by the proposed scheme

Any person mentioned in (i), (ii) or (iii) above, desirous of providing objections or suggestions in respect of the scheme should send their objections or suggestions within thirty days from the date of this notice to the Regional Director, Mumbai (the Central Government at Everest 5th floor, 100 Marine Drive, Mumbai – 400002 and to Shri Vivek S. Nirmal, Prabhat Dairy Limited, Plot No. D-37/4, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai 400705, being the authorised representative of the transferee company).

For Prabhat Dairy Limited



Dipti Todkar
Company Secretary



Enclosure: A copy of the scheme of ~~merger or~~ amalgamation and arrangement

Date: February 21, 2019

Place: Mumbai

Prabhat Dairy Limited



Where Goodness Begins

CERTIFIED TRUE COPY OF THE BOARD RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON 13TH FEBRUARY, 2019 AT PLOT NO. D-37/4, TTC INDUSTRIAL AREA, TURBHE, NAVI MUMBAI - 400705

"RESOLVED THAT subject to obtaining of all requisite approvals and subject to the sanction by the Regional Director and/or other Governmental Authorities, Cheese Land Agro (India) Private Limited ("**Transferor Company**") be merged with **the Company** ("**Transferee Company**") with effect from the Appointed Date, i.e. October 1, 2018 under the Scheme of Amalgamation and Arrangement as per the provisions of Section 230 to 233 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications, re-enactments or amendments thereof;

RESOLVED FURTHER THAT the entire equity share capital of the Transferor Company is beneficially held by the Transferee Company. In other words, the Transferor Company is a wholly-owned subsidiary company of the Transferee Company. Accordingly, pursuant to the Scheme, no shares of the Transferee Company shall be issued and allotted in respect of shares held by it in the Transferor Company. Hence, no consideration shall be payable by the Transferee Company under the Scheme

RESOLVED FURTHER THAT the Equity Share Capital, if any existing and are held internally between the Company and Transferee Company will be cancelled / reduced as the case may be upon the Scheme of Amalgamation and Arrangement being sanctioned by the Regional Director and/or other Governmental Authorities.

RESOLVED FURTHER THAT the draft Scheme of Amalgamation and Arrangement between the Transferor Company and Transferee Company, placed before the Meeting be and is hereby approved;

RESOLVED FURTHER THAT the Board of Directors do take further steps for obtaining requisite approvals of the shareholders and other persons (including creditors and regulatory authorities) whose consent is required under the law for the Scheme of Amalgamation and Arrangement and for that purpose to initiate all necessary action including the preparation and circulation of the notices and explanatory statements, and filing of all other documents required to be filed in this connection;



Prabhat Dairy Limited



Where Goodness Begins

RESOLVED FURTHER THAT Mr. Sarangdhar Nirmal and/or Mr. Vivek Nirmal Directors of the Company and/or Ms. Dipti Todkar, Company Secretary be and are hereby severally authorised in the name of and on behalf of the Company to:

- (a) finalize and settle the Scheme of Amalgamation and Arrangement, draft of the notices for convening the class meetings of members, creditors and the draft of the explanatory statement under Section 230 to 233 of the Companies Act, 2013 with such modifications as they may deem fit;
- (b) file appropriate forms required for inviting objections or suggestions with regard to the proposed Scheme of Amalgamation and Arrangement, with from the Registrar Official Liquidator, Regional Director and/or other Governmental Authorities and any other documents, and to execute all such further deeds, documents and writings as may be necessary in that behalf;
- (c) affix the Common Seal of the Company on any documents in connection with the purpose of this Resolution as may be required, in accordance with the Articles of Association of the Company;
- (d) send the Common Seal of the Company to other places, if so required, to facilitate execution of documents, papers in connection with the Scheme of Amalgamation and Arrangement;
- (e) make applications to the relevant authorities or other persons for their approval to the Scheme of Amalgamation and Arrangement as may be required, and to make such disclosures to governmental or regulatory authorities as may be required for the purpose;
- (f) agree to and make such modifications, alterations and changes in the Scheme of Amalgamation and Arrangement as may be expedient or necessary;



Head Office

Plot No. 121 B To 121 F At. Hanjankh. Po. TPAK Nagar,

Te. Amata. Dist. Ahmednagar. Pin. 413720

State: Maharashtra Country: India

Tel: 02422-563500 To 90 - 02422-265870

Joint Venture Office

Plot No. 7, 17 & 18 Industrial Area MIDC Tal. Talegaon

Dist. Solapur. Pin. 413201

State: Maharashtra

www.prabhatdairy.com

Call Centre

Prabhat Dairy Limited, Amata, Ahmednagar, Maharashtra

Pin: 413720

State: Maharashtra

Prabhat Dairy Limited



Where Goodness Begins

- (g) give such directions as may be considered necessary to settle any question or difficulty arising under the Scheme of Amalgamation and Arrangement or with regard to and of the meaning or interpretation of the Scheme of Amalgamation and Arrangement or implementation hereof or in any manner whatsoever connected therewith; and
- (h) do all such other acts, deeds and things necessary, desirable or expedient in connection with or incidental to giving effect to the purpose of the above Resolution.

FOR PRABHAT DAIRY LIMITED

Dipti



DIPTI TODKAR
COMPANY SECRETARY