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NEAPS/ BSE ONLINE

5th August, 2019

The Corporate Relationship Department
BSE Ltd.
Phiroze Jeejeebhoy Towers
1st Floor, New Trading Ring
Rotunda, Dalal Street,
Mumbai - 400 001

The Secretary,
National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051

Dear Sirs,

Sub: Update on the Scheme of Arrangement between HSIL Limited, Somany Home Innovation Limited and Brilloca Limited and their Respective Shareholders and Creditors

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in furtherance to our letter dated 27th June, 2019, we would like to inform you that Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench has issued the certified copy of the order sanctioning the scheme of arrangement between HSIL Limited (Transferor Company), Somany Home Innovation Limited (Transferee Company 1) and Brilloca Limited (Transferee Company 2) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (the "Scheme").

Pursuant to Clause 14.1(b) of the Scheme, the Transferor Company, Transferee Company 1 and Transferee Company 2 have filed a certified copy of the said order with the Registrar of Companies, Kolkata on 5th August, 2019.

The certified copy of the order, duly issued by Hon'ble NCLT, Kolkata Bench, is attached herewith for your information.

You are requested to take the aforesaid information on record.

For **HSIL LIMITED**

(Payal M. Puri)
Company Secretary
Name: **Payal M. Puri**
Address: **301-302, 3rd Floor, Park Centra, Sector-30, Gurugram-122001**
Membership No.: **16068**

पश्चिमबङ्ग पश्चिम बंगाल WEST BENGAL 32AB 068028

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH

CP (CAA) No. 1597 / KB / 2018

CA (CAA) No. 649 / KB / 2018

In the matter of the Companies Act, 2013; Section – 230-232

AND

In the matter of: HSIL Ltd. & Ors

Certified Copy of the Order dated 26.06.2019 passed by this Bench.

109121 21 FEB 2019

Sl. No. ..... Date .....

Name .....

Add .....

AMT 10/-

PRADEEP KUMAR JEWRAJKA
Advocate
12, Old Post Office Street
2nd Floor, Kolkata-700 001

SOUMITRA CHAND
Licensed Stamp Vend
9/4, C. R. Roy Road, K

Form No. CAA.7

[Pursuant to section 232 and rule 20]

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH

CP (CAA) No. 1597/KB/2018
CONNECTED WITH
CA (CAA) No. 649/KB/2018

In the matter of:
The Companies Act, 2013;

And
In the matter of:
Sections 230, 231 and 232 of the said Act;

And
In the matter of:
M/S HSIL LIMITED, an existing Company under the Companies Act, 2013 having its registered office at 2, Red Cross Place, Kolkata - 700001;
... Petitioner Company no. 1/ Transferor Company

And

In the matter of:

M/S SOMANY HOME INNOVATION LIMITED, an existing Company under the Companies Act, 2013 having its registered office at 2, Red Cross Place, Kolkata - 700 001;

... Petitioner Company no. 2/ First Transferee Company

And

In the matter of:

M/S BRILLOCA LIMITED, an existing Company under the Companies Act, 2013 having its registered office at 2, Red Cross Place, Kolkata - 700 001;

... Petitioner Company no. 3/ Second Transferee Company

And

In the matter of:

1. **M/S HSIL LIMITED**
2. **M/S SOMANY HOME INNOVATION LIMITED**
3. **M/S BRILLOCA LIMITED**

.... Petitioners

Order Under Sections 230 and 232 of the Companies Act,2013

1. The above Company Petition coming on for further hearing on the 18th June, 2019 and upon hearing the advocate appearing for the Petitioners and upon hearing Deputy Director of Regional Directorate, Eastern Region representing the Central Government the final order was passed on the 26th June , 2019.

2. It is submitted in this Petition that object of this Petition is to obtain sanction of this Tribunal to the proposed Scheme of Arrangement, between HSIL Limited, Petitioner No. 1, the Transferor Company, Somany Home Innovation Limited, Petitioner No. 2, the First Transferee Company and Brillioca Limited, Petitioner No. 3, the Second Transferee Company and their respective shareholders and creditors, whereby and whereunder all the assets and liabilities pertaining to the CPDM Undertaking and the Retail Undertaking of Petitioner No. 1 shall be demerged and transferred to and be vested in Petitioner No. 2 and all the assets and liabilities pertaining to the BPDM Undertaking of Petitioner No.1 shall be demerged and transferred to and be vested in Petitioner No. 3 on the terms and conditions fully stated in the Scheme of Arrangement, a copy whereof is annexed as **ANNEXURE-A** to this petition.

3. After hearing Counsel for the Petitioners, this Tribunal, by an order dated 10-12-2018, in the Petition bearing CP (CAA) NO. 1597/KB/2018, connected with CA(CAA) No. 649/KB/2018, had directed publication to be effected of the hearing of the Petition, issuance of the notices of this Petition to the statutory authorities mentioned in the said order, for their objections, if any.

4. In compliance with the order dated 10-12-2018, passed in CP (CAA) NO. 1597/KB/2018, connected with CA(CAA) No. 649/KB/2018, the Petitioner Companies have filed affidavit of service duly affirmed on 7th January, 2019, evidencing publication of notice in the newspapers and service upon the Central Government, Statutory Authorities.

5. The Regional Director, Eastern Region, Ministry of Corporate Affairs has filed his report vide affidavit affirmed on January 24, 2019, as below :

> "2(a) On examination of the report dated 3.12.2018 of the ROC, West Bengal, it appears that no complaint and/or representation has been received against the resulting companies regarding the proposed of Scheme of Arrangement. However, in the said report, the O/o. ROC, WB has also reported that the complaint against the demerged company has been received and the same is under examination.

(b) That the Scheme is a composite scheme encompassing several arrangements i.e. two separate demergers. According to the provisions of section 232 (1) of the Companies Act, 2013 Hon'ble Tribunal may order a meeting of the creditors or class of creditors or the members or the class of members on an application made before the Hon'ble Tribunal for sanctioning of a compromise or an arrangement proposed between a company and any such persons as are mentioned in section 230. Therefore an application can cover one arrangement at a time. In view of the clear language in section 232 the scope of the scheme is restricted a single arrangement only and not beyond. Furthermore, in sub-section (1), subsection (3), sub-section (5) of section 230 of the Act, Rule 6(3) of the Companies (Arrangements and Amalgamations) Rules, 2016 reference is made over to a compromise or an arrangement only. Moreover, in the notice required to be given for the meeting of the Creditors and Members pursuant to Rule 7 of the Companies (Arrangements and Amalgamations) Rules, 2016 in form CAA2, a statutory format mandating no deviation therefrom. The notice can be given for a compromise arrangement only not more than that. Consequently a scheme can cover only one compromise or arrangement. Therefore the scheme is not according to the Companies Act, 2013.

(c) Clause 9.2.4 of the Scheme is not commensurate with the provision of section 230(10) of the Companies Act, since nothing has been stated that in what manner the provision of section 68 of the Act is complied with in respect of the payment of money to shareholders of the Transferor companies against the fractional share entitlements.

(d) Central Government on 10th September, 2018 notified Companies(Prospectus and Allotment of Securities) Third Amendment Rules, 2018 which is applicable from 2nd October, 2018. Rule 9A thereof provides that every unlisted public company shall issue the securities only in dematerialized form. Clause 9.2.7 of the Scheme is contrary to the said Rule as it enables the transferee company to issue shares in physical form. Hence the Scheme is defective."

6. The petitioners vide an affidavit affirmed on February 1, 2019 has replied to the affidavit of the Regional Director, Eastern Region, Ministry of Corporate Affairs as follows :

"3. With reference to paragraph 2(a) of the said affidavit, I say that the same are matters of record. I further say that it has been stated in the said affidavit that a complaint received against the Demerged Company is under examination. However, such examination, if necessary, may be continued by the authorities concerned even after sanction of the proposed Scheme as the Demerged Company shall continue

to be in existence after the proposed Scheme of Arrangement is sanctioned.

4. With reference to paragraph 2(b) of the said affidavit, I say that the said objection made out in the said paragraph is out of context and irrelevant. The proposed Scheme is squarely covered and contemplated by the Act and is in accordance therewith. Such Schemes are clearly contemplated and provided for under the provisions of the Companies Act, 2013 and must necessarily be so in the context of Schemes entailing amalgamation or demerger or otherwise involving two or more Companies. Further such composite Schemes of Arrangement are in fact encouraged by legislation and judicial precedents for avoiding multiple and cumbersome applications and procedures and facilitating a single window clearance to such Schemes. This principle is also enshrined in the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. Rule 3(2) of the said Rules provides that "Where more than one company is involved in a Scheme in relation to which an application under sub Rule (1) is being filed, such application may, at the discretion of such companies be filed as a joint application."

In view of the above, the objections raised by the Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata are not relevant for the purpose of sanction of the proposed Scheme.

5. With reference to paragraph 2 (c) of the said affidavit, the petitioners state and submit that the share exchange ratio is stated in the Scheme as 1:1 and the petitioners will be issuing shares in the said ratio 1:1. The petitioners will not issue any fractional shares.

6. With reference to paragraph 2 (d) of the said affidavit, I say that as already stated in Clause 9.2.7 of the Scheme, the shares shall be issued in dematerialized form. The petitioners further undertake by way of this Affidavit to issue shares only in dematerialized form."

7. The Regional Director, Eastern Region, Ministry of Corporate Affairs, vide his affidavit affirmed on May 6, 2109 has submitted reply to the affidavit affirmed on February 01, 2019 by the Petitioners, as below :

"2(a) The Petitioner Companies submitted that they have obtained the Valuation Report from M/s. Santosh K Singh, Chartered Accountants on 08-11-2017 in respect of its proposed demerger under the said Scheme of Arrangement which was considered and acted upon the same by the Board of Directors at their meeting held on 10-11-2017. Thereafter, the Petitioner Company submitted an Application along with necessary documents and aforesaid Valuation Report to the National Stock Exchange of India Limited and BSE Limited. Upon scrutiny of said documents and Valuation Report, the BSE Limited raised a query on 07-12-2017 that Valuation Report is required to be submitted as per format of SEBI and accordingly, the Petitioner

Company obtained revised Valuation Report from the said Chartered Accountant i.e. M/s. Santosh K Singh, Chartered Accountants on 11-12-2017 in the format of SEBI without any change in the Share Exchange Ratio and/or any other Valuations made in the said previous Valuation Report. Further, the Board of Directors in their meeting held on 10-11-2017 authorized some of the Directors and Executives of the company to take all steps as are necessary for taking approval and implementation of the proposed Scheme of Arrangement including providing information/clarification to the concerned Authority(ies) and accordingly, the revised Valuation Report dated 11-12-2017 was obtained by the Company in the revised format provided by BSE Limited without any change in the Share Exchange Ratio and/or any other valuation under the Scheme. Therefore, Hon'ble Tribunal may kindly decide the matter as deem fit and proper.

8. The Petitioners vide affidavit affirmed on June 6, 2019, have stated as below :

"3. With reference to paragraph 2(a) of the said affidavit, I say that the petitioner companies obtained the valuation report dated 08-11-2017 from M/s. Santosh K Singh, Chartered Accountants in respect of the proposed Scheme of Arrangement and submitted the same to the National Stock Exchange and BSE Limited. Upon raising a query by the BSE Limited, that the said valuation report would be required in the format of SEBI, the petitioner companies obtained revised valuation report dated 11-12-2017 from M/s. Santosh K Singh, Chartered Accountants in the format of SEBI without any change in the share exchange ratio or

without making any other change in any other valuation. The said revised valuation report dated 11-12-2017 was also filed before this Hon'ble Tribunal at the first instance along with the application praying for convening meetings of the equity shareholders, secured and unsecured creditors of the petitioner no.1. Thus the said revised valuation report is in the record of the Hon'ble Tribunal.

4. The aforesaid query was raised by the office of Regional Director and the same has been duly replied to by the petitioner no. 1. A copy of the said reply dated March 25, 2019 along with the query raised by the office of Regional Director are annexed hereto and collectively marked as 'A'.

5. I respectfully submit before this Hon'ble Tribunal that the proposed Scheme of Arrangement in respect of the petitioner companies, as filed before this Hon'ble Tribunal be confirmed, sanctioned and approved by this Hon'ble Tribunal."

9. Heard the arguments of Ld. Senior Counsel appearing for the Petitioner Companies, the Assistant Director, Office of the Regional Director, Eastern Region, Ministry of Corporate Affairs and after going through the documents available on record and recording the reply affidavit as answers to objections of the Regional Director, being satisfied that no further objections raised on the side of the Regional Director, the following orders in terms of prayers made by the Petitioner Companies are passed by this Tribunal :

THIS TRIBUNAL DOTH ORDER

a) That the Scheme of Arrangement is sanctioned by this Tribunal with effect from the Appointed Date, i.e. April 1, 2018 so as to be binding on all the Shareholders, Creditors and all other persons concerned with the Petitioners and on the Petitioners.

b) The properties, assets, rights and claims whatsoever of the (i) CPDM Undertaking (defined in the Scheme) and the Retail Undertaking (defined in the Scheme) shall stand demerged from the Transferor Company and shall stand transferred, as a going concern, to the First Transferee Company; and (ii)that of the BPDM Undertaking (defined in the Scheme) shall stand demerged from the Transferor Company and shall stand transferred, as a going concern, to the Second Transferee Company; on the terms and conditions stated in the Scheme of Arrangement as and from April 1, 2018, without any further act or deed pursuant to the Companies Act, 2013.

c) Leave is granted to the petitioners to file the Schedule of Assets within six weeks from the date of this order.

d) The Petitioners, within 30 days after the date of this order, cause a certified copy of this order to be delivered to the Registrar of Companies, West Bengal for registration.

e) Any person interested shall be at liberty to apply to this Tribunal for any direction that may be necessary.

10. In the event, the petitioners supply a legible computerized print out of the Scheme of Arrangement and the Schedule of Assets in acceptable form to the department, the department will append such computerized print out upon verification, to the certified copy of the order without insisting on a hand written copy thereof.

11. Accordingly, CP (CAA) No. 1597/KB/2018, connected with CA (CAA) No. 649/KB/2018, stands disposed of.

Witness:

Sri Jinan K R, Hon'ble Member (Judicial) and Sri Harish Chander Suri Hon'ble Member (Technical) at Kolkata aforesaid on the 26th June, 2019.

Mr. P.K. Jewrajka, Advocate of petitioners.

Mr. Channakeshar, A.D., R.D., E.R.

Schedule of Assets

First Part-I

(As per Annexure)

Second Part-II

(As per Annexure)

Third Part-III

(As per Annexure)

Registrar-in-charge
National Company Law Tribunal
Kolkata Bench

Dated, the 22nd day of July, 2019.

COMPOSITE SCHEME OF ARRANGEMENT

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

AMONGST

HSIL LIMITED
(The Demerged Company)

AND

SOMANY HOME INNOVATION LIMITED
(Resulting Company 1)

AND

BRILLOCA LIMITED
(Resulting Company 2)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

1. BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THE SCHEME

1.1 Details of the Demerged Company

1.1.1 HSIL Limited, the Demerged Company, is a public limited company incorporated under the Companies Act, 1956, in the State of West Bengal. The registered office of the Demerged Company is situated at 2, Red Cross Place, Kolkata, West Bengal 700 001, India. The Demerged Company was incorporated on February 8, 1960, under the name 'Hindusthan Twyfords Limited'. Subsequently, the name of the Demerged Company was changed to 'Hindustan Sanitaryware & Industries Limited' with effect from May 3, 1969, and the Demerged Company obtained a fresh certificate of incorporation from the Registrar of Companies, Kolkata, to the said effect. The name Hindustan Sanitaryware & Industries Limited was further changed to the present name HSIL Limited and a fresh certificate of incorporation was issued by the Registrar of Companies, Kolkata on March 24, 2009 in favour of the Demerged Company. The Corporate Identity Number of the Demerged Company is L51433WB1960PLC024539. The equity shares of the Demerged Company are listed on the Stock Exchanges (defined hereinafter).

1.1.2 The Demerged Company is authorized to conduct, and is *inter alia* engaged in, the business of manufacturing, preparing, buying, selling, importing, exporting, trading and otherwise dealing in all kinds of building products (sanitaryware, faucets, tiles, other lifestyle products, UPVC and CPVC pipes, fittings, etc.), consumer products, glass packaging products, plastic packaging material, security caps and closures, wind power generation and retail business for home interior solutions.

1.2 Details of Resulting Company 1

1.2.1 Somany Home Innovation Limited, Resulting Company 1, was incorporated on September 28, 2017, under the Companies Act, 2013, in the State of West Bengal. The Corporate Identity Number of Resulting Company 1 is U74999WB2017PLC222970. The registered office of Resulting Company 1 is situated at 2, Red Cross Place, Kolkata, West Bengal 700 001, India. Resulting Company 1 is a wholly owned subsidiary of the Demerged Company.

1.2.2 Resulting Company 1 is authorised, by its memorandum of association, to *inter alia* carry on the business of importing, exporting, buying, selling, processing, manufacturing and dealing in all kinds of kitchen products like kitchen-sinks, chimneys, hobs, kitchen appliances and faucets, including chromium-plated fittings, bath tubs & whirlpools, shower enclosures, home appliances, furniture of all kinds, electrical products like air purifier, water purifier, air cooler, water heater lamps etc., decorative materials and building chemicals and also products like fire bricks, fire clay, fire cement, tiles, sewers, pipes, drain pipes, stone pipes, hume pipes, concrete pipes and pipes of all kinds, pottery tiles, lime, cement, china and terracotta, ceramic wares, cement (ordinary white coloured portland alumina blast furnace, silica, etc.) and cement products of any description (pipes, poles, asbestos sheets, blocks tiles, garden wares, etc.).

1.3 Details of Resulting Company 2

1.3.1 Brilloca Limited, Resulting Company 2, was incorporated on November 2, 2017, under the Companies Act, 2013, in the State of West Bengal. The Corporate Identity Number of Resulting

Company 2 is U74999WB2017PLC223307. The registered office of Resulting Company 2 is situated at 2, Red Cross Place, Kolkata, West Bengal 700 001, India. Resulting Company 2 is a wholly owned subsidiary of Resulting Company 1.

1.3.2 Resulting Company 2 is authorised, by its memorandum of association, to *inter alia* carry on the business of importing, exporting, producing, refining, buying, selling, processing, manufacturing and dealing in all kinds of building material products like sanitary ware (including sanitary ware made of plastic, fiber glass or any other synthetic product), earthenware, stoneware, glass, china, terracotta, porcelain products, bricks, tiles, pottery, pipes, insulators refractories of all description and or by-products, thereof and faucets including chromium-plated fittings, bath tubs and whirlpools, shower enclosures, home appliances, electrical products, decorative materials and building chemicals and also products like fire bricks, fire clay, fire cement, tiles, sewers, pipes, drain pipes, stone pipes, hume pipes, concrete pipes and pipes of all kinds, pottery tiles, lime, cement, china and terracotta, ceramic wares, cement (ordinary white coloured Portland alumina blast furnace, silica, etc.), cement products of any description (pipes, poles, asbestos sheets, blocks tiles, garden wares, etc.).

1.4 This Composite Scheme of Arrangement ("**Scheme**") is presented pursuant to the provisions of Sections 230 to 232, Section 66 and other applicable provisions of the Companies Act, 2013, read with Section 2(19AA), Section 2(41A) and other relevant provisions of the IT Act (defined hereinafter), as applicable, for:

(i) Demerger of the CPDM Undertaking (defined hereinafter) and the Retail Undertaking (defined hereinafter) from the Demerged Company and transfer and vesting of each of them, as a going concern, to Resulting Company 1; and

(ii) Demerger of the BPDM Undertaking (defined hereinafter) from the Demerged Company and transfer and vesting of the same, as a going concern, to Resulting Company 2.

1.5 After the Scheme becomes effective, the listing of the entire share capital of Resulting Company 1, including the New Equity Shares (defined hereinafter) issued by Resulting Company 1, as consideration, in terms of Part D of this Scheme, to the shareholders of the Demerged Company, with the Stock Exchanges (defined hereinafter) shall be undertaken.

1.6 Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. RATIONALE FOR THE SCHEME

2.1 The Demerged Company is a multi-business corporate which is primarily engaged in the following business activities:

(a) branding, marketing, sales, distribution, trading, service, etc. of various building products like sanitaryware, faucets, other lifestyle products, UPVC and CPVC pipes, fittings, tiles, etc., more particularly defined hereinafter (hereinafter referred to as **"Building Products Distribution and Marketing Undertaking"** or **"BPDM Undertaking"**);

(b) branding, marketing, sales, distribution, trading, service, etc. of various consumer products like air purifiers, air coolers, kitchen appliances, water heaters, exhaust fans, water purifiers etc., more particularly defined hereinafter (hereinafter referred to as **"Consumer Products Distribution and Marketing Undertaking"** or **"CPDM Undertaking"**);

(c) retail business, consisting of branding, marketing, sales, distribution, trading, service, etc. of furniture, furnishings, home décor, etc., more particularly defined hereinafter (hereinafter referred to as "**Retail Undertaking**");

(The BPDM Undertaking, CPDM Undertaking and Retail Undertaking shall hereinafter be collectively referred to as the "**Demerged Undertakings**")

(d) manufacturing of building products like sanitaryware, faucets, UPVC and CPVC pipes, fittings, etc. (hereinafter referred to as "**Building Products Manufacturing Undertaking**" or "**BPM Undertaking**");

(e) manufacturing of certain specified consumer products like water heaters (hereinafter referred to as "**Consumer Products Manufacturing Undertaking**" or "**CPM Undertaking**");

(f) manufacturing and supply of packaging products like glass bottles, PET bottles, security caps and closures (hereinafter referred to as "**Packaging Products Manufacturing Undertaking**" or "**PPM Undertaking**"); and

(g) wind power generation (hereinafter referred to as "**Power Undertaking**").

The aforesaid businesses have been nurtured over a period of time and are currently at different stages of growth. The Demerged Undertakings and the Remaining Undertaking (defined hereinafter) have distinct capital requirements, nature of risk, competition, human skill-set requirements, etc. The segregation of businesses as envisaged in the Scheme will enable sharper focus and better alignment of the businesses to its customers. It shall also enable the respective businesses to improve competitiveness, operational efficiencies and strengthen its position in the relevant marketplace.

The Scheme shall enable each of the respective Demerged Undertakings and the Remaining Undertaking (defined hereinafter) to attract interest of such investors and strategic partners having the necessary ability, experience and interests and shall provide an opportunity to the investors to select investments which best suit their investment strategies and risk profiles.

The implementation of this Scheme will result in:

(a) creation of separate and distinct entities housing the Demerged Undertakings and the Remaining Undertaking (defined hereinafter);

(b) optimal monetisation and development of each of the respective businesses, including by attracting focussed investors and strategic partners having the necessary ability, experience and interests in the relevant sectors;

(c) dedicated and specialised management focus on the specific needs of the respective businesses; and

(d) benefit to all stakeholders, leading to growth and value creation in long run and maximising the value and return to the shareholders, unlocking intrinsic value of assets, achieving cost efficiencies and operational efficiencies.

2.5 The Scheme is in the interest of all the Companies, including their respective stakeholders and creditors.

3. PARTS OF THIS SCHEME

The Scheme is divided into the following parts:

(a) **PART A** deals *inter alia* with definitions and interpretation, compliance with tax laws and capital structure of the Companies.

(b) **PART B** deals with demerger and vesting of the CPDM Undertaking and the Retail Undertaking into Resulting Company 1.

(c) **PART C** deals with demerger and vesting of the BPDM Undertaking into Resulting Company 2.

(d) **PART D** deals with the consideration for demerger of the CPDM Undertaking, the Retail Undertaking and BPDM Undertaking and the respective accounting treatment(s).

(e) **PART E** deals with general terms and conditions that are applicable to this Scheme.

PART A

4. DEFINITIONS

4.1 In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

(a) "**Act**" means the Companies Act, 2013 and rules made thereunder (to the extent applicable) and Companies Act, 1956 (to the extent corresponding provisions of Companies Act, 2013 have not been notified) and the rules made thereunder, and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;

(b) "**Applicable Law**" means any statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any appropriate authority, including any modification or re-enactment thereof for the time being in force;

(c) "**Appointed Date**" means April 1, 2018 or such other date as the Hon'ble Tribunal may direct, which shall be the date from which the Scheme shall be deemed to be effective;

(d) "**Assets**" shall include assets of every kind, nature and description and include movable property, investments, immovable property, leasehold property, freehold property, owned property, leased property, tangible or intangible assets, inventories, debtors, advances, Intellectual Property Rights, computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work in progress, vehicles, furniture, fixtures, office equipment, electricals, appliances and accessories;

(e) "**Board of Directors**" in relation to the Demerged Company and/ or Resulting Company 1 and/or Resulting Company 2, as the case may be, means their respective board of directors and shall, unless repugnant to the context or otherwise, include a committee of directors or any person authorised by such board of directors or such committee of directors;

(f) "**Book Value(s)**" means the value(s) of the Assets and Liabilities of each of the CPDM Undertaking, the Retail Undertaking and the BPDM Undertaking, as applicable, as appearing in the books of account of the Demerged Company at the close of business as on the day immediately preceding the Appointed Date and excluding any value arising out of revaluation of any Assets;

(g) "**BPDM Undertaking**" means and includes all the activities, business, operations and undertakings of, and relating to, the distribution and marketing activities of the building products division of the Demerged Company, including storing, transporting, selling, distributing and trading in various building products like, sanitaryware, faucets, UPVC and CPVC pipes, tiles, fittings and other wellness and allied products, including water closets, wash basins, pedestals, squatting pans, urinals, cisterns, bidets, showers, bathroom faucets, kitchen faucets, bath tubs, shower panels, shower enclosures, whirlpools, steam generators, concealed cisterns, seat covers and PVC cisterns etc., through its chain of distributors, dealers, sub-dealers, display centers, modern trade channels, e-commerce, etc., relating to the sale of such products of the building products division. Without prejudice and limitation to the generality of the above, the BPDM Undertaking means and includes, without limitation, the following:

(i) all Assets pertaining to or relatable to the BPDM Undertaking, wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the BPDM Undertaking (including, but not limited to, the registered trademarks identified in **Schedule I**),

(ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions pertaining to the BPDM Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,

(iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relatable to, the BPDM Undertaking,

(iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the BPDM Undertaking, cash balances, bank accounts and bank balances, in connection with or relating to the BPDM Undertaking,

(v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the BPDM Undertaking,

(vi) employees of the Demerged Company that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the BPDM Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relatable to such Transferred Employees,

(vii) all Liabilities, present, future and the contingent, pertaining to or relatable to the BPDM Undertaking,

(viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the BPDM Undertaking, and

(ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the BPDM Undertaking.

The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "BPDM Undertaking" and the determination of the Assets or Liabilities pertaining to or relatable to the BPDM Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relatable to the BPDM Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company;

(h) "**Companies**" means the Demerged Company, Resulting Company 1 and Resulting Company 2;

(i) "**CPDM Undertaking**" means and includes all the activities, business, operations and undertakings of, and relating to, the distribution and marketing activities of the consumer products division of the Demerged Company, including storing, transporting, selling, distributing and trading in various consumer products like kitchen appliances, cooktops, chimneys, vents, hobs, water heaters, water purifiers, air coolers, air purifiers and water purifiers, through its chain of distributors, dealers, sub-dealers, display centers, modern trade channels, e-commerce etc., relating to the sale of such products of the consumer products division. Without prejudice and limitation to the generality of the above, the CPDM Undertaking means and includes, without limitation, the following:

(i) all Assets pertaining to or relatable to the CPDM Undertaking, wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the CPDM Undertaking (including, but not limited to, the registered trademarks identified in Schedule II);

(ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions pertaining to the CPDM Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,

(iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relatable to, the CPDM Undertaking,

(iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the CPDM Undertaking, cash balances, bank accounts and bank

balances, in connection with or relating to the CPDM Undertaking,

(v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the CPDM Undertaking,

(vi) employees of the Demerged Company that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the CPDM Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relatable to such Transferred Employees,

(vii) all Liabilities, present, future and the contingent, pertaining to or relatable to the CPDM Undertaking,

(viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the CPDM Undertaking, and

(ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the CPDM Undertaking.

The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "CPDM Undertaking" and the determination of the Assets or Liabilities pertaining to or relatable to the CPDM Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relatable to the CPDM Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company);

(j) "**Demerged Company**" means HSIL Limited, a company incorporated under the Companies Act, 1956, having its registered office at 2, Red Cross Place, Kolkata, West Bengal 700 001, India;

(k) **"Effective Date"** means the last of the dates on which all the conditions and matters referred to in Paragraph 14 in Part E of this Scheme have been fulfilled, obtained or waived, as applicable. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall refer to the Effective Date;

(l) **"Hon'ble Tribunal"** means the Kolkata Bench of the National Company Law Tribunal;

(m) **"Intellectual Property Rights"** means, whether registered in the name of or recognized under Applicable Law as being the intellectual property of the Demerged Company, or in

the nature of common law rights of the Demerged Company, all domestic and foreign, (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, trade dress, and all applications and registration for the foregoing, and all goodwill associated with the foregoing and symbolized by the foregoing; (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship, and copyrights therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (d) computer software and programs (including source code, object code, firmware, operating systems and specifications); (e) designs, drawings, sketches; (f) databases, customer data, proprietary information, knowledge, technology, licenses, software licenses and formulas; (g) all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Law;

(n) "**IT Act**" means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;

(o) "**Liability(ies)**" means liabilities of every kind, nature and description, whether present or future and includes contingent liabilities, secured loans, unsecured loans, borrowings, statutory liabilities (including those under taxation laws, including goods and services tax (GST) and stamp duty laws), contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of any nature;

(p) "**New Equity Shares**" means the fully paid-up equity shares of Rs. 2 each to be issued and allotted by Resulting Company 1 to the shareholders of the Demerged Company as of the Record Date, in accordance with Paragraph 9.2 in Part D of this Scheme, in consideration for the demerger of the CPDM Undertaking and Retail Undertaking into Resulting Company 1 and the BPDM Undertaking into Resulting Company 2;

(q) "**RBI**" means the Reserve Bank of India, established under Section 3 of the Reserve Bank of India Act, 1934;

(r) "**Record Date**" means the date to be fixed by the Board of Directors of Demerged Company, for the purpose of determining the shareholders of the Demerged Company to whom the New Equity Shares will be issued and allotted by Resulting Company 1, pursuant to this Scheme;

(s) "**Remaining Undertaking**" means the remaining activities, investments, Assets, business, contracts, employees and Liabilities of the Demerged Company, including the BPM Undertaking, CPM Undertaking, PPM Undertaking and Power Undertaking but excluding the CPDM Undertaking, the Retail Undertaking and the BPDM Undertaking;

(t) "**Resulting Company 1**" means Somany Home Innovation Limited, a company incorporated under the Companies Act, 2013 and having its registered office at 2, Red Cross Place, Kolkata, West Bengal 700 001, India; being a wholly owned subsidiary of the Demerged Company;

(u) "**Resulting Company 2**" means Brilloca Limited, a company incorporated under the Companies Act, 2013 and having its registered office at 2, Red Cross Place, Kolkata, West Bengal 700 001, India, being a wholly owned subsidiary of Resulting Company 1;

(v) "**Retail Undertaking**" means and includes all the activities, business operations and

undertakings of and relating to retail business undertaking of the Demerged Company, including storing, transporting, selling, distributing and trading in furniture and home décor and other products, *inter alia*, under the 'EVOK' trademark, through its chain of retail outlets and also includes the franchise business of the Demerged Company. Without prejudice and limitation to the generality of the above, the Retail Undertaking means and includes, without limitation, the following:

(i) all Assets pertaining to or relatable to the Retail Undertaking, wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the Retail Undertaking (including, but not limited to, the registered trademarks and copyrights identified in **Schedule III**),

(ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions pertaining to the Retail Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,

(iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relatable to, the Retail Undertaking,

(iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the Retail Undertaking, cash balances, bank accounts and bank balances, in connection with or relating to the Retail Undertaking,

(v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Retail Undertaking,

(vi) employees of the Demerged Company that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the Retail Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relatable to such Transferred Employees,

(vii) all Liabilities, present, future and the contingent, pertaining to or relatable to the

Retail Undertaking,

(viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the Retail Undertaking, and

(ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the Retail Undertaking,

The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "Retail Undertaking" and the determination of the Assets or Liabilities pertaining to or relatable to the Retail Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relatable to the Retail Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company);

(w) "**Rs.**" means rupees, being the lawful currency of the Republic of India;

(x) "**Scheme**" means this Composite Scheme of Arrangement in its present form, or with any modifications, as may be approved by the Hon'ble Tribunal;

(y) "**SEBI**" means the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992; and

(z) "**Stock Exchanges**" means collectively BSE Limited and the National Stock Exchange of India Limited.

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996, the IT Act and other Applicable Laws, as the case may be.

COMPLIANCE WITH TAX LAWS

The demerger of the CPDM Undertaking and the Retail Undertaking into Resulting Company 1 and the BPDM Undertaking into Resulting Company 2 shall comply with the provisions of Section 2(19AA) read with section 2(41A) of the IT Act.

This Scheme has been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA), and other relevant sections, of the IT Act. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the

Demerged Company, which power can be exercised at any time and shall be exercised in the best interests of the Companies and their shareholders.

6. CAPITAL STRUCTURE

6.1 Demerged Company

The authorised, issued, subscribed and paid-up share capital of the Demerged Company, as on October 31, 2017 is as under:

A. Authorised Share Capital	Amount (in Rs.) (in lakhs)
11,12,50,000 Equity Shares of Rs. 2 each	2225.00
Total	**2225.00**
B. Issued, Subscribed and Paid-up Share Capital	**Amount (in Rs.)**
7,22,96,395 Equity Shares of Rs. 2 each	1445.93
Add: Forfeited Share Capital	0.04
Total	**1445.97**

6.2 Resulting Company 1

The authorised, issued, subscribed and paid-up share capital of Resulting Company 1, as on October 31, 2017 is as under:

A. Authorised Share Capital	Amount (in Rs.) (in lakhs)
50,00,000 Equity Shares of Rs. 2 each	100.00
Total	**100.00**
B. Issued, Subscribed and Paid-up Share Capital	**Amount (in Rs.) (in lakhs)**
5,00,000 Equity Shares of Rs. 2 each	10.00
Total	**10.00**

Resulting Company 2

The authorised, issued, subscribed and paid-up share capital of Resulting Company 2, as on November 2, 2017, is as under:

A. Authorised Share Capital	Amount (in Rs.) (in lakhs)
5,00,000 Equity Shares of Rs. 2 each	10.00
Total	**10.00**

B. Issued, Subscribed and Paid-up Share Capital	Amount (in Rs.) (in lakhs)
5,00,000 Equity Shares of Rs. 2 each	10.00
Total	**10.00**

PART B

7. DEMERGER OF CPDM UNDERTAKING AND RETAIL UNDERTAKING INTO RESULTING COMPANY 1

7.1 Transfer and vesting of the CPDM Undertaking and the Retail Undertaking

7.1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the CPDM Undertaking and the Retail Undertaking of the Demerged Company shall stand demerged and transferred and be vested in Resulting Company 1, each on a going concern basis, without any further act or deed, so as to become as and from the Appointed Date, the undertakings of Resulting Company 1, and to vest in Resulting Company 1, all the rights, title, interest or obligations of the CPDM Undertaking and the Retail Undertaking therein, in the manner described hereunder.

7.1.2 **Transfer of Assets**

(a) Upon this Scheme becoming effective and with effect from the Appointed Date, any and all Assets relating to each of the CPDM Undertaking and the Retail Undertaking, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by delivery instructions in relation to dematerialised shares or transfer by vesting and recordal pursuant to this Scheme, shall stand transferred to and vested in Resulting Company 1 and shall become the property and an integral part of Resulting Company 1. The vesting pursuant to this sub-Paragraph (a) shall be deemed to have occurred by manual delivery or endorsement and delivery or by delivery instructions in relation to dematerialised shares or by vesting, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

(b) Upon this Scheme becoming effective and with effect from the Appointed Date, any and all movable Assets of the Demerged Company relating to each of the CPDM Undertaking and the Retail Undertaking, other than those specified above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons shall without any further act, instrument or deed become the property of Resulting Company 1.

(c) Upon this Scheme becoming effective and with effect from the Appointed Date, all immovable properties (including land together with the buildings and structures standing thereon) of the Demerged Company relating to each of the CPDM Undertaking and the Retail Undertaking, whether freehold or leasehold, as the case may be, and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in Resulting Company 1, subject to Applicable Law, without any act or deed required by the Demerged Company and Resulting Company 1. Upon this Scheme becoming effective and with effect from the Appointed Date, Resulting Company 1 shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes, as applicable, and fulfill all obligations, in relation to or applicable to such immovable properties.

(d) Upon this Scheme becoming effective and with effect from the Appointed Date, the Intellectual Property Rights of the Demerged Company relating to each of the CPDM Undertaking (including, but not limited to, the registered trademarks identified in

Schedule II) and the Retail Undertaking (including, but not limited to, the registered trademarks and copyrights identified in **Schedule III)** shall, without further act or deed, stand transferred and vested in Resulting Company 1. This Scheme shall serve as a requisite consent for use and transfer of such Intellectual Property Rights without requiring the execution of any further deed or document as to transfer of the said Intellectual Property Rights in favour of Resulting Company 1. Upon the Scheme becoming effective, and to the extent required by the Demerged Company and Resulting Company 2, Resulting Company 1 may grant to them the right to use the trademarks being transferred to it pursuant to this Scheme by way of license, on such terms and conditions as may be mutually agreed between the relevant parties.

(e) Upon this Scheme becoming effective and with effect from the Appointed Date, the Demerged Company agrees to execute and deliver, at the request of Resulting Company 1, all papers and instruments required in respect of all Intellectual Property Rights, to vest such rights, title and interest in the name of Resulting Company 1 and in order to update the records of the respective registries to reflect the name and address of Resulting Company 1 as the current owner of the Intellectual Property Rights.

(f) In relation to Assets belonging to each of the CPDM Undertaking and the Retail Undertaking, which require separate documents for vesting in Resulting Company 1, or which the Demerged Company and/ or Resulting Company 1 otherwise desire to be vested separately, the Demerged Company and Resulting Company 1 will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.

(g) All Assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the CPDM Undertaking and/or the Retail Undertaking shall be deemed to have been acquired for and on behalf of Resulting Company 1 and shall also stand transferred to and vested in Resulting Company 1, with effect from the Effective Date.

(h) It is hereby clarified that if any Assets in relation to either the CPDM Undertaking or the Retail Undertaking which the Demerged Company owns, cannot be transferred to Resulting Company 1 for any reason whatsoever, the Demerged Company shall hold such Asset in trust for the benefit of Resulting Company 1.

(i) Upon this Scheme becoming effective, the past track record of the Demerged Company relating to each of the CPDM Undertaking or the Retail Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of Resulting Company 1 for all commercial and regulatory purposes, including for the purposes of eligibility, standing, evaluation and participation of Resulting Company 1 in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

7.1.3 **Transfer of Liabilities**

(a) Upon this Scheme becoming effective and with effect from the Appointed Date, all Liabilities of every kind, nature and description relating to each of the CPDM Undertaking and the Retail Undertaking shall, without any further act or deed, be transferred to, or be deemed to be transferred to Resulting Company 1 so as to become, from the Appointed Date, the Liabilities of Resulting Company 1 and Resulting Company 1 undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain

the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen, in order to give effect to the provisions of this sub-Paragraph.

(b) Where any of the Liabilities and obligations pertaining to the CPDM Undertaking and/or the Retail Undertaking on the Appointed Date, has been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of Resulting Company 1.

(c) All loans raised and used, and Liabilities incurred, if any, by the Demerged Company after the Appointed Date, but prior to the Effective Date, for the CPDM Undertaking and/or the Retail Undertaking shall be deemed to be transferred to, and discharged by Resulting Company 1 without any further act or deed.

(d) Upon the Scheme becoming effective, the secured creditors of the Demerged Company, relating to the Remaining Undertaking shall not be entitled to security over properties, Assets, rights, benefits and interest of Resulting Company 1.

(e) The vesting of the CPDM Undertaking and the Retail Undertaking as aforesaid shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the CPDM Undertaking and/or the Retail Undertaking, provided however, any reference in any security documents or arrangements to which the Demerged Company is a party, wherein the Assets of the CPDM Undertaking and/or the Retail Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Assets pertaining to the CPDM Undertaking and/or the Retail Undertaking, as applicable, as are vested in Resulting Company 1 as per this Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Assets of the Demerged Company or any of the Assets of Resulting Company 1. Provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Assets, or any part thereof, of Resulting Company 1 shall continue with respect to such Asset, or part thereof, and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.

(f) The provisions of Paragraph 7.1.3(e) above shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions. For avoidance of doubt the provisions of Paragraph 7.1.3(e) above shall not be construed as limiting the operation of Part E of this Scheme.

(g) Upon this Scheme becoming effective, the borrowing limits of Resulting Company 1 shall, without any further act or deed, stand enhanced by an amount being the aggregate of the Liabilities pertaining to the CPDM Undertaking and the Retail Undertaking which are being transferred to Resulting Company 1 pursuant to this Scheme and Resulting Company 1 shall not be required to pass any separate resolution in this regard.

7.1.4 **Contracts, Deeds, Bonds and Other Instruments**

(a) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, subsidiaries/ associate companies and other shareholders of such subsidiaries/ associate companies, arrangements and other instruments of whatsoever nature in relation to each of the CPDM Undertaking and the Retail Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of Resulting Company 1 and may be enforced as fully and effectually as if, instead of the Demerged Company, Resulting Company 1 had been a party or beneficiary or obligee thereto or thereunder.

(b) Without prejudice to the other provisions of the Scheme and notwithstanding that the vesting of the CPDM Undertaking and the Retail Undertaking with Resulting Company 1 occurs by virtue of this Scheme itself, Resulting Company 1 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Demerged Company will, if necessary, also be a party to the above. Resulting Company 1 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

(c) Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to each of the CPDM Undertaking and the Retail Undertaking shall stand transferred to Resulting Company 1 as if the same were originally given by, issued to or executed in favour of Resulting Company 1, and Resulting Company 1 shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to Resulting Company 1. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Demerged Company in relation to each of the CPDM Undertaking and the Retail Undertaking are concerned, the same shall vest with and be available to Resulting Company 1 on the same terms and conditions as applicable to the Demerged Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Resulting Company 1.

(d) The Demerged Company has set up a trust, by the name of "HSIL Corporate Social Responsibility Foundation", for the purpose of fulfilling its corporate social responsibility under the Companies Act, 2013, either singly or along with its subsidiary companies or along with any other company or holding or subsidiary company of such other company. Subject to provisions of the Companies Act, 2013, it is proposed that the HSIL Corporate Social Responsibility Foundation be restructured to permit Resulting Company 1 to utilize the same for fulfilling its corporate social responsibility under the Companies Act, 2013 as

well.

(e) It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the CPDM Undertaking and/or the Retail Undertaking to which the Demerged Company is a party, cannot be transferred to Resulting Company 1 for any reason whatsoever, the Demerged Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Resulting Company 1.

(f) Upon this Scheme becoming effective, all the resolutions, if any, of the Demerged Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as the resolutions of Resulting Company 1, to the extent such resolutions pertain to the CPDM Undertaking and/or the Retail Undertaking, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in Resulting Company 1.

7.1.5 Employees

(a) Upon the Scheme becoming effective, all employees of each of the CPDM Undertaking and the Retail Undertaking shall be deemed to have become employees of Resulting Company 1, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Demerged Company, on the Effective Date. The services of such employees with the Demerged Company up to the Effective Date shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.

(b) With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the CPDM Undertaking and the Retail Undertaking, Resulting Company 1 shall, upon this Scheme becoming effective, stand substituted for the Demerged Company for all purposes whatsoever, including with regard to the obligation to make contributions to the said funds and schemes, in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents.

(c) The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Demerged Company for such employees of the CPDM Undertaking and the Retail Undertaking shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by Resulting Company 1 without any separate act or deed/ approval. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by Resulting Company 1 to the existing funds maintained by the Demerged Company.

(d) If any of the employees of the Demerged Company being transferred to Resulting Company 1 as part of this Scheme are covered under any directors and officers liability insurance policy ("**D&O Insurance**") taken by the Demerged Company as on the Effective Date, then, irrespective of their transfer to Resulting Company 1, such employees shall continue to be covered by such D&O Insurance, for the remainder of the term of the

insurance policy, and the Demerged Company and/or Resulting Company 1, as the case may be, shall execute all documents as may be required, including with the insurance company(ies), to give effect to this sub-Paragraph (d).

(e) The Demerged Company, pursuant to a notification in the Official Gazette dated October 22, 1968, issued by the Secretary to the Government, Haryana, Labour and employment departments, in exercise of the powers conferred under Paragraph 27-A of the Employees' Provident Funds Scheme, 1952, has been granted an exemption from the operations of the Employees' Provident Funds Scheme, 1952 and currently deposits the provident fund collections of certain employees into the fund, "Somany Provident Fund Institution". Subject to receipt of appropriate regulatory approvals, it is proposed that the Somany Provident Fund Institution may be restructured to permit Resulting Company 1 to utilize the same for depositing the provident fund collections of its employees as well.

(f) The Demerged Company has set up a fund, by the name of "H S I Employees' Gratuity Fund", to meet the gratuity obligations of the Demerged Company towards its eligible employees. Subject to receipt of appropriate regulatory approvals, it is proposed that the H S I Employees' Gratuity Fund may be restructured to permit Resulting Company 1 to utilize the same for its gratuity obligations towards its employees as well.

7.1.6 Continuation of Legal Proceedings

(a) From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the CPDM Undertaking and/or the Retail Undertaking ("**Demerged Undertaking Proceedings**") shall be continued and enforced by or against Resulting Company 1 after the Effective Date, to the extent legally permissible. To the extent such Demerged Undertaking Proceedings cannot be taken over by Resulting Company 1, such proceedings shall be pursued by the Demerged Company as per the instructions of and entirely at the costs and expenses of Resulting Company 1.

(b) If the Demerged Undertaking Proceedings are taken against the Demerged Company in respect of the matters referred to in Paragraph 7.1.6(a) above, it shall defend the same in accordance with the advice of Resulting Company 1 and at the cost of Resulting Company 1, and the latter shall reimburse and indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

(c) If any Demerged Undertaking Proceedings is pending, the same shall not abate, be discontinued or in anyway be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against Resulting Company 1 in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

(d) In the event of any difference or difficulty on whether any specific legal or other proceedings relates to the CPDM Undertaking or the Retail Undertaking or not, the decision of the Board of Directors of the Demerged Company in this regard shall be conclusive and binding on the Demerged Company and Resulting Company 1.

7.1.7 **Treatment of taxes**

(a) With effect from the Appointed Date and upon the Scheme becoming effective, all taxes and duties payable by the Demerged Company, accruing and relating to the operations of the CPDM Undertaking and/or the Retail Undertaking from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims, as the case may be, of Resulting Company 1.

(b) Upon the Scheme becoming effective, all unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit), Cenvat, customs, VAT, sales tax, service tax, goods and services tax (GST), etc. relating to the CPDM Undertaking and/or the Retail Undertaking to which the Demerged Company is entitled to shall be available to and vest in Resulting Company 1, without any further act or deed.

(c) Upon this Scheme becoming effective, the Demerged Company and Resulting Company 1 are permitted to revise and file their respective income tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, service tax returns, goods and services tax (GST) returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme.

(d) The Board of Directors of the Demerged Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to the CPDM Undertaking and/or the Retail Undertaking and whether the same would be transferred to Resulting Company 1.

(e) Upon this Scheme becoming effective, any tax deposited, certificates issued or returns filed by the Demerged Company relating to the CPDM Undertaking and/or the Retail Undertaking shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by Resulting Company 1.

(f) All the expenses incurred by the Demerged Company and Resulting Company 1 in relation to the demerger of the CPDM Undertaking and the Retail Undertaking, as per Part B of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and Resulting Company 1 in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

7.1.8 **Saving of concluded transactions**

The transfer of Assets and Liabilities to, and the continuance of proceedings by, or against, Resulting Company 1 as envisaged in Part B above shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Resulting Company 1 accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

7.1.9 **Conduct of Business**

(a) With effect from the Appointed Date and up to and including the Effective Date:

(i) The Demerged Company undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and Assets of each of the CPDM Undertaking and the Retail Undertaking, for and on account of and in trust for Resulting Company 1;

(ii) All profits accruing to the Demerged Company and all taxes thereon or losses arising or incurred by it with respect to each of the CPDM Undertaking and the Retail Undertaking shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of Resulting Company 1;

(iii) the Demerged Company shall carry on the business of each of the CPDM Undertaking and the Retail Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall be entitled to take all decisions in relation to the CPDM Undertaking and the Retail Undertaking, as may be required; and

(iv) except with the consent of the Board of Directors of the Demerged Company and Resulting Company 1, Resulting Company 1 shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner effect the reorganisation of capital of Resulting Company 1.

(b) Resulting Company 1 shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which Resulting Company 1 may require including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under any Applicable Law for time being in force for carrying on business of the CPDM Undertaking and the Retail Undertaking.

7.10 Amendment to Articles of Association of Resulting Company 1

(a) Upon coming into effect of the Scheme, the articles of association of the Demerged Company as at the Effective Date, shall *mutatis mutandis* become applicable to Resulting Company 1, without the requirement to do any further act or thing.

(b) The abovementioned change, being an integral part of the Scheme, it is hereby provided that the said revision to the articles of association of Resulting Company 1 shall be effective by virtue of the fact that the shareholders of Resulting Company 1, while approving the Scheme as a whole, have also resolved and accorded the relevant consent as required respectively under the applicable provisions of the Act and shall not be required to pass any separate resolution(s).

PART C

DEMERGER OF THE BPDM UNDERTAKING INTO RESULTING COMPANY 2

Transfer and vesting of the BPDM Undertaking

Upon this Scheme becoming effective and with effect from the Appointed Date, the BPDM Undertaking of the Demerged Company shall stand demerged and transferred and be vested in Resulting Company 2, on a going concern basis, without any further act or deed, so as to become as and from the Appointed Date, the undertaking of Resulting Company 2, and to vest in Resulting Company 2, all the rights, title, interest or obligations of the BPDM Undertaking therein, in the manner described hereunder.

Transfer of Assets

(a) Upon this Scheme becoming effective and with effect from the Appointed Date, any and all Assets relating to the BPDM Undertaking, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by delivery instructions in relation to dematerialised shares or transfer by vesting and recordal pursuant to this Scheme, shall stand transferred to and vested in Resulting Company 2 and shall become the property and an integral part of Resulting Company 2. The vesting pursuant to this sub- Paragraph (a) shall be deemed to have occurred by manual delivery or endorsement and delivery or by delivery instructions in relation to dematerialised shares or by vesting, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

(b) Upon this Scheme becoming effective and with effect from the Appointed Date, any and all movable Assets of the Demerged Company relating to the BPDM Undertaking, other than those specified above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons shall without any further act, instrument or deed become the property of Resulting Company 2,

(c) Upon this Scheme becoming effective and with effect from the Appointed Date, all immovable properties (including land together with the buildings and structures standing thereon) of the Demerged Company relating to the BPDM Undertaking, whether freehold or leasehold, as the case may be, and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in Resulting Company 2, subject to Applicable Law, without any act or deed required by the Demerged Company and Resulting Company 2. Upon this Scheme becoming effective and with effect from the Appointed Date, Resulting Company 2 shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes, as applicable, and fulfill all obligations, in relation to or applicable to such immovable properties.

(d) Upon this Scheme becoming effective and with effect from the Appointed Date, the Intellectual Property Rights of the Demerged Company relating to the BPDM Undertaking (including, but not limited to, the registered trademarks identified in **Schedule I**) shall, without further act or deed, stand transferred and vested in Resulting Company 2. This Scheme shall serve as a requisite consent for use and transfer of such Intellectual Property

Rights without requiring the execution of any further deed or document as to transfer of the said Intellectual Property Rights in favour of Resulting Company 2. Upon the Scheme becoming effective, and to the extent required by the Demerged Company and Resulting Company 1, Resulting Company 2 may grant to them the right to use the trademarks being transferred to it pursuant to this Scheme by way of a license, on such terms and conditions as may be mutually agreed between the relevant parties.

(e) Upon this Scheme becoming effective and with effect from the Appointed Date, the Demerged Company agrees to execute and deliver, at the request of Resulting Company 2, all papers and instruments required in respect of all Intellectual Property Rights, to vest such rights, title and interest in the name of Resulting Company 2 and in order to update the records of the respective registries to reflect the name and address of Resulting Company 2 as the current owner of the Intellectual Property Rights.

(f) In relation to Assets belonging to the BPDM Undertaking, which require separate documents for vesting in Resulting Company 2, or which the Demerged Company and/ or Resulting Company 2 otherwise desire to be vested separately, the Demerged Company and Resulting Company 2 will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.

(g) All Assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the BPDM Undertaking shall be deemed to have been acquired for and on behalf of Resulting Company 2 and shall also stand transferred to and vested in Resulting Company 2, with effect from the Effective Date.

(h) It is hereby clarified that if any Assets in relation to the BPDM Undertaking which the Demerged Company owns, cannot be transferred to Resulting Company 2 for any reason whatsoever, the Demerged Company shall hold such Asset in trust for the benefit of Resulting Company 2.

(i) Upon this Scheme becoming effective, the past track record of the Demerged Company relating to the BPDM Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of Resulting Company 2 for all commercial and regulatory purposes, including for the purposes of eligibility, standing, evaluation and participation of Resulting Company 2 in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

Transfer of liabilities

(a) Upon this Scheme becoming effective and with effect from the Appointed Date, all Liabilities of every kind, nature and description relating to the BPDM Undertaking shall without any further act or deed, be transferred to, or be deemed to be transferred to Resulting Company 2 so as to become, from the Appointed Date, the Liabilities of Resulting Company 2 and Resulting Company 2 undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen, in order to give effect to the provisions of this sub- Paragraph

(b) Where any of the liabilities and obligations pertaining to the BPDM Undertaking on the Appointed Date, has been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of Resulting Company 2.

(c) All loans raised and used, and Liabilities incurred, if any, by the Demerged Company after the Appointed Date, but prior to the Effective Date, for the BPDM Undertaking shall be deemed to be transferred to, and discharged by Resulting Company 2 without any further act or deed.

(d) Upon the Scheme becoming effective, the secured creditors of the Demerged Company, relating to the Remaining Undertaking shall not be entitled to security over properties, Assets, rights, benefits and interest of Resulting Company 2.

(e) The vesting of the BPDM Undertaking as aforesaid shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the BPDM Undertaking, provided however, any reference in any security documents or arrangements to which the Demerged Company is a party, wherein the Assets of the BPDM Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Assets pertaining to the BPDM Undertaking, as applicable, as are vested in Resulting Company 2 as per this Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Assets of the Demerged Company or any of the Assets of Resulting Company 2. Provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Assets, or any part thereof, of Resulting Company 2 shall continue with respect to such Asset, or part thereof, and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.

(f) The provisions of Paragraph 8.1.3(e) above shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions. For avoidance of doubt the provisions of Paragraph 8.1.3(e) above shall not be construed as limiting the operation of Part E of this Scheme.

(g) Upon this Scheme becoming effective, the borrowing limits of Resulting Company 2 shall, without any further act or deed, stand enhanced by an amount being the aggregate of the Liabilities pertaining to the BPDM Undertaking which are being transferred to Resulting Company 2 pursuant to this Scheme and Resulting Company 2 shall not be required to pass any separate resolution in this regard.

8.1.4 **Contracts, Deeds, Bonds and Other Instruments**

(a) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, subsidiaries/ associate companies and other shareholders of such subsidiaries/ associate companies, arrangements and other instruments of whatsoever nature in relation to the BPDM Undertaking, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date,

shall continue in full force and effect on or against or in favour, as the case may be, of Resulting Company 2 and may be enforced as fully and effectually as if, instead of the Demerged Company, Resulting Company 2 had been a party or beneficiary or obligee thereto or thereunder.

(b) Without prejudice to the other provisions of the Scheme and notwithstanding that the vesting of the BPDM Undertaking with Resulting Company 2 occurs by virtue of this Scheme itself, Resulting Company 2 may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Demerged Company will, if necessary, also be a party to the above. Resulting Company 2 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

(c) Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the BPDM Undertaking shall stand transferred to Resulting Company 2 as if the same were originally given by, issued to or executed in favour of Resulting Company 2, and Resulting Company 2 shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to Resulting Company 2. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Demerged Company in relation to the BPDM Undertaking are concerned, the same shall vest with and be available to Resulting Company 2 on the same terms and conditions as applicable to the Demerged Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Resulting Company 2.

(d) The Demerged Company has set up a trust, by the name of "HSIL Corporate Social Responsibility Foundation", for the purpose of fulfilling its corporate social responsibility under the Companies Act, 2013, either singly or along with its subsidiary companies or along with any other company or holding or subsidiary company of such other company. Subject to provisions of the Companies Act, 2013, it is proposed that the HSIL Corporate Social Responsibility Foundation be restructured to permit Resulting Company 2 to utilize the same for fulfilling its corporate social responsibility under the Companies Act, 2013 as well.

(e) It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the BPDM Undertaking to which the Demerged Company is a party, cannot be transferred to Resulting Company 2 for any reason whatsoever, the Demerged Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Resulting Company 2.

(f) Upon this Scheme becoming effective, all the resolutions, if any, of the Demerged

Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as the resolutions of Resulting Company 2, to the extent such resolutions pertain to the BPDM Undertaking, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in Resulting Company 2.

Employees

(a) Upon the Scheme becoming effective, all employees of the BPDM Undertaking shall be deemed to have become employees of Resulting Company 2, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Demerged Company, on the Effective Date. The services of such employees with the Demerged Company up to the Effective Date shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.

(b) With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the BPDM Undertaking, Resulting Company 2 shall, upon this Scheme becoming effective, stand substituted for the Demerged Company for all purposes whatsoever, including with regard to the obligation to make contributions to the said funds and schemes, in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents.

(c) The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Demerged Company for such employees of the BPDM Undertaking shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by Resulting Company 2 without any separate act or deed/ approval. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by Resulting Company 2 to the existing funds maintained by the Demerged Company.

(d) If any of the employees of the Demerged Company being transferred to Resulting Company 2 as part of this Scheme are covered under any directors and officers liability insurance policy ("**D&O Insurance**") policy taken by the Demerged Company as on the Effective Date, then, irrespective of their transfer to Resulting Company 2, such employees shall continue to be covered by such D&O Insurance, for the remainder of the term of the insurance policy, and the Demerged Company and/or Resulting Company 2, as the case may be, shall execute all documents as may be required, including with the insurance company(ies), to give effect to this sub-Paragraph (d).

(e) The Demerged Company, pursuant to a notification in the Official Gazette dated October 22, 1968, issued by the Secretary to the Government, Haryana, Labour and employment departments, in exercise of the powers conferred under Paragraph 27-A of the Employees' Provident Funds Scheme, 1952, has been granted an exemption from the operations of the Employees' Provident Funds Scheme, 1952 and currently deposits the provident fund collections of certain employees into the fund, "Somany Provident Fund

Institution". Subject to receipt of appropriate regulatory approvals, it is proposed that the Somany Provident Fund Institution may be restructured to permit Resulting Company 2 to utilize the same for depositing the provident fund collections of its employees as well.

(f) The Demerged Company has set up a fund, by the name of "H S I Employees' Gratuity Fund", to meet the gratuity obligations of the Demerged Company towards its eligible employees. Subject to receipt of appropriate regulatory approvals, it is proposed that the H S I Employees' Gratuity Fund may be restructured to permit Resulting Company 2 to utilize the same for its gratuity obligations towards its employees as well.

8.1.6 **Continuation of Legal Proceedings**

(a) From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted any time in the future and in relating to the BPDM Undertaking ("**BPDM Undertaking Proceedings**") shall be continued and enforced by or against Resulting Company 2 after the Effective Date, to the extent legally permissible. To the extent such BPDM Undertaking Proceedings cannot be taken over by Resulting Company 2, such proceedings shall be pursued by the Demerged Company as per the instructions of and entirely at the costs and expenses of Resulting Company 2.

(b) If the BPDM Undertaking Proceedings are taken against the Demerged Company in respect of the matters referred to in Paragraph 8.1.6(a) above, it shall defend the same in accordance with the advice of Resulting Company 2 and at the cost of Resulting Company 2, and the latter shall reimburse and indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

(c) If any BPDM Undertaking Proceedings is pending, the same shall not abate, be discontinued or in anyway be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against Resulting Company 2 in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

(d) In the event of any difference or difficulty on whether any specific legal or other proceedings relates to the BPDM Undertaking or not, the decision of the Board of Directors of the Demerged Company in this regard shall be conclusive and binding on the Demerged Company and Resulting Company 2.

8.1.7 **Treatment of taxes**

(a) With effect from the Appointed Date and upon the Scheme becoming effective, all taxes and duties payable by the Demerged Company, accruing and relating to the operations of the BPDM Undertaking from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims, as the case may be, of Resulting Company 2.

(b) Upon the Scheme becoming effective, all unavailed credits and exemptions, benefit of

carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit), Cenvat, customs, VAT, sales tax, service tax, goods and services tax (GST), etc. relating to the BPDM Undertaking to which the Demerged Company is entitled to shall be available to and vest in Resulting Company 2, without any further act or deed.

(c) Upon this Scheme becoming effective, the Demerged Company and Resulting Company 2 are permitted to revise and file their respective income tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, service tax returns, goods and services tax (GST) returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme.

(d) The Board of Directors of the Demerged Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to the BPDM Undertaking and whether the same would be transferred to Resulting Company 2.

(e) Upon this Scheme becoming effective, any tax deposited, certificates issued or returns filed by the Demerged Company relating to the BPDM Undertaking shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by Resulting Company 2.

(f) All the expenses incurred by the Demerged Company and Resulting Company 2 in relation to the demerger of the BPDM Undertaking, as per Part C of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and Resulting Company 2 in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

8.18 **Saving of concluded transactions**

The transfer of Assets and Liabilities to, and the continuance of proceedings by, or against Resulting Company 2 as envisaged in Part C above shall not affect any transaction or proceeding already concluded by the Demerged Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Resulting Company 2 accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereof as done and executed on behalf of itself.

8.19 **Conduct of Business**

(a) With effect from the Appointed Date and up to and including the Effective Date:

(i) The Demerged Company undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and Assets of the BPDM Undertaking, for and on account of and in trust for Resulting Company 2;

(ii) All profits accruing to the Demerged Company and all taxes thereon or losses arising or incurred by it with respect to the BPDM Undertaking shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of Resulting Company 2;

(iii) the Demerged Company shall carry on the business of the BPDM Undertaking

with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall be entitled to take all decisions in relation to the BPDM Undertaking, as may be required; and

(iv) except with the consent of the Board of Directors of the Demerged Company and Resulting Company 2, Resulting Company 2 shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner effect the reorganisation of capital of Resulting Company 2.

(b) Resulting Company 2 shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which Resulting Company 2 may require including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under any Applicable Law for time being in force for carrying on business of the BPDM Undertaking.

PART D

ISSUE OF NEW EQUITY SHARES AND CANCELLATION OF EXISTING SHARES

Resulting Company 1 shall have taken all necessary steps, including by way of passing all enabling corporate resolutions to increase or alter, to the extent required, its authorised share capital suitably to be enable it to issue and allot the New Equity Shares under this Scheme and if applicable, for the issuance of the necessary share certificates and/or letters of allotment representing such Shares.

Issuance of New Equity Shares

Upon the coming into effect of this Scheme and in consideration of, (a) the demerger of the CPDM Undertaking and the Retail Undertaking into Resulting Company 1; and (b) the demerger of the BPDV Undertaking into Resulting Company 2, pursuant to this Scheme, Resulting Company 1 shall, without any further act or deed and without receipt of any cash, issue and allot to the shareholders of the Demerged Company as on the Record Date, 1 equity share of Rs. 2 each of Resulting Company 1 for every 1 equity share of Rs. 2 each of the Demerged Company.

Approval of this Scheme by the shareholders of Resulting Company 1 shall be deemed to mean that the said shareholders have also accorded all relevant consents under the Act for the issue and allotment of New Equity Shares by Resulting Company 1 to the shareholders of the Demerged Company.

The New Equity Shares shall be issued free from all liens, charges, equitable interests, encumbrances and other third party rights of any nature whatsoever to each shareholder of the Demerged Company whose name is recorded in the register of members of the Demerged Company as holding shares as of the Record Date. Provided however that, the number of New Equity Shares will be equitably adjusted to reflect appropriately the effect of any share split, reverse share split, dividend, including any extra-ordinary cash dividend, reorganization, recapitalisation, reclassification, combination, exchange of shares, or other like change with respect to Resulting Company 1 shares on the books of Resulting Company 1 as on the Record Date.

In case any shareholder's shareholding in the Demerged Company is such that the shareholder becomes entitled to a fraction of an equity share in Resulting Company 1, Resulting Company 1 shall not allot fractional shares to such shareholder but shall consolidate such fractions and issue consolidated equity shares to a separate trustee nominated by Resulting Company 1 in that behalf, who shall sell such equity shares at prevailing market prices within a reasonable time frame after allotment and distribute the net sale proceeds by cheque (after deduction of tax and all other associated costs as applicable) to the shareholders of the Demerged Company, in proportion to their fractional entitlements. During consolidation of the fractional shares, if the sum of such fractional shares is not a whole integer, Resulting Company 1 shall issue such additional fractional share to the trustee, such that the total shares so issued shall be rounded off to the next whole integer. The issue of the fractional share by Resulting Company 1 to the trustee, shall form an integral part of the consideration to be paid under the Scheme.

The New Equity Shares shall be subject to the memorandum and articles of association of Resulting Company 1.

The issue and allotment of the New Equity Shares by Resulting Company 1 to the shareholders of the Demerged Company as provided in this Scheme is an integral part thereof and shall be deemed

to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Companies Act, 2013 and any other applicable provisions of the Act were duly complied with.

New Equity Shares shall be issued in dematerialised form, unless otherwise notified in writing by any shareholder of the Demerged Company on or before such date as may be determined by the Board of Directors of Resulting Company 1 or a duly authorised committee thereof. In the event that such notice has not been received by Resulting Company 1 in respect of any of the shareholders of the Demerged Company as of the Record Date, the equity shares shall be issued to such shareholders in dematerialised form provided that such shareholders shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any shareholder has notified Resulting Company 1 as contemplated above that they desire to be issued shares in the physical form or if the details furnished by any shareholder do not permit electronic credit of the shares of Resulting Company 1 or if any shareholder holding shares in the physical form does not notify the account details of the depository participant for electronic credit of the shares of Resulting Company 1 as contemplated above, then Resulting Company 1 shall issue equity shares in physical form to such shareholders of the Demerged Company.

In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date or the Effective Date, as the case may be to effectuate such a transfer in Resulting Company 1 as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulties arising to the transfer of the share in Resulting Company 1 and in relation to New Equity Shares.

Equity shares to be issued by Resulting Company 1 pursuant to this Scheme, in respect of any equity shares of the Demerged Company, which are held in abeyance under the provisions of the Act or otherwise, shall pending allotment or settlement of dispute by order of Court or otherwise be held by the trustees appointed by Resulting Company 1.

Cancellation of equity shares held by the Demerged Company in Resulting Company 1

Simultaneous with the issuance of the New Equity Shares, in accordance with Paragraph 9.2 of this Scheme, the initial issued and paid up equity share capital of Resulting Company 1, comprising of 5,00,000 equity shares of Rs. 2 each, aggregating to Rs. 10,00,000, as held by the Demerged Company and its nominees, shall, without any further application, act, instrument or deed, be automatically cancelled. The share certificates held by the Demerged Company and its nominees representing the equity shares in Resulting Company 1 shall be deemed to be cancelled and from and after such cancellation.

The cancellation of the equity share capital held by the Demerged Company and its nominees in Resulting Company 1, in accordance with Paragraph 9.3.1 of this Scheme, shall be effected as a part of this Scheme itself and not under a separate procedure, in terms of Section 66 of the Companies Act, 2013 and the order of the Hon'ble Tribunal sanctioning this Scheme shall be deemed to be an order under Section 66 of the Companies Act, 2013, or any other applicable provisions, confirming the reduction. The consent of the shareholders of Resulting Company 1 to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 66 of the Companies Act, 2013 as well and no further compliances would be separately required.

Resulting Company 1 shall not be required to add the words "and reduced" as suffix to its name

consequent upon the reduction of capital under Paragraph 9.3.2 above.

The reduction of capital of Resulting Company 1, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or repayment in any other form.

The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new shareholders of the Resulting Company 1, on account of the difficulties, if any, in the transition period.

Further, approval of this Scheme by the shareholders of Resulting Company 1 shall also be deemed to be the approval by the shareholders for enabling investment by foreign institutional investors / registered foreign portfolio investors, under the Portfolio Investment Scheme up to 40% of the paid up share capital of Resulting Company 1. Resulting Company 1 shall, upon the coming into effect of this Scheme, intimate the RBI and comply with such other requirements as mandated by the extant foreign exchange regulations relating thereto.

Listing of New Equity Shares

9.6.1 Post effectiveness of this Scheme, the share capital of Resulting Company 1, including the New Equity Shares to be issued and allotted by Resulting Company 1 in terms of Paragraph 9.2 above shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017. Resulting Company 1 shall make all requisite applications and shall otherwise comply with the provisions of the aforesaid circulars and Applicable Laws and take all steps to get its share capital including the New Equity Shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

9.6.2 The New Equity Shares issued and allotted pursuant to this Scheme shall remain frozen in the depositories system until listing and trading permission is granted by the relevant designated Stock Exchange for their listing and trading. Post the issuance of the New Equity Shares by Resulting Company 1 in terms of Paragraph 9.2 of this Scheme, there shall be no change in the share capital of Resulting Company 1, including the New Equity Shares, or 'Control' in Resulting Company 1 between Record Date and the date of listing of the equity shares of Resulting Company 1, which may affect the status of the approval granted by the Stock Exchanges, and any other governmental authority in this regard.

10. ACCOUNTING TREATMENT

10.1 Accounting treatment in the books of account of the Demerged Company

10.1.1 The Board of Directors of the Demerged Company shall give effect to the Scheme in the books of account of the Demerged Company, as they deem fit, in accordance with the applicable Indian Accounting Standards and Generally Acceptable Accounting Principles.

10.1.2 The Demerged Company shall, in its books of account, upon the Scheme becoming effective and with effect from the Appointed Date, account for the demerger of, (a) the CPDM Undertaking and the Retail Undertaking into Resulting Company 1, and (b) the BPDM Undertaking into Resulting Company 2, pursuant to this Scheme, as follows:

(a) The respective carrying values, as on the Appointed Date, of the Assets and Liabilities of

the CPDM Undertaking, Retail Undertaking and BPDM Undertaking, shall be reduced in the books of account of the Demerged Company.

(b) Reserves of the CPDM Undertaking and Retail Undertaking, as determined by the Board of Directors of the Demerged Company to be transferred to Resulting Company 1, shall accordingly be reduced in the books of account of the Demerged Company.

(c) Reserves of the BPDM Undertaking, as determined by the Board of Directors of the Demerged Company to be transferred to Resulting Company 2, shall accordingly be reduced in the books of account of the Demerged Company.

(d) The investments held by the Demerged Company, in the equity share capital of Resulting Company 1, shall stand cancelled in accordance with Paragraph 9.3 of this Scheme.

(e) The excess, if any, of Paragraphs 10.1.2(b) and 10.1.2(c) above, over Paragraphs 10.1.2(a) and 10.1.2(d) above, shall be recorded as a 'Reserve' and the aforesaid Reserve shall be considered as Net-worth, for regulatory purposes.

(f) The excess, if any, of Paragraphs 10.1.2(a) and 10.1.2(d) above, over Paragraphs 10.1.2(b) and 10.1.2(c) above, shall be adjusted against the following reserves of the Demerged Company, in the order specified:

(i) Capital Reserve Account;

(ii) Securities Premium Account; and

(iii) General Reserve.

The reduction, if any under Paragraph 10.1.2(f) above, of the securities premium account, shall be in accordance with provisions of Section 66 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 and the order of the Hon'ble Tribunal sanctioning this Scheme shall be deemed to be also the order under the aforesaid applicable provisions of the Act for the purpose of confirming adjustment to the securities premium account, as may be applicable.

Accounting treatment in the books of Resulting Company 1

Upon the Scheme becoming effective and with effect from the Appointed Date, Resulting Company 1 shall account for the demerger of the CPDM Undertaking and Retail Undertaking pursuant to the Scheme, using the pooling of interest method in accordance with Appendix C 'Business Combinations of entities under common control' of Indian Accounting Standard (IND AS) 103 – 'Business Combinations'. On the Scheme becoming effective and with effect from the Appointed Date, in the books of Resulting Company 1:

(a) The assets and liabilities of the CPDM Undertaking and Retail Undertaking shall be reflected at their carrying amounts.

(b) Resulting Company 1 shall credit its share capital account with the aggregate face value of the New Equity Shares issued to the shareholders of the Demerged Company under Paragraph 9.2 of the Scheme.

(c) Resulting Company 1 shall record the Reserves, as determined by the Board of Directors

of the Demerged Company, in its financial statements.

(d) The existing share capital of Resulting Company 1 shall be cancelled in accordance with Paragraph 9.3 of the Scheme.

(e) The difference, if any, from the accounting under the Paragraphs above, shall be recorded as capital reserve in the books of Resulting Company 1.

(f) Negative capital reserve, if any, created pursuant to Paragraphs above, shall be adjusted against the existing reserves of Resulting Company 1, in the manner as decided by its Board of Directors, in consultation with its Statutory Auditors, in accordance with the prescribed Accounting Standards issued by the Central Government and the Generally Accepted Accounting Principles.

(g) Existing shareholding of the Demerged Company in Resulting Company 1 shall be cancelled as an integral part of this Scheme in accordance with provisions of Section 66 of the Companies Act, 2013, and any other applicable provisions of the Act and the order of the Hon'ble Tribunal sanctioning the Scheme shall be deemed to be also the order under the aforesaid applicable provisions of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 66 of the Companies Act, 2013 will not be applicable. Face value of the equity shares so cancelled, shall be credited to the capital reserve account of Resulting Company 1.

10.2.2 The reduction, if any, under Paragraph 10.2.1(f) above, of the securities premium account, shall be in accordance with provisions of Section 66 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 and the order of the Hon'ble Tribunal sanctioning this Scheme shall be deemed to be also the order under the aforesaid applicable provisions of the Act for the purpose of confirming adjustment to the securities premium account, as may be applicable.

10.2.3 The Board of Directors of Resulting Company 1 shall give effect to the Scheme in the books of account of Resulting Company 1, as they deem fit, in accordance with the applicable accounting standards and Generally Acceptable Accounting Principles.

10.3 **Accounting treatment in the books of Resulting Company 2**

10.3.1 Upon the Scheme becoming effective and with effect from the Appointed Date, Resulting Company 2 shall account for the demerger of the BPDM Undertaking, pursuant to the Scheme, using the pooling of interest method in accordance with Appendix C 'Business Combinations of entities under common control' of Indian Accounting Standard (IND AS) 103 – 'Business Combinations'. On the Scheme becoming effective and with effect from the Appointed Date, in the books of Resulting Company 2:

(a) The assets and liabilities of the BPDM Undertaking shall be reflected at their carrying amounts.

(b) Resulting Company 2 shall record the reserves, as determined by the Board of Directors of the Demerged Company, in its financial statements.

(c) The difference, if any, from the accounting under the Paragraphs 10.3.1(a) and (b) above shall be recorded as capital reserve.

(d) Negative capital reserve, if any, created pursuant to the Paragraphs 10.3.1(a) and (b) above, shall be adjusted against the existing reserves of Resulting Company 2, in the manner as decided by its Board of Directors, in consultation with the Statutory Auditors, in accordance with the prescribed Accounting Standards issued by the Central Government and the Generally Accepted Accounting Principles.

10.3.2 The reduction, if any, under Paragraph 10.3.1(d) above, of the securities premium account, shall be in accordance with provisions of Section 66 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 and the order of the Hon'ble Tribunal sanctioning this Scheme shall be deemed to be also the order under the aforesaid applicable provisions of the Act for the purpose of confirming adjustment to the securities premium account, as may be applicable.

10.3.3 The Board of Directors of Resulting Company 2 shall give effect to the Scheme in the books of account of Resulting Company 2, as they deem fit, in accordance with the applicable accounting standards and Generally Acceptable Accounting Principles.

REMAINING UNDERTAKING

10.4.1 The Remaining Undertaking and all the Assets, properties, rights, Liabilities and obligations thereto shall continue to belong to and be vested in and be managed by the Demerged Company and Resulting Company 1 and Resulting Company 2 shall have no right, claim or obligation in relation to the Remaining Undertaking. From the Appointed Date, the Demerged Company shall carry on the activities and operations of the Remaining Undertaking distinctly and as a separate business from the CPDM Undertaking, the Retail Undertaking and the BPDM Undertaking.

10.4.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case pertaining to the Remaining Undertaking shall be continued and enforced by or against the Demerged Company after the Effective Date. Resulting Company 1 and Resulting Company 2 shall in no event be responsible or liable in relation to any such legal or other proceeding against the Demerged Company.

10.4.3 With effect from the Appointed Date and up to, including and beyond the Effective Date, the Demerged Company:

(a) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Remaining Undertaking for and on its own behalf; and

(b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Undertaking shall for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company.

PART E - GENERAL TERMS AND CONDITIONS

12. Application to the Hon'ble Tribunal

12.1 The Demerged Company shall have obtained an observation/no-objection letter from the Stock Exchanges, in accordance with Applicable Laws.

12.2 The Demerged Company, Resulting Company 1 and Resulting Company 2 shall make the requisite joint company applications under Sections 230 to 232 of the Companies Act, 2013 and Section 66 of the Companies Act, 2013 other applicable provisions of the Act, to the Hon'ble Tribunal, for seeking sanction of this Scheme.

13. Modifications to the Scheme

13.1 The Companies (acting through their respective Board of Directors) may, in their full and absolute discretion, assent to any amendments, alterations or modifications to this Scheme, in part or in whole, which the Hon'ble Tribunal and/or any other authorities may deem fit to direct, approve or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme, including any individual part thereof, or if the Board of Directors are of the view that the coming into effect of this Scheme, in part or in whole, in terms of the provisions of this Scheme, could have an adverse implication on all or any of the Companies. Each of the Companies (acting through their respective Board of Directors) be and are hereby authorised to take such steps and do all acts, deeds and things, as may be necessary, desirable or proper to give effect to this Scheme, in part or in whole and to resolve any doubts, difficulties or questions whether by reason of the order of the Hon'ble Tribunal or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith and may also in their full and absolute discretion, withdraw or abandon this Scheme, or any individual part thereof, at any stage prior to the Effective Date.

13.2 If any part of this Scheme is held invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason, whatsoever, whether under present or future laws, then it is the intention of the Companies 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 either of the Companies in which case the Companies shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies the benefits and obligations of this Scheme, including but not limited to such part.

14. Conditions for the scheme becoming effective

14.1 The demerger of the CPDM Undertaking and the Retail Undertaking into Resulting Company 1 and demerger of the BPDM Undertaking into Resulting Company 2 are conditional upon and subject to:

(a) the sanction for the Scheme, by the Hon'ble Tribunal, under Sections 230 to 232 and Section 66 of the Companies Act, 2013, being obtained; and

(b) a certified copy of the order of the Hon'ble Tribunal sanctioning the Scheme being filed with the Registrar of Companies, Kolkata, by each of the Companies.

The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety, unless specifically agreed otherwise by the Board of Directors of the Demerged Company.

Sequence of coming into effect of this Scheme

The Scheme shall come into operation from the Effective Date, but with effect from the Appointed Date.

Upon this Scheme becoming effective, with effect from the Appointed Date, Part B and Part C of the Scheme shall be deemed to have occurred and become effective and operative simultaneously.

Revocation, Withdrawal of this Scheme

Subject to the order of the Hon'ble Tribunal, the Board of Directors of the Demerged Company shall be entitled to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if, (a) this Scheme is not being sanctioned by the Hon'ble Tribunal or if any of the consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not obtained or for any other reason; (b) in case any condition or alteration imposed by the shareholders and/or creditors of the Companies, the Hon'ble Tribunal or any other authority is not acceptable to the Board of Directors of the Demerged Company; or (c) the Board of Directors of the Demerged Company are of the view that the coming into effect of this Scheme, in terms of the provisions of this Scheme, or filing of the drawn up order with any governmental authority would have adverse implication on all or any of the Companies. On revocation, withdrawal, or cancellation, this Scheme shall stand revoked, withdrawn, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* between the Companies or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be severed and be preserved or worked out in accordance with the Applicable Law and in such case, the Demerged Company shall bear all costs relating to this Scheme unless otherwise mutually agreed.

Effect of non-receipt of approvals

In case this Scheme is not sanctioned by the Hon'ble Tribunal, or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in this Scheme not being obtained or complied or for any other reason, if this Scheme cannot be implemented, then this Scheme shall become null and void, and the Demerged Company shall bear the entire costs, charges and expenses in connection with this Scheme unless otherwise mutually agreed.

Costs, charges and expenses

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

Agreed on mutual agreement between the Board of Directors of the Demerged Company, Resulting Company 1 and Resulting Company 2 and subject to the provisions of Applicable Law, the Board

of Directors of the Companies may authorise the execution of appropriate arrangements between the Companies and the lenders, as may be required, in respect of any loans raised by the Demerged Company prior to the Effective Date.

20. **Dividend/ Distribution of Profits**

The Companies shall be entitled to declare and make a distribution/ pay dividends, whether interim or final, and/or issue bonus shares, to their respective members/shareholders prior to the Effective Date in accordance with Applicable Law.

21. **Compliance with Applicable Laws**

The Companies undertake to comply with all Applicable Laws (including all applicable compliances required by SEBI and the Stock Exchanges) including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the central government, RBI (if required), SEBI, Stock Exchanges, Competition Commission of India (if required) or any other statutory or regulatory authority, which by law may be required for the implementation of this Scheme or which by law may be required in relation to any matters connected with this Scheme.

22. **Provisions incorporated as per directions of SEBI/Stock Exchanges**

Action taken by SEBI/RBI

SEBI has issued a common order, Order No. WTM/PS/OS/CFD/JUNE/2013, dated June 04, 2013, against 105 listed companies, including India Power Corporation Limited (previously known as DPSC Limited), for non-compliance with the SEBI requirements of maintaining minimum public shareholding in a listed company. By way of the said order, the directors of all such companies, including India Power Corporation Limited, were *inter alia* (a) prohibited from buying, selling or otherwise dealing in securities of such non-compliant companies, either directly or indirectly, in any manner whatsoever, except for the purpose of complying with the minimum public shareholding requirement; and (b) restrained from holding any new position as a director in any listed company, till such time such non-compliant companies comply with the minimum public shareholding requirement. The Demerged Company has been given to understand that Mr. Nand Gopal Khaitan (DIN: 00020588), an independent director on its Board of Directors since September 27, 1996, was also an independent director on the board of directors of India Power Corporation Limited at the time the said order was passed. The Demerged Company further understands that Mr. Nand Gopal Khaitan has filed an appeal against the said order of SEBI before the Securities Appellate Tribunal, which appeal is currently pending.

India Power Corporation Limited is not in any way related to, or affiliated with, the Demerged Company, Resulting Company 1 or Resulting Company 2. Further, it is pertinent to note that the aforementioned order of SEBI is against Mr. Nand Gopal Khaitan in his individual capacity and has no legal implication on the Demerged Company, Resulting Company 1 or Resulting Company 2.

SCHEDULE I

Registered trademarks forming part of the BPDM Undertaking

Sl. No.	Word Mark	Application Number
1.	Dura Clay	239214
2.	Hinsan Heat Rings	290967
3.	Zircodence	366563
4.	Alludence	366562
5.	Zircohind	346478
6.	Duravit	411139
7.	H-Vitreous	1780268
8.	HSI Vitreous Hindware	529824
9.	H-VITREOUS HINDWARE	529823
10.	H-VITEROUS HINDWARE HINDUSTAN SANITARYWARE & INDUSTRIES LIMITED	1249275
11.	HINDWARE	608202B
12.	Hindware (stylized)	1270477
13.	hindware	2127595
14.	hindware ITALIAN COLLECTION	2118863
15.	Hindware ITALIAN COLLECTION	1270478
16.	Hindware PREMIUM	1270487
17.	BURROW BACK SEAT	969214
18.	PADDLE BOAT SEAT	969216
19.	Relaxa Seat	969215
20.	CASCADE STEPS	969213
21.	SLEEK HAI TO THEEK HAI	929840

22	Sleek	1244117
23	Sleek Ultra (label)	1112898
24	LISPO	1505314
25	LISPO	1505315
26	PONCHO	1467358
27	BENE LAVE	1589347
28	BENE LAVE	1589341
29	BENE LAVE	1589348
30	BENE LAVE	1589349
31	BENE LAVE	1589350
32	BENE LAVE	1589353
33	BENE LAVE	1589352
34	BENE LAVE	1589351
35	BENELAVE	2159751
36	BENELAVE	2159749
37	hindware ITALIAN COLLECTION	2127594
38	hindware ART	2127596
39	hindware ART	2118862
40	GERMI CLEAN from Hindware	1784754
41	hindware sleek essence	2799128
42	magari	2991258
43	magari	2991256
44	magari	2991259
45	magari	2991260
46	mamma mia	2991257

47	m amma mia	2991255
48	ebello	2991263
49	ebello	2991261
50	hindware	21 59746
51	Int al ianby hindwa re	3407012
52	Intaliano by hindware	3407011
53	hindware ITALIA	3407001
54	HINDWARE ITALIA	39072
55	INTALIANO BY HINDWARE	3407298
56	ITALIA BY HINDWARE	3407292
57	INTALIANO BY HINDWARE	3407299
58	Intaliano by hindware	3407010
59	ITALIA BY HINDWARE	3407293
60	INTALIANO BY HINDWARE	3407300
61	hindware ITALIAN COLLECTION BATHROOMS YOU KEEPADMIRING (LABEL)	2991264
62	Intaliano	3407007
63	INTALIANO	3407294
64	INTALIANO	3407295
65	INTA LIANO	3407296
66	INT. ALIANO	3407297
67	Hindware British Collection	3455646
68	Hindware British Collection	3455647
69	Hindware German Collection	3455650
70	Hindware English Collection	3456653

71	Hindware English Collection	3455654
72	Hindware French Collection	3455655
73	Hindware Paris Collection	3455658
74	HINDWARE SPANISH COLLECTION	3459928
75	HINDWARE SPANISH COLLECTION	3459929
76	Hindware Paris Collection	3455649
77	Hindware English Collection	3455652
78	Hindware French Collection	3455656
79	Hindware French Collection	3455657
80	TRUFLO PIPES & FITTINGS BY HINDWARE	3315070
81	TRUFLO PIPES & FITTINGS BY HINDWARE LEAKAGE NAHI FLOW BHI SAHI	3315085
82	TRUFLO PIPES & FITTINGS BY HINDWARE LEAKAGE NAHI FLOW BHI SAHI	3315086
83	TRUFLO PIPES BY HINDWARE	3315061
84	TRUFLO BY HINDWARE	3315073
85	TRUFLO BY HINDWARE	3315074
86	TRUFLO BY HINDWARE	3315076
87	TRUFLO	3313836
88	TRUFLO BY HINDWARE	3315078
89	TRUFLO PIPES & FITTINGS BY HINDWARE	3315079
90	TRUFLO PIPES & FITTINGS BY HINDWARE	3315080
91	TRUFLO PIPES & FITTINGS BY HINDWARE	3315084
92	TRUFLO PIPES BY HINDWARE	3313829
93	TRUFLO FITTINGS BY HINDWARE LEAKAGE FULL STOP	3313878
94	TRUFLO BY HINDWARE	3313854

95.	TRUFLO PIPES BY HINDWARE	3315062
96.	TRUFLO PIPES & FITTING BY HINDWARE	3315068
97.	TRUFLO PIPES BY HINDWARE LEAKAGE FULL STOP	3313865
98.	TRUFLO FITTINGS BY HINDWARE LEAKAGE NAHI FLOW BHI SAHI	3313877
99.	TRUFLO FITTINGS BY HINDWARE	3313850
100.	TRUFLO	3313838
101.	TRUFLO	3313839
102.	TRUFLO PIPES & FITTINGS BY HINDWARE LEAKAGE NAHI FLOW BHI SAHI	3315090
103.	TRUFLO PIPES BY HINDWARE	3313827
104.	TRUFLO FITTINGS BY HINDWARE	3313853
105.	TRUFLO PIPES BY HINDWARE	3313828
106	TRUFLO PIPES BY HINDWARE	3315064
107.	TRUFLO PIPES BY HINDWARE	3315066
108.	TRUFLO PIPES & FITTINGS BY HINDWARE LEAKAGES FULL STOP	3313866

SCHEDULE II

Registered trademarks forming part of the CPDM Undertaking

Sl. No.	Trademark	Application Number
1.	SNOWCREST	3201515
2.	MOONBOW EZILI	3297411
3.	MOONBOW ACHELOUS	3297410

SCHEDULE III

Registered trademarks and copyrights forming part of the Retail Undertaking

Registered trademarks forming part of the Retail Undertaking

Sl. No.	Trademark	Application Number
1.	evok (word per se)	1589342
2.	evok homes with soul	167 751 6
3.	evok	1579362
4.	evok homes with soul	1677517
5.	evok	1502530
6.	evok	15 12242
7.	EVOK HOMES WITH SOUL	1 67518
8.	evok (word per se)	1579363
9.	evok HOMES WITH SOUL	1677519
10.	evok	1579364
11.	evok homes with soul	1677520
12.	evok	157936 5
13.	evok homes with soul	1677521
14.	INCASA	1502533
15.	evok	1502535
16.	evok.	1512243
17.	evok	1677522

	homes with soul	
18.	evok	1502529
19.	evok (logo)	1512244
20.	evok HOMES WITH SOUL	1677523
21.	evok	1502536
22.	evok	1512245
23.	EVOK HOMES WITH SOUL	1677524
24.	evok	1502537
25.	evok	1512246
26.	evok homes with soul	1677525
27.	evok	1502531
28.	evok (word per se)	1512247
29.	EVOK HOMES WITH SOUL	1677526
30.	INCASA	1502534
31.	evok	1502538
32.	evok	1512248
33.	EVOK HOMES WITH SOUL	1677527
34.	evok HOMES WITH SOUL	1677528
35.	evok	1502532
36.	Evok (LOGO)	1512249
37.	evok homes with soul	1677529

pyrights forming part of the Retail Undertaking:

EVOK Homes With Soul The Home Fashion Mega Store (LABEL); and

EVOK Homes With Soul (LABEL).

Annexure-1

A. Schedule of assets of the Transferor Company being transferred to the First Transferee Company as a part of the Scheme of Arrangement as on 01 April 2018

Particulars		Amount in Rs Lacs
ASSETS		
Non-current assets		
(a) Property, plant and equipment		2,620.21
Plant and equipment	1,088.26	
Office equipment	129.01	
Furniture and fixtures	1,203.23	
Computers	94.74	
Vehicles (As per list attached viz. 'Attachment 1')	104.97	
(b) Capital work-in-progress		73.17
(c) Goodwill		-
(d) Other intangible assets		53.05
(e) Financial assets		
(i) Investments (As per list attached viz. 'Attachment 2')		157.28
(ii) Loans		431.02
(iii) Other financial assets		-
(f) Income-tax assets (net)		-
(g) Other non-current assets		165.38
Total non-current assets		**3,500.11**
Current assets		
(a) Inventories		8,570.55
(b) Financial assets		
(i) Investments		-
(ii) Trade receivables		6,409.33
(iii) Cash and cash equivalents		4,799.85
(iv) Bank balances other than (iii) above		85.46
(v) Loans		-
(vi) Other financial assets		4.81
(c) Other current assets		1,551.88
Total current assets		**21,421.88**
Total assets		**24,921.99**

B. Short description of the freehold property of the Transferor Company being transferred to the First Transferee Company, as a part of the scheme of arrangement – **Nil**

C. Short description of the leasehold property of the Transferor Company being transferred to the First Transferee Company, as a part of the scheme of arrangement – **Nil**

D. Intellectual property rights of the Transferor Company being transferred to the First Transferee Company, as a part of the Scheme of Arrangement: All trademarks, copy rights and other intellectual property rights that are determined by the Board of Directors of the Transferor Company as relating to the CPDM Undertaking and the Retail Undertaking.

Attachment - 1

Details of certain vehicles owned by the Transferor Company being transferred to the First Transferee Company (being an inclusive list (i.e., non-exhaustive list) of the vehicles being transferred)

Details of vehicles as on 01 April 2018 being transferred to the First Transferee Company *

S.No.	Car Number	Car Make
1	HR 26-C-0701	Car Bmw 320D
2	HR 26 Y 0855	Honda City
3	HR-26 DD 7309	Honda Jazz Vmt
4	HR-99-BK-4937	Mahindra Xuv500
5	HR 26BS3750	Toyota Altis
6	HR 26 DM 7628	Honda City
7	HR 26 DC 9828	Creta Sx
8	HR 26 DE 6377	Innova Crysta

*This is not an exhaustive list

Details of vehicles acquired by the Transferor Company post 01 April 2018 (existing as on 31 May 2019) being transferred to the First Transferee Company *

S.No.	Car Number	Car Make
1	HR 26 DJ 5285	Mahindra XUV

*This is not an exhaustive list

Attachment - 2

Details of investments of the Transferor Company being transferred to the First Transferee Company

Unquoted investments (fully paid-up)	Number of shares	Face value
Investments in equity instruments		
Hindware Home Retail Private Limited (face value ₹ 10 each)	6,40,000	INR 10 each
Luxxis Heating Solution Ltd -(face value Rs. 10 each)	2,00,000	INR 10 each
Investments in Preference shares issued by Hindware Home Retail Private Limited		
0% non cumulative redeemable preference shares	1,79,800	INR 100 each

Annexure-2

E. Schedule of assets of the Transferor Company being transferred to the Second Transferee Company as a part of the Scheme of Arrangement as on 01 April 2018

Particulars		Amount in Rs Lacs
ASSETS		
Non-current assets		
(a) Property, plant and equipment		3,045.14
Plant and equipment	249.16	
Office equipment	92.15	
Furniture and fixtures	2,284.82	
Computers	225.55	
Vehicles (As per list attached viz. 'Attachment 3')	193.45	
(b) Capital work-in-progress		3,381.55
(d) Other intangible assets		160.30
(e) Financial assets		
(i) Investments (As per list attached viz. 'Attachment 4')		40.20
(ii) Loans		158.57
(f) Other non-current assets		899.38
Total non-current assets		7,685.55
Current assets		
(a) Inventories		18,782.68
(b) Financial assets		
(i) Investments		-
(ii) Trade receivables		20,842.61
(iii) Cash and cash equivalents		5,425.21
(c) Other current assets		2,852.70
Total current assets		47,903.40
Total assets		55,588.95

F. Short description of the freehold property of the Transferor Company being transferred to the Second Transferee Company, as a part of the scheme of arrangement – **Nil**

G. Short description of the leasehold property of the Transferor Company being transferred to the Second Transferee Company, as a part of the scheme of arrangement – **Nil**

H. **Intellectual property rights of the Transferor Company being transferred to the Second Transferee Company, as a part of the Scheme of Arrangement:** All trademarks, copy rights and other intellectual property rights that are determined by the Board of Directors of the Transferor Company as relating to the BPDM Undertaking.

Attachment - 3
Details of certain vehicles owned by the Transferor Company being transferred to the Second Transferee Company
(being an inclusive list (i.e., non-exhaustive list) of the vehicles being transferred)

Details of vehicles as on 01 April 2018 being transferred to the Second Transferee Company*

S.No.	Car Number	Car Make
1	HR -26-CK-7228	Honda City
2	HR-26DB-8184	Toyota Innova
3	HR-26 BL-6055	Fortuner 4X4
4	HR-26-CR-9440	Mahindra Xuv 500
5	HR 26 B 9954	Renaut Duster Rxz (110)
6	HR-26DD-2252	Bmw Xi 20D Expedition
7	CH 01 BG 2302	Mahindra Thar Crde 4Wd
8	HR-26 DB 0054	Land Rover
9	HR-26 DH 9633	Mahendra Tuv300
10	GJ01-HV30001	1.5 Ecosport
11	HR-26CQ-2199	Honda Crv 2.4L
12	HR 26 DA 4429	Mahindra Xuv 500W6
13	HR 26 DB-5483	Toyota Innova Crysta
14	TS15ES1697	Maruthi Ertiga

*This is not an exhaustive list

Details of vehicles acquired by the Transferor Company post 01 April 2018 (existing as on 31 May 2019) being transferred to the Second Transferee Company*

S.No.	Car Number	Car Make
1	HR26DN-2311	Toyoto Altis
2	HR-26 BH-9371	Jeep Compass Limited
3	HR-13 J7269	Mercedes Car E200
4	HR 26 DV 4423	Creta SX

*This is not an exhaustive list

Attachment - 4

Details of investments of the Transferor Company being transferred to the Second Transferee Company

Investments in equity instruments of subsidiaries	Number of shares	Face value
Alchemy International Cooperatief U.A., Netherlands	180	Euro 1 Each
Halis International Limited, Mauritius	19,47,000	USD 1 Each

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