

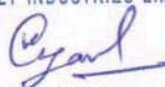
SYNOPSIS OF THE COMPOSITE SCHEME OF ARRANGEMENT UNDER SECTIONS 230 TO 232
READ WITH SECTION 66 OF THE COMPANIES ACT, 2013 BETWEEN GREENPLY INDUSTRIES
LIMITED AND GREENPANEL INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS
AND CREDITORS FOR DEMERGER OF DEMERGED UNDERTAKING OF GREENPLY INDUSTRIES
LIMITED INTO GREENPANEL INDUSTRIES LIMITED

1. The Composite Scheme of Arrangement presented for the demerger (that is, transfer and vesting) of the Demerged Undertaking (as defined in the Scheme) of Greenply Industries Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Makum Road, P.O. Tinsukia, Tinsukia 786125, in the State of Assam, India (hereinafter referred to as the "Demerged Company"); as a going concern, into Greenpanel Industries Limited, a company incorporated under the Companies Act, 2013, having its registered office at Makum Road, P.O. Tinsukia, Tinsukia 786125, in the State of Assam, India (hereinafter referred to as the "Resulting Company").
2. The Demerged Company is engaged in the following lines of business through the following undertakings:

The **"Transferred Business"**: As part of this business undertaking, primary activities means – Business comprising of manufacturing, marketing and trading of Medium Density Fibre Boards (MDF), Pre-Laminated MDF, Wood Floors, Plywood, Decorative Veneers, Doors and allied products. Presently, this business consists of the MDF manufacturing unit situated at Routhu Suramala, Chittoor (Andhra Pradesh), MDF manufacturing unit and Plywood and allied products manufacturing unit located in a common plot at Pantnagar (Uttarakhand), registered, marketing, branch and administrative office(s) located in India and overseas subsidiary viz. Greenply Trading Pte. Limited (registered in Singapore) excluding its investment of USD 37,50,000 (37,50,000 ordinary shares of USD 1 each) in Greenply Alkema (Singapore) Pte. Ltd. (registered in Singapore).



For GREENPLY INDUSTRIES LIMITED


Kaushal Kr. Agarwal
Company Secretary &
Vice President - Legal

The **"Remaining Business"**: As part of this business undertaking, primary activities means – Business comprising of manufacturing, marketing and trading of Plywood, Decorative Veneers, Veneers, Doors and allied products. Presently, this business consists of manufacturing units situated at Tizit (Nagaland), Kripampur (West Bengal), Bamanbore (Gujarat) and registered, marketing, branch, Corporate and other office(s) located in India and subsidiaries viz. Greenply Holdings Pte. Ltd. (registered in Singapore), Greenply Middle East Limited (registered in Dubai, UAE), Greenply Gabon SA (registered in Gabon, West Africa) and investment of USD 37,50,000 (37,50,000 ordinary shares of USD 1 each) in Greenply Alkema (Singapore) Pte. Ltd., Singapore (Joint Venture Company) held by Greenply Trading Pte. Limited (registered in Singapore) and Greenply Industries (Myanmar) Pvt. Ltd. (registered in Myanmar) controlled by Greenply Alkema (Singapore) Pte. Ltd., Singapore.

3. Under the Scheme, it is proposed to demerge the Transferred Business of the Demerged Company, and all the estate, assets, rights, claims, title, interest, licenses, liabilities, employees, accretions and appurtenances of the Demerged Company pertaining to the Transferred Business ("Demerged Undertaking", as defined more particularly in Paragraph 1.6 of Part A of the Scheme) and transfer it to the Resulting Company.

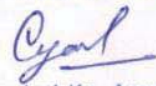
4. **Rational of the Scheme:**

The demerger of the Demerged Undertaking envisaged in the Scheme, is aimed at achieving the following business and commercial objectives and is expected to result in the following benefits for the Demerged Company and the Resulting Company:

- (i) Enhanced strategic flexibility to build a viable platform solely focusing on each of the businesses.
- (ii) Enable dedicated management focus, resources and skill set allocation to each business, which will in turn accelerate growth and unlock significant value for the shareholders of the Demerged Company.
- (iii) Provide enhanced strategic flexibility in the operation of each of the aforementioned businesses.



For GREENPLY INDUSTRIES LIMITED


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- (iv) Expanding the potential client / customer market for each business vertical. Access to various sources of funds and investments for the rapid growth of both the businesses. The nature of technology, risk, competition and capital intensity involved in each of the undertakings of the Demerged Company is distinct from each other. Consequently, each undertaking of the Demerged Company is capable of addressing independent business opportunities, deploying different technologies and attracting different sets of investors, strategic partners, lenders and other stakeholders. Hence, as part of an overall business reorganisation plan, it is considered desirable and expedient to reorganise and reconstruct the Demerged Company by demerging the Demerged Undertaking to the Resulting Company in the manner and on the terms and conditions contained in the Scheme.
- (v) Pursuant to the Scheme, all Shareholders of the Demerged Company as on the Record Date will receive equity shares in the Resulting Company and subsequently, such Shareholders of the Demerged Company will hold equity shares in both, the Demerged Company and the Resulting Company. It will give such Shareholders of the Demerged Company the ability to continue to remain invested in both or either of the Companies, giving them greater flexibility in managing and/or dealing with their investments.
- (vi) The Scheme is beneficial to the respective shareholders, creditors, employees and all stakeholders of the Demerged Company and the Resulting Company. The Scheme is expected to contribute in furthering and fulfilling the objects of both the Companies and in the growth and development of their respective businesses.

5. Appointed Date of the Scheme: 1st April, 2018

6. Effective Date of the Scheme: "Effective Date" means the date on which certified copies of the orders of the NCLT sanctioning the Scheme are filed with the Registrar of Companies at Shillong by the Demerged Company and the Resulting Company and if such filing is made on different dates, then the last of such dates. References in the Scheme to the date of "coming



For GREENPLY INDUSTRIES LIMITED

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Kaushal Kr. Agarwal
Company Secretary &
Vice President - Legal

into effect of this Scheme" or "effectiveness of this Scheme" or "being effective" or "becoming effective" will mean the Effective Date.

7. Upon the Scheme becoming effective and in consideration of the demerger including the transfer and vesting of the Demerged Undertaking into the Resulting Company, the Resulting Company shall, without any further application or deed, for every 1 (one) fully paid-up equity share of Re. 1 (Rupee One) each of the Demerged Company, issue and allot to each member of the Demerged Company whose name appears in the register of members of the Demerged Company as on the Record Date, 1 (one) fully paid-up equity share of Re. 1 (Rupee One) each, of the Resulting Company.



For GREENPLY INDUSTRIES LIMITED

A handwritten signature in blue ink, appearing to read "Kaushal".

Kaushal Kr. Agarwal
Company Secretary &
Vice President - Legal