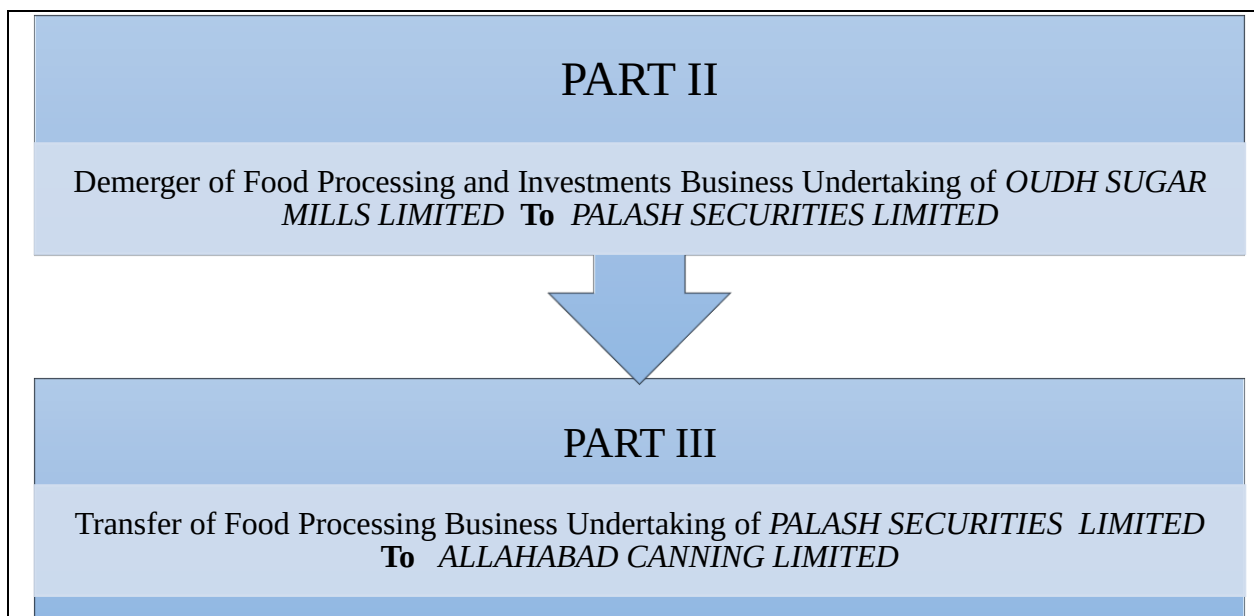


BRIEF NOTE ON THE SCHEME
PART A
BUSINESS ASPECT OF
COMPOSITE SCHEME OF ARRANGEMENT

Part I deals with Definitions, Interpretation and Share Capital

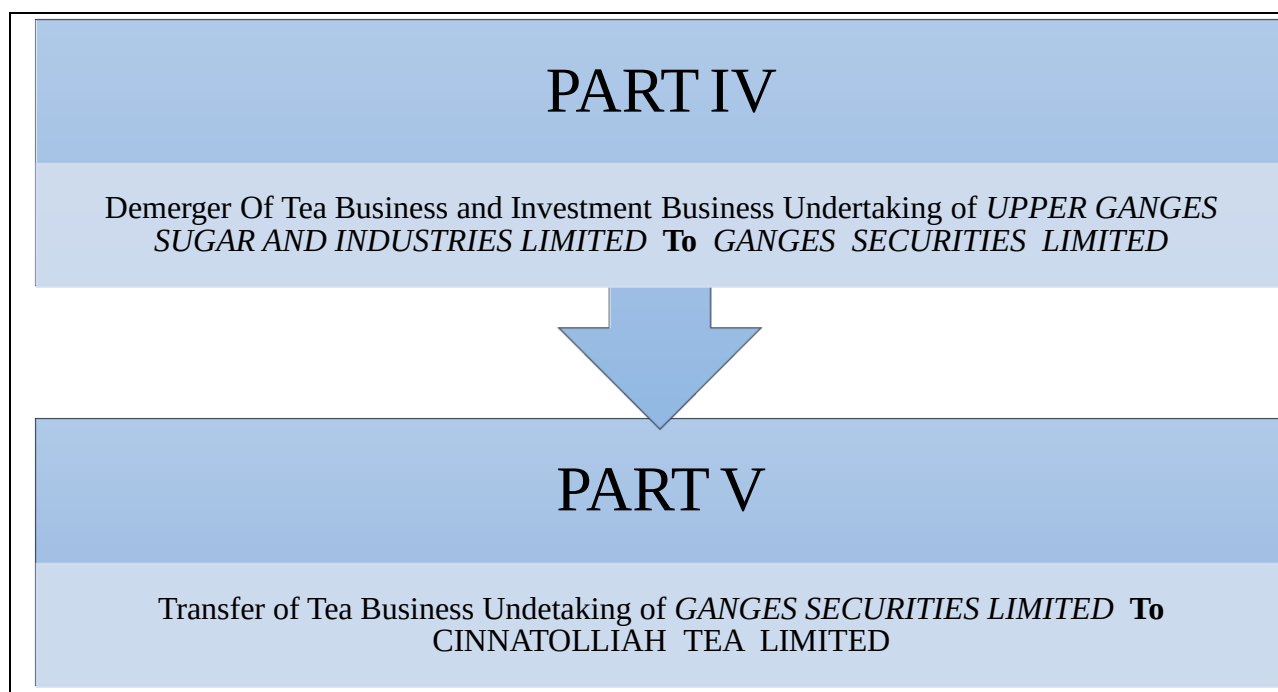


Upon Part II Scheme becoming effective:

1. Palash Securities shall issue and allot 27 Equity Shares of the face value of Rs. 10/- each for every 70 fully paid up equity share(s) of the face value of Rs. 10/- each held in Oudh Sugar to members (Oudh Sugar) whose names appear in the Register of Members on the Record Date. Further, it shall issue and allot 13,00,000 fully paid up 8.5% Non-Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 10/-each to the preference shareholders of Oudh Sugar.
2. All equity shares allotted by Palash Securities to the shareholders of Oudh Sugar above shall be listed for trading on the BSE and the NSE

Upon Part III Scheme becoming effective:

1. Allahabad Canning shall issue and allot 1,09,34,588 Equity shares of Rs. 10/- each to Palash Securities and the business other than Food Processing Business Undertaking of Palash Securities shall continue to be managed by Palash Securities.

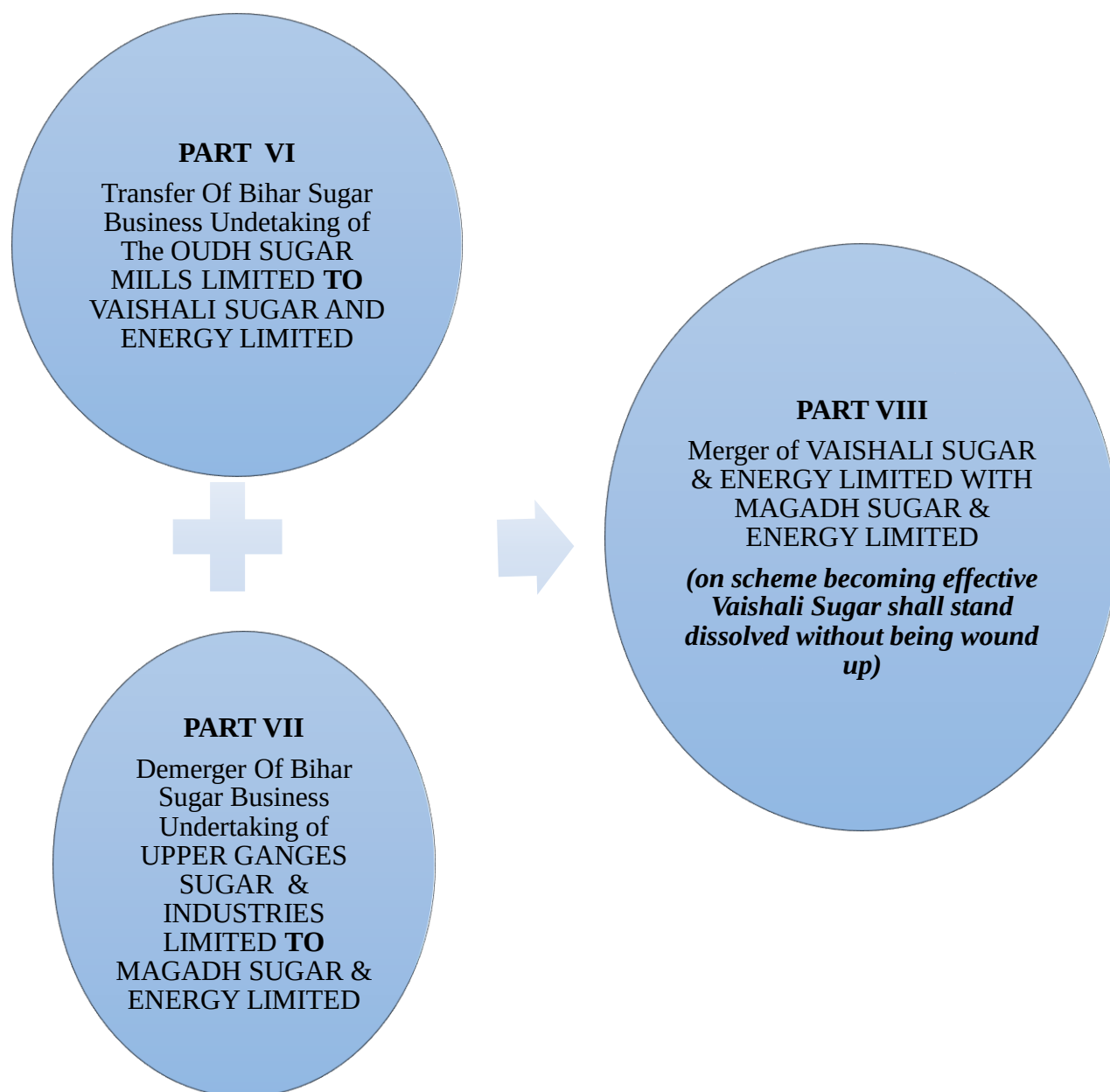


Upon Part IV Scheme:

1. becoming effective Ganges Securities shall issue and allot 77 Equity Shares of the face value of Rs. 10/- each for every 89 fully paid up equity share(s) of the face value of Rs. 10/- each held by members in Upper Ganges to members (Upper Ganges) whose names appear in the Register of Members on the Record Date. Further, it shall issue and allot 1,50,000 fully paid up 12% Non- Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 100/- each credited as fully paid up in its share capital to the preference shareholders of Upper Ganges.
2. All equity shares allotted by Ganges Securities to the shareholders of Upper Ganges shall be listed for trading on the BSE, NSE and CSE.

Upon Part V Scheme becoming effective:

1. Cinnatolliah Tea shall issue and allot 2,61,25,396 Equity shares of Rs. 10/- each as fully paid up to Ganges Securities.
2. The Remaining Business of Ganges Securities other than Tea Business Undertaking shall continue to belong to Ganges Securities.



Upon Part VI Scheme becoming effective:

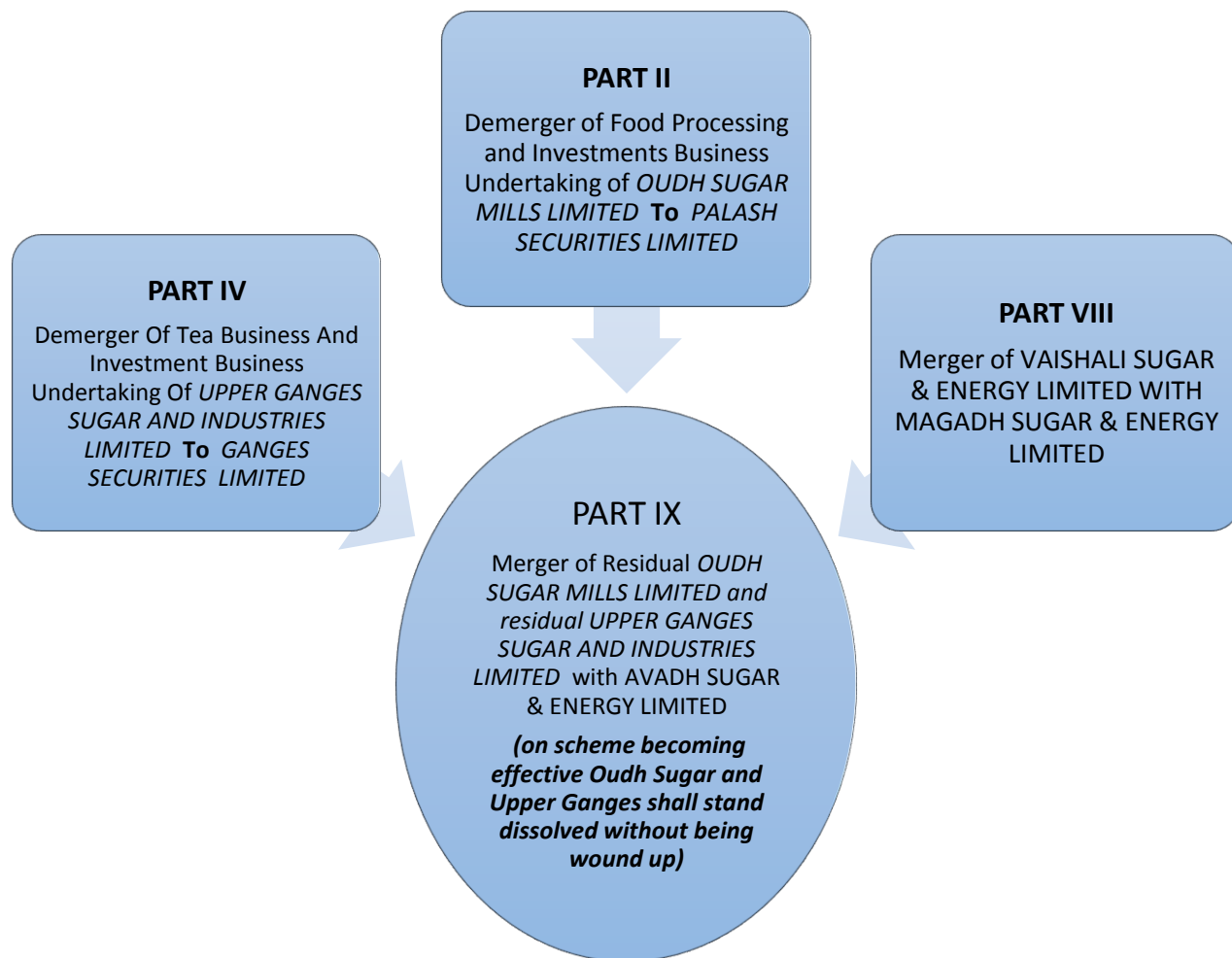
1. Vaishali Sugar shall issue and allot 50,000 Equity shares of Rs. 10/- each credited as fully paid up to Oudh Sugar
2. The Remaining Business of Oudh Sugar other than the Bihar Sugar Business Undertaking shall continue to belong to Oudh Sugar.

Upon Part VII Scheme becoming effective:

1. Magadh Sugar shall issue and allot 88 Equity Shares of the face value of Rs. 10/- each for every 113 fully paid up equity share(s) of the face value of Rs. 10/- each held in Upper Ganges to members (Upper Ganges) whose names appear in the Register of Members on the Record Date. It shall issue and allot 11,50,000 fully paid up 12% Non-Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 100/- each credited as fully paid up in its share capital to the preference shareholders of Upper Ganges.
2. All equity shares allotted by Magadh Sugar to the shareholders of Upper Ganges shall be listed for trading on the BSE, NSE and CSE

Upon Part VIII Scheme becoming effective:

1. Magadh Sugar shall issue and allot 276 equity share(s) of the face value of Rs. 10/- for every 13 fully paid up equity share(s) of the face value of Rs. 10/- each held in Vaishali Sugar to those members whose names appear in the Register of Members on the Record Date
2. All equity shares allotted by Magadh Sugar to shareholders of Vaishali Sugar shall be listed for trading on the BSE, NSE and CSE
3. Upon the Scheme becoming effective, the authorized share capital of Magadh Sugar automatically stand enhanced by the authorized share capital of Vaishali Sugar and the MOA and AOA of Magadh Sugar shall, without any further act, instrument or deed, be and stand altered, and consent of all the shareholders to the Scheme shall be deemed to be sufficient for it .



Upon Part IX Scheme becoming effective:

1. Avadh Sugar shall issue and allot

(a) 2 equity share(s) of the face value of Rs. 10/- each for every 9 fully paid up equity share(s) of the face value of Rs. 10/- each held in Oudh Sugar to those members (Oudh Sugar) whose names appear in the Register of Members on the Record Date

(b) 11 equity share(s) of the face value of Rs. 10/- each for every 30 fully paid up equity share(s) of the face value of Rs. 10/- each held in Upper Ganges to those members (Upper Ganges) whose names appear in the Register of Members on the Record Date

(c) Further, Avadh Sugar shall issue and allot 4,87,00,000 fully paid up 8.5% Non-Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 10/- each to the preference shareholders of Oudh Sugar.

(d) Further, Avadh Sugar shall issue and allot 17,00,000 fully paid up 12% Non-Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 100/- each to the preference shareholders of Upper Ganges.

2. All equity shares allotted by Avadh Sugar to shareholders of Oudh Sugar and Upper Ganges shall be listed for trading on the BSE, NSE and CSE
3. Upon the Scheme becoming effective, the authorized share capital of Avadh Sugar automatically stand enhanced by the authorized share capital of Residual Oudh Sugar and Residual Upper Ganges and the MOA and AOA of Avadh Sugar shall, without any further act, instrument or deed, be and stand altered, and consent of all the shareholders to the Scheme shall be deemed to be sufficient for it.

PART II: FINANCIAL ASPECTS

Financial details of Transferor Companies as on 31st March, 2015

(Figures in INR Lacs)

	Revenue*	Result (PBT)	Capital Employed
The Oudh Sugar Mills Limited	1,38,213.49	(11,164.81)	80,660.77
- Food Processing Business	3,778.30	66.02	1,209.18
- Investments Business	-	(0.71)	1,134.78
- Bihar Sugar Business	37,002.77	(367.66)	15,199.94
- Residual Business	97,432.42	(10,862.46)	63,116.87
Upper Ganges Sugar & Industries Limited	85,284.20	(8,502.98)	52,315.52
- Tea Business	2,272.64	599.81	854.95
- Investments Business	-	(0.97)	2,204.97
- Bihar Sugar Business	34,931.36	(4,235.90)	15,175.47
- Residual Business	48,080.20	(4,865.92)	34,080.13

*Excluding inter-segment revenue

The above mentioned Revenue, Results and Capital Employed would be transferred to the Resultant Companies with effect from the Appointed Date i.e. 1st April, 2015, in accordance with the Composite Scheme of Arrangement.

Financial details of Resultant Companies as on 31st March, 2015, pre Scheme is given hereunder:

(Figures in INR Lacs)

	Revenue	Result (PBT)	Capital Employed
Palash Securities Limited	NIL	(0.50)	5.00
Allahabad Canning Limited	NIL	(0.50)	5.00
Ganges Securities Limited	NIL	(0.30)	5.00
Cinnatolliah Tea Limited	NIL	(0.30)	5.00
Vaishali Sugar & Energy Limited	NIL	(0.28)	5.00
Magadh Sugar & Energy Limited	NIL	(0.48)	5.00
Avadh Sugar & Energy Limited	NIL	(0.48)	5.00