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Annexure-F

**SCHEME OF ARRANGEMENT
(DEMERGER)**

Under Section 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013

BETWEEN

EMAMI CEMENT LIMITED

("Transferor Company" and/or "Demerged Company")

AND

EMAMI POWER LIMITED

"Transferee Company" and/or "Resulting Company")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

The Scheme is divided into the following parts:

1. Part 1 – Preamble.
2. Part 2 - Definitions.
3. Part 3 - deals with Demerger, Transfer and Vesting of Demerged Undertaking of the Transferor Company in the Transferee Company.
4. Part 4 - deals with Application to Tribunal

In addition to the above, the Scheme also provides for various other matters consequential or otherwise integral to it.

PART 1 – PREAMBLE

1. PREAMBLE AND OVERVIEW OF THE SCHEME

- 1.1 Emami Cement Limited having Corporate Identification Number U26940WB2007PLC116503 (hereinafter also referred to as "Transferor Company or Demerged Company"), the corporate particulars in respect of which are given in clause 2.1(e) of Part 2 or clauses referred herein has been engaged in diversified and distinct business activities through different undertakings broadly in categories namely (i) Cement Division and (ii) Solar Power Division.
- 1.2 Emami Power Limited having Corporate Identification Number U40102WB2010PLC154915 (hereinafter also referred to as "Transferee Company/or Resulting Company"), the corporate particulars in respect of which are given in clause 2.1 (k) of Part 2 is engaged in the business Solar Power Generation and allied business activities.
- 1.3 This Scheme provides for the following:
 - (a) the transfer by way of demerger of the Solar Power Division / Demerged undertaking (as defined below) of the Transferor Company to the Transferee Company and the consequent issue of Equity Shares to the Equity Shareholders of the Transferor Company by the Transferee Company in accordance with the applicable clause of this scheme.

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FOR EMAMI CEMENT LIMITED

Debanita Dasgupta

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For Emami

Jaygi Choudhury

Company Secretary

1.4 RATIONALE AND BENEFITS OF THIS SCHEME

This scheme provides for the demerger of the solar power division (as defined hereinafter) of the transferor company and the vesting thereof in the transferee company as a going concern in accordance with the terms of the scheme and pursuant to the provision of section 230 to 232 of the Companies Act and other relevant provisions of the Act in the interest of its shareholders, creditors, employees and all concerned would, inter-alia, have the following benefits:-

(a) The transferor company's solar power business shall be consolidated with business in relation solar power carried out by the Transferee Company resulting in strengthening of business, synergistic benefits, economies of scale, faster decision making reduction in operating work, strengthening the focus, enhancing the ability to deal with regulatory challenges, long-term growth, increasing profitability, higher market share, better customer service, increased ability to face the competitive regulatory environment, risks and policies and consolidating the financial, management and operational resources.

(b) The transfer of Solar Business would be a strategic fit for serving its existing markets, enabling the Transferee Company to cater additional volumes and increase its footprint across India;

(c) The Transferor Company is building and strengthening its cement business. The proposed demerger shall enable the Transferor Company to hive off its solar power business to the transferee company and to manage its core cement business more effectively.

(d) The demerger of solar power business from Transferor Company to Transferee Company within the group, apart from enabling the Transferor Company and Transferee Company to have better focus, strategies and to grow respective businesses, will also help, retain and increase the competitive strength of group thereby directly / indirectly strengthening the reputation, goodwill, overall economies of scale for the respective businesses of Transferor Company and Transferee Company.

(e) The proposed demerger shall allow a focussed strategy in operations of both the undertakings with faster decision making, economy of scale which would be in the best interests of both the companies and their respective shareholders and other stakeholders.

(f) The demerger may also provide scope for independent collaboration and expansion of the remaining undertaking / business of the Transferor Company without committing the existing organization in its entirety.

(g) This scheme would be in the best interest of the shareholders, the creditors, the employees and all stake holder of the transferor company and transferee company.

PART 2

2.1 DEFINITIONS

In this scheme, unless inconsistent with subject or context, the following expressions shall have the meanings respectively assigned against them:

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For Emami

Yogesh Choudhary

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- (a) 'ACT' means the Companies Act, 2013 or the Companies Act 1956 (as applicable), the rules and regulations made thereunder and shall include any statutory modifications, re-enactments or amendment(s) thereof for the time being in force.
- (b) "Appointed Date" means the date from which this Scheme shall become operative viz., 1st April, 2018 or such other date as may be decided by the Board of Demerged Company and the Resulting Company and as may be directed or approved by the Hon'ble National Company Law Tribunal under the relevant provisions of the Act.
- (c) "Book Value(s)" means the value(s) of the assets and the liabilities of the Solar Power Division as appearing in the books of accounts of the Transferor Company at the close/ending of the business on the day preceding to Appointed date.
- (d) "Board" in relation to the transferor and transferee company, as the case may be, means the board of directors of such company and shall include a committee of directors or any person authorised by the board of the directors or such committee of directors duly constituted and authorised for the purposes of matters pertaining to this scheme of arrangement or any matter relating thereto.
- (e) "Demerged Company" or "Transferor Company" means Emami Cement Limited having Corporate Identification Number U26940WB2007PLC116503 a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Acropolis, 15th Floor, 1858/1, Rajdanga Main Road, Kasba, Kolkata -700107, in the State of West Bengal.

The main objects clause of the Memorandum of Association of the Transferor Company are set out hereunder:-

1. To produce, manufacture, treat, process, refine, import, export, purchase, sell and generally to deal, and to act as brokers, agents, stockists, distributors and suppliers of all kinds of clinker, cement (whether ordinary, white, coloured, portland, pozzolana, alumina, blast furnace, silica or otherwise), cement products of any description, such as pipes, poles, slabs, asbestos sheets, blocks, tiles, and garden-wares and in connection therewith to take on lease or acquire, erect, construct, establish, work, operate and maintain cement factories, quarries, mines, power plants, workshops and other works.

2. To carry on in India or elsewhere the business to generate, receive, produce, transmit, distribute, supply purchase, sell, re-sell trade, import, export or accumulate or otherwise deal in all kinds of power or electrical energy by conventional or non-conventional methods using coal, gas, lignite, oil, bio-diesel, biomass, ethanol, waste, thermal, solar, hydel, geothermal, wind, tide waves, nuclear, petroleum products or any other substances or forms and any products or by products derived there from and for this purpose to acquire concessions, facilities or licenses from electricity board, government, semi-government, local and other authorities and bodies.

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OF THE
MEMORANDUM OF ASSOCIATION

Deborah Dauty

Company Secretary

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For Emami Cement Limited

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Company Secretary

3. To carry on in India or elsewhere the business of prospecting, exploring, operating, trading and working on mines, quarries, setting up washeries for coal, iron ore and other minerals and for this purpose survey, discover and to acquire by purchase, lease, license or otherwise from government, semi-government, local authorities, private bodies and other persons rights, powers and privileges for obtaining mines, quarries, deposits etc. for the accomplishment of above objects.

4. To carry on in India or elsewhere the business as manufacturers, importers, exporters, suppliers, traders, dealers of all types of iron & steel, ferrous metals, forging, stampings, sponge iron, springs, alloy steel, castings, iron & steel castings, malleable iron and S.G. iron castings, manufacturers of steel ingots, industrial machines, rolling mill rollers / re rollers of various sections of mild steel, high carbon steel, spring steels, stainless steels, and other steels and metals and for this purpose survey, discover and to acquire by purchase, lease, licence or otherwise from government, semi-government, local authorities, private bodies and other persons rights, powers and privileges for obtaining mines, quarries, deposits etc. for the accomplishment of above objects.

5. To carry the business of imports and exports of all kinds of goods, merchandise and articles and to act as export import agents in all type of goods and articles.

(f) "SOLAR POWER DIVISION AND/OR DEMERGED UNDERTAKING" shall mean the entire business and whole of the undertaking, activities, properties and liabilities of whatsoever nature & kind and wheresoever situated of the transferor company relating to its Solar Power Division as a going concern with all its assets, rights, including Tenancy Right, FSI Rights, Licences and Powers and all its debts, outstanding, liabilities, duties and obligations as on the Appointed date and shall include (without limitation) the following:

(a) All the assets and properties, moveable or immoveable, real or personal in possession or reversion, tangible or intangible of whatever nature and wherever situated (hereinafter referred to as "the said assets") pertaining to the Demerged Undertaking of TRANSFEROR COMPANY including but not limited to all free holdland, leasehold land, leases, leasehold improvement, solar power plants located at (i) 10MW Solar PV Plant situated at Plot 95 and 96, Gujrat Solar Park, Taluka-96 Santalpur, District - Patan, Gujarat and (ii) 3 MW Solar PV Plant situated at Village : Perunali Taluka : Kamuthi, Distt : Ramnad, Tamil Nadu used or possessed by the transferor company in connection with the "Solar Power Division" and/ or "Demerged Undertaking";

(b) All the debts (secured and unsecured), liabilities, duties and obligations including contingent liabilities pertaining to the Demerged Undertaking of TRANSFEROR COMPANY;

Without prejudice to the generality of above, the Demerged Undertaking shall include all moveable and immoveable properties, plant and machineries, building, structures, equipment, furniture, fixtures, vehicles, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, bank balances, deposits, investments, Sundry Debtor, Receivables, Loan and Advance whether or

For and on behalf of TRANSFEROR COMPANY LIMITED

Deborah Bantya

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Yogesh Choudhury

Company

not so recorded, but other than those forming part of Remaining Undertaking of TRANSFEROR COMPANY, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, licenses, contracts, agreements, engagements, arrangements, rights, credits including CDM credit titles, interests, benefits, advantages, leasehold rights, sub-letting tenancy rights, with or without the consent of the landlord as may be required, goodwill, other intangibles, permits, authorisations, trademarks, trade names, registrations/enlistment, commitments, power generation permissions/licenses, licenses, power sale agreement with Gujarat UrjaVikas Nigam Limited, Tamil Nadu Generation and Distribution Corporation or any persons, permissions including license if any for connecting with Grid, Operations and Maintenance Agreements, insurance policies, investments, investments in mutual funds, interest/ right accruing out of any agreement/ loan agreement/ mortgage agreement etc, right to application under Insolvency And Bankruptcy Code for any loan given in case of default by the borrower/ breach of agreement by the borrower, right to file suit/or initiate legal action in case of default by the borrower/ breach of agreement by the borrower, business certifications, brands, credentials, claims, benefits of arbitration proceedings, quotas, entitlements, websites and email software, ERP and other software, trademarks, labels, brands, patents, patent rights, copyrights, designs, and other industrial and intellectual properties and rights of any nature whatsoever including designs, know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverables and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, security deposits, privileges, guarantees, bank guarantee, indemnities, letters of comfort liberties, easements, advantages, benefits, exemptions permissions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax, benefit of brought forward losses or depreciation as admissible under the provisions of the Income Tax Act, 1961, deduction under section 80IA etc., unutilised deposits or credits, benefits under the VAT/ Sales Tax law, VAT/ sales tax set off / GST including IGST, CGST & SGST, unutilised deposits or credits, benefits of any unutilised MODVAT/CENVAT/Service tax credits, etc.)/GST including IGST & SGST and wheresoever situate, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Undertaking;

(c) All permanent employees engaged or in relation to the demerged undertaking including liabilities with regard to Gratuity, Provident Fund, Leave Salary etc.

(d) all records, files, papers, engineering and process information, computer programs, computer softwares, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers' credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to the Demerged Undertaking.

Explanation A: Whether any particular asset or employee should be included as asset or employee of the Demerged Undertaking or otherwise shall be decided mutually by the

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Deborah Bhatia

Yogesh Choudhary
Company

Board of Directors or any committee thereof of TRANSFEROR COMPANY and Transferee Company;

Explanation 8: For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking of the TRANSFEROR COMPANY shall comprise the liabilities, borrowings, debts and loans as agreed between TRANSFEROR COMPANY and Transferee Company/Resulting Company which will cover:

(a) The liabilities, which arise out of the activities or operations of Demerged Undertaking;

(b) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Demerged Undertaking,

(c) Liabilities other than those referred to in sub-clauses (a) and (b) above and not directly relatable to the Remaining Undertaking of TRANSFEROR COMPANY, being the amounts of general or multipurpose borrowings of TRANSFEROR COMPANY shall be allocated to the Demerged Undertaking of TRANSFEROR COMPANY in the same proportion which the value of the assets transferred under this sub-Clause bears to the book value of the assets of TRANSFEROR COMPANY immediately before giving effect to this Scheme. The Transferor Company and Transferee Company shall mutually agree upon the identification of the liabilities to be transferred to Transferee Company as liabilities pertaining to the Demerged Undertaking.

Any question that may arise as to whether a specified liability pertains or does not pertain to the Demerged Undertaking of TRANSFEROR COMPANY or whether it arises out of the activities or operations of Demerged Undertaking of TRANSFEROR COMPANY shall be decided by mutual agreement between the Board of Directors or any Committee thereof of Transferor Company and Transferee Company/Resulting Company.

(g) "Effective Date" means the later of the dates on which (i) the last of all the consents, approvals, permissions, resolutions, sanctions and orders as are hereinafter referred to have been obtained or passed and (ii) the certified copies of the Order(s) sanctioning this Scheme of Arrangement (Demerger) are filed with the Registrar of Companies, West Bengal, by the Transferor Company and the Transferee Company. References in this Scheme to upon the Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the 'Effective Date'.

(h) "Property" includes assets, rights and interests of every description and liabilities include debts and obligation of every description.

(i) "Record Date" means the first day of August two thousand eighteen the date fixed and agreed by the Board of Directors thereof of the Transferor Company and Transferee Company for the purpose of determining the names of the members of the Transferor Company who shall be entitled to receive shares of the Resulting Company upon the Scheme coming into effect as

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For EMAMI CEMENT LIMITED

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For Emami

Yogesh Choudhury

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specified in this Scheme.

- (j) "Remaining Undertaking" means all the business, undertakings and divisions of the Transferor Company including Cement division other than the "Demerged Undertaking" or "Solar Power Division".
- (k) "Resulting Company" or "Transferee Company" means Emami Power Limited having Corporate Identification Number U40102WB2010PLC154915 a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 687, Anandapur E.M. Bypass Kolkata -700107, in the State of West Bengal.

The main objects clause of the Memorandum of Association of the Transferee company are set out hereunder:-

1. To carry on in India or elsewhere the business to generate, receive, produce, improve, buy, sell, resell, purchase, trade, import, export, acquire, use, transmit, accumulate, employ, distribute, develop, handle, protect, supply and to act as agent, broker, representative, consultant, collaborator or otherwise to deal in electric power in all its branches at such place or places as may be permitted by establishment of power plants of conventional or non-conventional methods using, hydro electric, atomic, wind power, solar power and other power plants based on any source of energy as may be developed or invented in future.
2. To construct, lay down, establish, promote, erect, build, install, commission, carry out and run all necessary power substations, work shops, repair shops, wires, cables, transmission lines, accumulators, street lights for the purpose of conservation, distribution and supply of electricity to participating industries, State Electricity Board and Boards for industrial, commercial, domestic, public and other purposes and else to provide regular services for repairing and maintenance of all distribution and supply lines.
3. To acquire concession, exemption, allowances, facilities and licenses from electricity boards, government, skim) governments and local authorities for generation, distribution, production, transmission or Use of electric power and to take over along with all movable and immovable properties, the existing facilities on mutually agreed terms from aforesaid authorities and to do all incidental acts and things necessary for the attainment of the foregoing objects.
4. To carry on in India or elsewhere the business of prospecting, exploring, mining, operating and working on mines, quarries for coal, iron ore and oilier minerals and for this purpose survey, discover and to acquire by purchase, lease, license or otherwise from government, semi government, local authorities, private bodies and other persons rights, powers and priviledges for obtaining mines, quarries, deposits etc. for the accomplishment of above objects.

- (l) "Scheme of Arrangement (Demerger)" or "Scheme of Demerger" or "this Scheme" or "the Scheme" means this Scheme of Arrangement (Demerger) in its present form or with any modification(s) approved or imposed or directed by the Tribunal.

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For EMAMI CEMENT LIMITED

Debadra Bandyopadhyay

Company Secretary

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For Emami Cement Limited

Ganguli Choudhury
Company Secretary

- (m) "Shareholders" means respectively the persons registered as holders of Equity Shares of the Transferor Company and/or Transferee company as applicable as on record date.
- (n) "PROCEEDINGS" include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law or tribunal or any judicial or quasi judicial body or any assessment proceedings before any authority under any law and also arbitration proceedings.
- (o) "TRIBUNAL" and/or "NCLT" shall mean the National Company Law Tribunal having jurisdiction as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under section 230 to 232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purpose of Section 230 to 232 of the Act as may be applicable.
- (p) "RULES" mean Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 and/or National Company Law Tribunal Rules, 2016 as applicable and/or shall include any statutory modification, amendment or re-enactment thereof for the time being in force.

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 meanings ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof from time to time. In particular, wherever reference is made to the Tribunal in this Scheme, the reference would mean reference to the National Company Law Tribunal ("NCLT") or such other forum or authority or Court, as may be vested with any of the Powers under the Act.

In this Scheme, unless the context otherwise requires:-

- (i) words denoting singular shall include plural and vice versa;
- (ii) reference in the Scheme to "coming into effect of this scheme" or "upon scheme becoming effective" shall mean from the Effective Date;
- (iii) any phrase introduced by the terms "include", "including", "in particular" or any other similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (iv) references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, employee representative body (whether or not having separate legal personality);
- (v) reference to document includes an amendment or supplement to, or replacement or novation of, that document;

2.2 SHARE CAPITAL : The authorized, issued and paid up share capital of the Transferor Company as on December 31, 2017 is under:

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For EMAMI CEMENT LIMITED

Abhishek Bhatnagar

Company Secretary

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For Emami Cement Limited

Gargi Choudhury

Company Secretary

(a) The authorised Share Capital of "Transferor Company" is Rs. 3,00,00,00,000/- (Rupees Three Hundred Crores) divided into 30,00,00,000 (Thirty Crores) equity shares of 10/- each. The issued, subscribed and paid-up share capital is Rs. 2,42,07,50,000/- (Rupees Two Hundred Fourty Two Crores Seven Lacs Fifty Thousand) divided into 24,20,75,000 (Twenty Four Crores Twenty Lacs Seventy Five Thousand) equity shares of Rs. 10/- each fully paid-up.

(b) The authorised Share Capital of "Transferee Company" is Rs. 24,00,00,000/- (Rupees Twenty Four Crores) divided into 2,40,00,000 (Two Crores Fourty Lacs) equity shares of 10/- each. The issued, subscribed and paid-up share capital is Rs. 21,52,80,000/- (Rupees Twenty One Crores Fifty Two Lacs Eighty Thousand) divided into 2,15,28,000 (Two Crores Fifteen Lacs Twenty Eight Thousand) equity shares of Rs. 10/- each fully paid-up.

PART 3

3. DEMERGER, TRANSFER AND VESTING OF DEMERGED UNDERTAKING OR SOLAR POWER DIVISION OF THE TRANSFEROR COMPANY IN THE TRANSFEE COMPANY

TRANSFER AND VESTING OF SOLAR POWER DIVISION:-

- (a) Upon this scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 read with relevant Rules and other applicable provisions of the Act the Demerged Undertaking of the Transferor Company shall without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern.

The date of entitlement/ownership of the Transferee Company relating to all assets, properties, leasehold land, right, benefits, approvals, ownership, title, powers, interests, authorities, commitments, licenses, privileges, liberties will be from the date to which the Transferor Company was entitled and it will be treated that the same has been entered into with the Transferee Company and the Transferee Company will step into the shoes of the Transferor Company.

- (b) Upon the coming into effect of this scheme and with effect from the appointed date and subject to the provisions of this scheme, the immovable properties including freehold land at Tamil Nadu and leasehold land at Gujarat relating to the Demerged Undertaking of the Transferor Company and any documents of title/ rights and easement in relation thereto shall be vested in and transferred to and/or be deemed to have been vested in and stand transferred to and/or shall belong to the Transferee Company. From the Appointed date, the Transferee Company shall in relation to the properties of the Demerged Undertaking transferred to the Transferee Company under this Scheme be liable for ground rent, municipal taxes and any other cess, duties, levies, taxes and the like. Mutation of the title to the said immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the Scheme, in accordance with the terms hereof without any further act or deed whatsoever, in favour of the Transferee Company.

- (c) In respect of all such assets pertaining to the Demerged Undertakings that are movable in nature or incorporeal properties or are otherwise capable of transfer by physical or constructive delivery and/or

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For EMAMI CEMENT LIMITED

Robert Bains

FOR EMAMI CEMENT LIMITED

Jyoti Shrivastava
Company

by endorsement and delivery, or by vesting and recordal including plants, machineries and equipments, cash on hand, deposits, investments, etc pursuant to this Scheme, shall stand vested in and/or be deemed to be vested in the Transferee Company wherever located and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly or shall be physically handed over by delivery to the Transferee Company to the end and intent that the property therein passes to Transferee Company. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors or Committees thereof of Demerged Companies and Transferee Company;

- (d) In respect of other assets pertaining to Demerged Undertakings including actionable claims, sundry debtors, receivables, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi- Government, local and other authorities and bodies and customers, Demerged Companies shall, on being so requested by Transferee Company, issue notices in such form as Transferee Company may specify stating that pursuant to this Scheme, the relevant debt, loan, advance, deposit or other asset, be paid or made good to, or be held on account of, Transferee Company as the person entitled thereto, to the end and intent that the right of Demerged Companies to receive, recover or realize the same, stands transferred to Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes. It is hereby clarified that investments and all the rights, title and interests if any, of the Demerged Undertakings in any leasehold properties shall, pursuant to Section 230 to 232 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and/or be deemed to be demerged from the Demerged Companies and transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 230 to 232 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules;
- (e) With effect from the Appointed Date, and subject to the provisions of this Scheme, all the Assets (both the tangible and the intangible assets) of the said Demerged Undertaking of the Transferor Company shall stand transferred or deemed to have been transferred without any further act, instrument or deed of the Transferee Company pursuant to the provisions of 230 to 232 of the Companies Act, 2013 read with relevant Rules and other applicable provisions of the Act so as to become as and from the Appointed Date, the assets of the Transferee Company.
- (f) Upon The Scheme Becoming Effective, All Licenses, No-Objection Certificates, Permissions, Approvals, Sanctions, Consents, Authorizations, Registrations, Quotas, leasehold rights to land, right, entitlements, including those relating to privileges, operations and maintenance agreements, power purchase agreements, power facilities of every kind and description of whatsoever nature and the benefit thereto pertaining to the DEMERGED UNDERTAKING or the business activities and operation thereof, which are subsisting or having effect immediately before the effective date shall stand transferred to and vested in the transferee company and shall be deemed to constitute separate license etc. in the name for the benefit of the transferee company with effect from the effective date pursuant to the provisions of 230 to 232 of the Companies Act, 2013 read with relevant Rules and other applicable provisions of the Act and without any future act or deed by the transferor company

For EMAMI CEMENT LIMITED

Robert Bantyn

Company Secretary

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For Emami

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Company Secretary

and/or the transferee company and such licenses etc shall be appropriately mutated transferred / changed / modification / split-up by the competent authorities concerned in the name and for the benefit of the transferee company as soon as the scheme becomes effective without any hindrance so as to enable the transferee company to continue to carry on the operation of the DEMERGED UNDERTAKING without any interruption, difficult or disadvantage and in the same manner and with the same privileges and benefits as were being enjoyed by the transferor company before the effective date. However, if any such licenses etc as referred to above are for the DEMERGED UNDERTAKING as well as the remaining business coming into effect the same shall be deemed to have been automatically split up without any further act instrument or deed by the transferor company or the transferee company so as to appropriately apply to or govern the operation of the DEMERGED UNDERTAKING and the remaining business of the transferor company, separately without putting either of them to any disadvantage of whatsoever nature. The competent authorities concerned shall take appropriate action to split up / change / modify the said licenses etc. to give effect to these provision and to ensure the continuation of operation of the DEMERGED UNDERTAKING as well as the remaining business of the transferor company without any interruption difficulty or disadvantage. The transferee company and/or the transferor company shall file appropriate intimations, notices where ever required, for record of the competent authorities concerned who shall take the same on record and make the necessary changes and modifications in the relevant records pursuant to the sanction of the scheme.

- (g) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- (h) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licences, approvals, certificates, clearances, authorities, leases, power purchase agreements executed with Gujarat UrjaVikas Nigam Limited, Tamil Nadu Generation and Distribution Corporation or any other persons, permissions/licenses, if any, for connecting with Grid, assignments, allotments, powers of attorney, claims, powers, authorities, allotments, applications pending approval, all requests/applications, contracts, enactments, arrangements, right, title, interest, benefits, advantages, lease-hold rights and tenancies, other intangible rights, hire purchase contracts and assets, lending contracts, employment contracts, distribution contracts, clearing and forwarding agency contracts, benefit of any security arrangements, reversions, permits, quotas, entitlements, registrations under the applicable laws, sanctions, NOC's issued by various government authorities or by persons; etc. issued to or executed in favour of the Transferor Company shall stand transferred to the extent it relates to and pertains to the Demerged Undertaking, including the right of seeking amendment/ modification of existing and/or future sanctions, permissions, NOC's (including including but not limited to consent, approval) issued by various government authorities, and shall vest by

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For Secretary

Gangi Choudhury

way of the demerger hereunder, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferor Company/Transferee Company as may be deemed fit shall make applications to and obtain relevant approvals, etc. from the concerned authorities and / or parties as may be necessary in this behalf and the Transferor Company shall cooperate and provide the required support wherever required.

- (i) It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking, which the Transferor Company owns or to which the Transferor Company is a party and which cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such assets etc. in trust for the benefit of the Transferee Company to which the Demerged Undertaking is being transferred in terms of this Scheme, in so far as it is permissible so to do, till such time as the transfer is effected and till such time the Transferee Company shall be entitled to utilise, operate, avail the same for the Demerged Undertaking's activities without any consideration.
- (j) In so far the assets of the Demerged Undertaking are concerned, the security, existing charges, mortgages and encumbrances in respect of any of these assets or any part thereof, in relation to any loans or borrowings of the Remaining Business of the Transferor Company shall, without any further act, instrument or deed be released and stand discharged from the same and shall no longer be available as security in relation to those liabilities of the Transferor Company which are not transferred to the Transferee Company.
- (k) In so far as the assets of the Remaining Business of the Transferor Company are concerned, the security over such assets to the extent they relate to the Demerged Undertaking shall, without any further act, instrument or deed be released and discharged from such security that relate to the Demerged Undertaking. Without prejudice to the foregoing and with effect from the Effective Date, the Transferor Company and the Transferee Company shall execute any instruments or documents and do all the acts and deeds as may be required.
- (l) With effect from the Appointed Date, and subject to the provisions of this Scheme, all the Liabilities (including the contingent liabilities) of the said Demerged Undertaking of the Transferor Company shall stand transferred or deemed to have been transferred without any further act, instrument or deed of the Transferee Company, pursuant to the provisions of 230 to 232 of the Companies Act, 2013 read with relevant Rules and other applicable provisions of the Act and Applicable Laws so as to become as and from the Appointed Date the debts, liabilities (including contingent liabilities), duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

FOR EMAMI CEMENT LIMITED

Debenka Bhatia

Company Secretary

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For Emami

Jay Choudhury

Company Secretary

- (m) Where any of the debts, liabilities (including contingent liabilities), loans raised and used, liabilities and obligations incurred, duties and obligations of Demerged Undertaking of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by Demerged Undertaking of the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- (n) All loans raised and used and all liabilities and obligations incurred by the Transferor Company for the operations of Demerged Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the Demerged Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- (o) The demerger and the transfer and vesting of the assets comprised in the Demerged Undertaking to and in the Transferee Company under this clause shall be subject to the mortgages and charges, if any. Notwithstanding anything contrary provided in this scheme, it is clarified that this scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company in relation to the Demerged Undertaking which shall vest in the Transferee Company by virtue of the vesting of the Demerged Undertaking with the Transferee Company, including but not limited to charge on the Demerged Undertaking, if any, created by the Transferor Company to secure the Loans availed by any persons. The Transferee Company shall not be obliged to create any further security for its borrowings thereof after the demerger has become operative.
- (p) Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute such instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the relevant regulatory authority and Governmental Authorities to give formal effect to the above provisions, if required.
- (q) Upon the coming into effect of this Scheme, the Transferor Company alone shall be liable to perform all obligations in respect of the liabilities as on the Appointed Date, which have not been transferred to Transferee Company in terms of the Scheme, and the Transferor Company alone shall have all obligations in respect of such liabilities, and the Transferor Company shall indemnify the Transferee Company in relation to any claim, at any time, against the Transferee Company in respect of the liabilities which have been retained by the Transferor Company.
- (r) Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities (including contingent liabilities) from the Appointed Date, which have been incurred by the Transferor Company for and on behalf of the Transferee Company and in relation to the Demerged Undertaking in terms of the

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Abhishek Bhatia

Company Secretary

For Empanelment

Jyoti Choudhury

Company Secretary

Scheme, and the Transferor Company shall not have any obligation in respect of such liabilities and the Transferee Company shall indemnify the Transferor Company in relation to any claim, at any time, against the Transferor Company in respect of such liabilities.

- (s) It is expressly provided that no other term or condition of the liabilities not transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (t) Subject to the necessary consents being obtained in accordance with the terms of this Scheme and notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/ or superseded by the foregoing provisions with effect from the Appointed Date or such other date as is specified herein above, as the case may be.
- (u) This Scheme of Arrangement (Demerger) does not adversely effect the interest of creditors.
- (v) This Scheme does not contain any clause due to which there will be any reduction of share capital of Transferor Company and/or Transferee Company.
- (w) This Scheme does not provide (contain any clause) for any kind of corporate debt restructuring.

4. CONTRACTS, DEEDS AND OTHER INSTRUMENTS:

Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, agreements to sub-lease, power sale agreements, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to this clause, if so required or become necessary.

5. LEGAL PROCEEDINGS:

- (a) Upon coming into effect of this Scheme, all suits, claims, actions and/or proceedings by or against the Transferor Company, pertaining to the Demerged Undertaking of the Transferor Company existing as on the effective date, shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and / or arising by or against the Transferee Company.
- (b) The Transferee Company will undertake to have all legal, judicial or other proceedings initiated and /or to be initiated after the Effective Date by or against the Demerged

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FOR ENAMI CEMENT LIMITED

Debrajha Bartya

For Emami

Jyoti Choudhury

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Undertaking of the Transferor Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company. The Transferor Company and the Transferee Company shall make relevant applications in that behalf and the Transferor Company and the Transferee Company shall co-operate with each other in respect of any such legal and other proceedings.

- (c) Upon coming into effect of this Scheme, all suits, claims, actions and/or proceedings by or against the Demerged Undertaking of the Transferor Company pending on or pertaining to the period prior to the Appointed Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising by or against the Transferee Company.
- (d) The Transferor Company shall not be held responsible or liable for any suits, claims, actions by or against the Demerged Undertaking of the Transferor Company after the scheme become effective.

6. OPERATIVE DATE OF THE SCHEME:

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

7. The Transferor Company and the Transferee Company shall co-operate with each other for smooth transfer of the Demerged Undertaking from the Transferor Company to the Transferee Company and any director(s) of the Transferor Company and any director(s) of the Transferee Company shall be empowered to give effect to the scheme in all aspects as may be necessary or expedient including settling any question or difficulties arising in relation to the Scheme in such manner as they deem fit to attain the objectives of this Scheme and their decision in this regard shall be final and binding. It is hereby agreed and clarified that whenever under this Scheme, the approval of the Transferor Company is required to be obtained, it shall be the approval of any one of the directors of the Transferor Company and whenever under this Scheme, the approval of the Transferee Company is required to be obtained, it shall be the approval of any one of the directors of the Transferee Company.

8. Transfer at Book Values

All the assets, properties and liabilities of the Demerged Undertaking shall be transferred to the Transferee Company at the values appearing in the books of the Transferor Company at the close/ending of the business on the day preceding to Appointed Date. Further, it will be in compliance of relevant provisions of the Income Tax Act, 1961 relating to Demerger. For this purpose, any change in value of assets or liabilities, consequent to their revaluation, if any, shall be ignored.

9. General Terms & Conditions FOR EMAMI CEMENT LIMITED

Subendra Babu
Company Secretary

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Jaygi Choudhury
Company Secretary

- (a) Where the Transferor Company is entitled to various benefits under incentive schemes and policies in relation to the Demerged Undertaking and pursuant to this Scheme it is declared that the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements, tax deductions, carried forward /or unutilised tax benefit, carried forward /or unutilised benefit, carried forward /or unutilised claims and incentives of any nature whatsoever, carried forward losses/ unabsorbed depreciation, tax credits including minimum alternate tax credit, including Income Tax deductions under Section 80IA, VAT Concession, sales tax concessions, tax rebates both direct & indirect and incentives, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and/or policies were made available to the Transferor Company.
- (b) Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations in relation to the Demerged Undertaking of the Transferor Company, shall stand transferred by the order of the Tribunal to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Tribunal.
- (c) Any and all transactions between the Transferor Company and the Transferee Company between the Appointed Date and Effective Date which have the effect of being consummated only upon the scheme coming into effect, shall accrue and will be given effect from the effective Date and any and all compliances including but not limited to the Act and Income Tax Act, 1961 with respect to such Transactions shall be applicable and undertaken from the Effective Date.

10. Conduct of Business till Effective Date

With effect from the Appointed Date and upto and including the Effective Date:

- (a) The Transferor Company shall carry on and be deemed to have carried on its business and activities relating to the Solar Power Division / Demerged Undertaking and shall stand possessed of all its assets and properties referred to above in trust for the Transferee Company and shall account for the same to the Transferee Company. The Transferor Company shall hold Demerged Undertaking with utmost prudence until the Effective Date.
- (b) All the income or profit accruing or arising to the Transferor Company and all costs, charges, expenses and losses or taxes (including but not limited to advance tax, tax deducted at source, Minimum Alternate Tax credit etc.) incurred by the Transferor Company relating to the Demerged Undertaking shall for all purposes be treated and be deemed to accrue as the income, profits, costs, charges, expenses, losses, taxes, Minimum Alternate Tax credit,

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benefit of brought forward losses or depreciation under the provisions of the Income Tax Act, 1961, GST credits etc as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.

- (c) The Transferor Company shall carry on its business activities relating to the Demerged Undertaking with reasonable diligence and business prudence. The Transferor Company except in the ordinary course of business shall not undertake any additional financial commitments, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its subsidiaries, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Demerged Undertaking except with the written consent of the Transferee Company.
- (d) Pending sanction of the Scheme, the Transferor Company and Transferee Company shall not make any change in its capital structure by any increase (by issue of equity shares on a rights basis, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner which may, in any way, affect the Share Entitlement Ratio, except by written mutual consent of the respective Boards of Directors of the Transferor Company and the Transferee Company or as may be expressly permitted under this Scheme or as may be required to give effect to the Scheme.
- (e) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the transferor company relating to the Solar Power Division / Demerged Undertaking shall be deemed to have been exercised relating to the Solar Power Division / Demerged Undertaking by the transferor company for and on behalf of and as agent for the transferee company. Similarly any of the obligations, duties and commitment attached, related or pertaining to the undertaking that have been undertaken or discharged by the transferor company shall be deemed to have been undertaken or discharged for and on behalf of and as agent of the transferee company.
- (f) The Transferor Company shall not vary the terms and conditions and employment of permanent employees of the Demerged Undertaking except in the ordinary course of business or with prior written approval of the Transferee Company.
- (g) The Transferor Company shall not, without prior written consent of the Transferee Company, take any major policy decisions in respect of management of the Demerged Undertaking except in the ordinary course of business.

11. ISSUE OF SHARES BY THE TRANSFEE COMPANY

- (a) Upon the Scheme becoming operative and the transfer and vesting of "Demerged Undertaking" taking place pursuant to applicable Clauses hereinabove, Transferee Company shall, without further application, issue and allot to the shareholders whose name appear in

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Abhishek Bhatia
Company Secretary

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Yogendra Choudhary
Company Secretary

the Register of Members of the transferor company on the record date in the following manner :

470 Equity Shares of Rs. 10/- each of Transferee Company, credited as fully paid up for every 10,000 Equity Shares of Rs. 10/- each fully paid up held by them in the existing share capital of Transferor Company.

- (b) All the Equity Shares to be issued and allotted to the Equity Shareholders of Transferor Company under clause hereinabove shall rank subject to Memorandum of Association and Articles of Association of the Transferee company paripassu in all respects with the existing Equity Shares of Transferee Company.
- (c) No fractional equity shares shall be issued or allotted to any Equity Shareholder of the Transferor Company. All fractional entitlements equal or more than 0.5 equity share to any Equity Shareholder of Transferor Company shall be rounded off to one equity share and all fractional entitlements to less than 0.5 equity share shall be ignored.
- (d) The Issue and allotment of the New Equity Shares 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 without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with.

12. Accounting Treatment

(A) Accounting treatment in the books of the Demerged/Transferor Company:

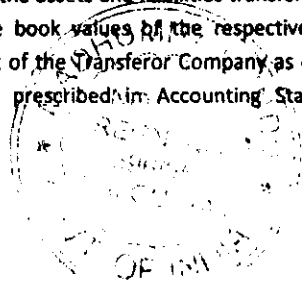
- 12.1 Upon scheme being effective, the respective book values of the assets and liabilities of the Demerged Undertaking shall be adjusted in the books of accounts of the Transferor Company in compliance with the applicable Accounting standards.
- 12.2 Upon the scheme being effective, the difference between the book value of assets and liabilities of the Demerged Undertaking, transferred pursuant to the Scheme shall be adjusted to the Securities Premium Account of the Transferor Company .

(B) Accounting treatment in the Books of the Resulting/Transferee Company:

- 12.3 Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Transferee Company shall record the assets and liabilities transferred to and vested in them pursuant to this Scheme, at the book values of the respective assets and liabilities as recorded in the books of account of the Transferor Company as on the Appointed Date as per the 'Purchase Method', as prescribed in Accounting Standard-14 issued by The

FOREIGN INVESTMENT LIMITED

Rebecca Barty
Company Secretary



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Gargi Choudhury
Company Secretary

Companies (Accounting Standards) Rules, 2006. The same shall be in compliance with the applicable Accounting standards.

- 12.4 The Transferee Company shall credit its Share Capital Account with the aggregate face value of the equity shares issued to the shareholders of Transferor Company pursuant to applicable Clause of this Scheme.
- 12.5 Inter-company balances and transactions between the Transferee Company and Demerged Undertaking of the Transferor Company, if any, will stand cancelled
- 12.6 The difference between the fair value and face value of shares issued pursuant to the scheme shall be credited to the securities premium account.
- 12.7 The fair value of shares issued by the Resulting Company pursuant to the scheme as reduced by the net assets (Gross assets less Gross liabilities) transferred pursuant to the Scheme to the resulting company, if surplus shall be debited to goodwill account. In case of deficit, the same shall be credited to Capital Reserve Account.

13 Remaining Undertakings

It is clarified that, the Remaining Undertaking of Demerged Company shall continue with Demerged Company as follows:

- (a) The Remaining Undertaking of Demerged Company and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be managed by Demerged Company.
- (b) All legal, taxation or other proceedings (whether civil or criminal including before any statutory or quasi-judicial authority or tribunal) against the Demerged Company under any statute, whether pending on the Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Undertaking of Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of Demerged Company in respect of the Remaining Undertaking of Demerged Company) shall be continued and enforced by or against Demerged Company.

14. Income Tax

This demerger scheme shall comply with conditions relating to "demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961, such that:

- (a) All the assets of the Demerged Undertaking being transferred by the Demerged Company, as on the Appointed Date shall become the properties of the Resulting Company by virtue of this Scheme;
- (b) All the liabilities relating to the Demerged Undertaking, as on the Appointed Date shall become the liabilities of the Resulting Company by virtue of this Scheme;

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OF MEMORANDUM OF ASSOCIATION

Abhishek Bantya
Company Secretary

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- (c) The assets and the liabilities relating to the Demerged Undertaking being transferred by the Demerged Company shall be transferred to the Resulting Company at values appearing in the books of account of the Demerged Company immediately before the Demerger;
- (d) The Resulting Company shall issue, in consideration of the Demerger, shares to the shareholders of the Demerged Company as per share entitlement ratio;
- (e) All shareholders in the Demerged Company will become the shareholders of the Resulting Company by virtue of the Demerger;
- (f) The transfer of the Demerged Undertaking shall be on a going concern basis.
- (g) The demerger is in accordance with the conditions notified under sub-section (5) of section 72A by the Central Government in this behalf. As on the appointed date such notification is yet to be issued.

If any terms or provisions of this 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 Income Tax Act, 1961 shall 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 and the Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme, Income Tax provisions, all accumulated tax losses, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, minimum alternate tax credit, the benefit of brought forward losses or depreciation as admissible under the provisions of the Income Tax Act, 1961, benefit available under section 80IA of Income Tax Act 1961, if any, of the Demerged Undertakings as on the Appointed Date, respectively shall, for all purposes, be treated as accumulated tax losses, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, minimum alternate tax credit and benefit available under section 80IA of Income Tax Act 1961 of the Transferee Company.

15. EMPLOYEES:

- (a) On the Scheme taking effect as aforesaid, all employees of the Transferor Company, engaged in or in relation to the Demerged Undertaking shall become the employee of the Transferee Company, without any interruption of service and on such terms and conditions, as are no less favourable than those on which they are currently engaged by Transferor Company.
- (b) With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, leave salary, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of Demerged Undertaking of the Transferor Company, the Transferee Company shall, upon this Scheme becoming

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Ashwini Bhatnagar

Company Secretary

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Jaygi Choudhury

Company Secretary

effective and with effect from the Appointed Date, stand substituted for the Transferor 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. The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other schemes or benefits created by Transferor Company for such employees of the Demerged Undertaking shall be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by Transferor Company.

- (c) The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the permanent employees engaged in or in relation to the Demerged Undertaking, the past services of such employees with Transferor Company shall also be taken into account and agrees and undertakes to pay the same as and when payable.

16. SAVING OF CONCLUDED TRANSACTIONS:-

The transfer of the Demerged Undertaking above and the continuance of proceedings by or against the Transferor Company pertaining to Demerged Undertaking or the Transferee Company above shall not affect any transaction or proceedings already concluded by the Transferor Company, in relation to the Demerged Undertaking on or after the Appointed Date till the Effective Date, if any, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by Transferor Company, in relation to the Demerged Undertaking in respect thereto as done and executed on their behalf.

17. TAX CREDIT/DUTIES/CESS ETC.

- (a) Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme, Income Tax provisions, all accumulated tax losses, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, minimum alternate tax credit, benefit of brought forward losses or depreciation under the provisions of the Income Tax Act, 1961, benefit available under section 80IA of Income Tax Act 1961, if any, of the Demerged Undertakings as on the Appointed Date, respectively shall, for all purposes, be treated as accumulated tax losses, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, minimum alternate tax credit and benefit available under section 80IA of Income Tax Act 1961 of the Transferee Company.
- (b) Upon the Scheme becoming effective, the Transferee Company shall be entitled to claim refunds or credits, including input tax credits, with respect to taxes paid by, for, or on behalf of, the Demerged Undertaking under applicable laws, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.

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FOR ENFORCEMENT UNDER SECTION 11

Atulendra Bantia

Company Secretary

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Jaggi Choudhary

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- (c) Upon the Scheme becoming effective, any TDS certificates issued by the Transferor Company to, or for the benefit of, the Demerged Undertaking under the Income Tax Act, 1961 with respect to the inter se transactions would be available to the Transferee Company to seek refund from the tax authorities. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Transferor Company pertaining to the Demerged Undertaking on transactions other than inter se transactions shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Transferee Company. Any TDS deducted by, or on behalf of, the Demerged Undertakings on inter se transactions will be treated as advance tax deposited by the Transferee Company.
- (d) The Transferee Company is also expressly permitted to claim refunds, credits, including restoration of input GST credit, tax deduction in respect of nullifying of any transaction between or amongst the Demerged Undertaking and the Transferee Company, wherever applicable in terms of the statutory provisions contained in the GST Law.
- (e) The obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company pertaining to the Demerged Undertaking under the Income Tax Act, 1961, GST laws, service tax laws, central sales tax, state value added tax or other applicable laws and/or regulations dealing with taxes, duties or levies shall be deemed to have been made and duly complied with on behalf of the Transferee Company.
- (f) Upon the Scheme becoming effective, the Transferee Company and/or Transferor Company as applicable, is also expressly permitted to revise its income-tax returns, withholding tax returns, GST returns, sales tax returns, excise & CENVAT returns, service tax returns, other tax returns, to obtain TDS certificates, including TDS certificates relating to transactions between or amongst the Demerged Undertaking and the Transferee Company /or Transferor Company as applicable, and to claim refunds, advance tax and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- (g) In accordance with the State and Central GST Rules framed under Central Goods and Service Tax Act, 2017 and West Bengal Goods and Service Tax Act, 2017, other states' Goods and Service Tax Act, 2017 as are prevalent on the Effective Date, the unutilised credits relating to GST paid on inputs/capital goods/input services lying in the accounts of the Demerged Company pertaining to the Demerged Undertaking shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilised credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilised tax credits against the GST payable by it. Without prejudice to the generality of the foregoing, all benefits, incentives, losses, credits (including without limitation income tax, tax on book profits, wealth tax, service tax, excise tax, custom duty and value added tax), to which the Demerged Undertaking of the Demerged Company is entitled to in terms of applicable law, shall be available to and vest in the Transferee Company.

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 OF BOARD RESOLUTION DATED 12/11/2017

Abhishek Rautya
 Company Secretary

Director
 For Transferee Company

Jyoti Shoukhring
 Company Secretary

- (h) For the period after the appointed date, all tax holiday including but not limited to benefit under any provision/section of the Income tax Act including its continuing benefit, incentives, exemption, concession, carbon credit and other benefit or privileges enjoyed by the transferor company in relation to the demerged undertaking granted by any Govt. body Regulatory Authority, Local Authority by any other person or law or availed of by the transferor company are concerned, the same shall without any further act or deed in so far as they relate to the demerged undertaking vest with and be available to the transferee company on the same terms and condition.

PART 4

18 Application to Tribunal

i) The Transferor Company and the Transferee Company shall file joint applications/petitions with all reasonable efforts to despatch, make and pursue applications to the Tribunal, for sanctioning this Scheme of Demerger under 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 read with relevant Rules for sanctioning and carrying this Scheme into effect.

ii) Upon this Scheme being agreed to be requisite majority of the members/creditors, if any, of the Transferor Company and the Transferee Company at such meetings, the Transferor Company and the Transferee Company shall file a joint application before the Tribunal for sanctioning the Scheme and for passing appropriate orders of transfer and vesting under Section 232 of the Act.

iii) The application and reduction of securities premium account shall be effected as an integral part of scheme and the same does not involve either diminution of liability in respect of unpaid Share Capital or payment to any shareholder of any paid-up Share Capital and the Order of the Tribunal sanctioning the Scheme shall be deemed to be an Order under Section 52, 66 and other applicable provisions of the Act confirming the reduction in the Share Premium Account of the Transferor Company without imposing a condition to add to its name the words, "and reduced".

19. Modifications / Amendments to the Scheme

19.1 The Transferor Company (by its Directors) and the Transferee Company (by its Directors)

- (a) may assent to any modification or amendment to the Scheme which the Tribunal and / or any other authorities under law may deem fit to direct or impose; and / or
- (b) may assent to any terms and / or conditions which the Tribunal and / or any other authorities under law may deem fit to direct or impose; and / or
- (c) may give such directions and / or may assent to any modification or amendment 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 the Scheme;
- (d) may do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme, and the aforesaid modifications, amendments and terms and

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Janji Chowdhury

conditions; and / or

- (e) may also in their full and absolute discretions, withdraw or abandon the Scheme at any stage of the proceedings.
- 19.2 For the purpose of giving effect to the Scheme after it is sanctioned by the Tribunal, the Directors of the Transferor Company and the Transferee Company are authorised to identify / allocate / apportion the assets and liabilities covered under the Scheme.
- 19.3 If any part or clause of this Scheme hereof is invalid, ruled illegal by any Tribunal, Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Parties that such part or clause, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part or clause shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme, including but not limited to such part or clause.
- 19.4 It is however clarified that any amendment or modification to this scheme after sanction thereof shall be made in accordance with the modification contained in Section 231 of the Act or any statutory modification thereof.

Scheme Conditional on Approvals / Sanctions

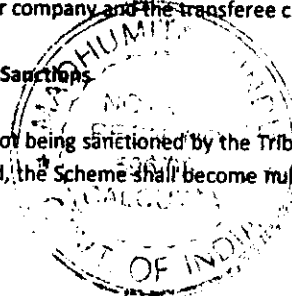
- 19.5 This Scheme is conditional and is subject to –
- (a) The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- (b) This Scheme being agreed to by the respective requisite majority of the various classes of members and creditors (where applicable) of the Transferor Company and the Transferee Company as required under the Act.
- (c) The sanction of the Tribunal under Sections 230 to 232 of Companies Act, 2013 read with Section 52 and other applicable provisions of the Act being obtained by the Demerged Company and the Transferee Company, as the case may be.
- (d) Such other sanctions and approvals as may be required by law and all necessary certified copies of the orders referred to in the Scheme being filed with the Registrar of Companies, West Bengal by the transferor company and the transferee company.

Effect of Non-Receipt of Approvals / Sanctions

- 19.6 In the event of the Scheme not being sanctioned by the Tribunal and/or the order or orders not being passed as aforesaid, the Scheme shall become null and void and in that event, no

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Debashis Baidya
Company Secretary



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Gargi Choudhury
Company Secretary

rights and liabilities shall, inter se, accrue between the parties in terms of the Scheme, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.

Expenses Connected with the Scheme

19.7 All costs, charges and expenses of the Companies in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme and incidental to the completion of this scheme shall be borne by the Transferee company.

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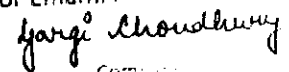


Company Secretary



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For Emami



Company Secretary