



Date: December 14, 2018

To,

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

Corporate Relationship Department
BSE Limited
P.J. Towers,
Dalal Street
Mumbai- 400 001

Scrip Code : NSE- DIAMONDYD BSE- 540724
ISIN : INE393P01035

Subject: Disclosure of Draft Scheme of Amalgamation of Pure N Sure Food Bites Private Limited (Transferor Company), wholly-owned subsidiary with Prataap Snacks Limited (Transferee Company), holding Company

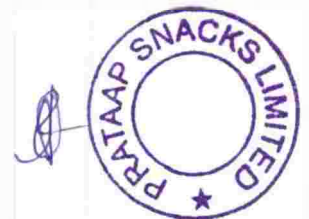
Reference: Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

This is with reference to our letter dated August 22, 2018 as an outcome of the Board Meeting held on August 22, 2018 wherein the Board of Directors, inter-alia, has approved the Scheme of Amalgamation (hereinafter referred to as "Scheme"), of **Pure N Sure Food Bites Private Limited** ("PSFBPL or Transferor Company), a wholly-owned subsidiary with **Prataap Snacks Limited** ("PSL or Transferee Company), holding Company and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013 and Rules made thereunder and other applicable provisions, if any.

Regulation 37(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that nothing contained in this regulation shall apply to draft schemes which solely provide for merger of a wholly owned subsidiary with its holding company. Provided that such draft schemes shall be filed with stock exchanges for purpose of disclosures.

Accordingly, pursuant to aforesaid Regulation 37(6) read with SEBI Notification No. SEBI/LAD/NRO/GN/2016-17/029 dated 15th February, 2017, SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3rd January, 2018, following documents are enclosed herewith:



Prataap Snacks Limited
(Formerly known as Prataap Snacks Pvt. Ltd.)

Office : Khasra No. 378/2, 378/1/4, Nemawar Road, Near Makrand House, Gram : Palda, Dist. : Indore (M.P.) India
Phone: ++91-731-2437600, 2437602-10 E-mail : info@yellowdiamond.in

CIN No. L15311MP2009PLC021746



- i) Certified True Copy of the Draft Scheme of Amalgamation.
- ii) Certified True Copy of the Resolution passed by the Board of Directors approving the Scheme of Amalgamation.

The appointed date for the Scheme of Amalgamation is fixed as April 1, 2019. Kindly take the above documents in your record. In case any further information / clarification is required, we would be glad to furnish the same. You may contact the undersigned on ompandey@yellowdiamond.in or complianceofficer@yellowdiamond.in or 0731-2439911.

Yours truly,
For Prataap Snacks Limited

Om Prakash Pandey
Company Secretary & Compliance Officer



Encl: (a) Certified True Copy of the Draft Scheme of Amalgamation
(b) Certified True Copy of the Board Resolution

Prataap Snacks Limited
(Formerly known as Prataap Snacks Pvt. Ltd.)

Office : Khasra No. 378/2, 378/1/4, Nemawar Road, Near Makrand House, Gram : Palda, Dist. : Indore (M.P.) India
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CIN No. L15311MP2009PLC021746

SCHEME OF AMALGAMATION

OF

PURE N SURE FOOD BITES PRIVATE LIMITED
(Transferor Company)

WITH

PRATAAPSNACKSLIMITED
(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(Under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013)

A. PREAMBLE

This scheme of Amalgamation provides for amalgamation of Pure N Sure Food Bites Private Limited (CIN: U15440MP2011PTC027377) (referred to as the "Transferor Company") with Prataap Snacks Limited (CIN: L15311MP2009PLC021746) (referred to as the "Transferee Company") pursuant to the provisions of section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with relevant rules.

B. INTRODUCTION

- a) **Pure N Sure Food Bites Private Limited** is a company incorporated under the Companies Act, 1956 having its Registered Office at Khasra No 378/2, Nemawar Road, Near Makrand House, Indore – 452020, Madhya Pradesh, India (hereinafter referred to as the "Transferor Company"). The Transferor Company was incorporated on 27th December, 2011 as Pure N Sure Food Bites Private Limited as private company.
- b) The Transferor Company is, inter alia, authorized to and is primarily engaged in the business of: (1) manufacture, producer, processors, stockiest of and dealers in processed foods, vegetables, fruits, including tinned vegetables and snacks prepared from any type of vegetable, fruits, cereals, wheat, rice and allied products including potato chips, potato wafers, potato fingers, puffs, various namkeens and to run cold storage for storage of vegetables, fruits, food products. (2) manufacturing & marketing of juices/beverages & non-fruit based beverages.
- c) The Transferor Company is a Wholly Owned Subsidiary of the Transferee Company.

Certified True Copy
For Prataap Snacks Limited

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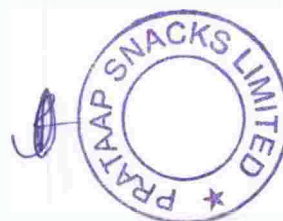
Om Prakash Handey
Om Prakash Handey
Company Secretary & Compliance Officer

- d) The Transferee Company and the Transferor Company shall hereinafter collectively referred to as the 'Companies'.
- e) **Prataap Snacks Limited** (CIN: L1531IMP2009PLC021746) is a public limited company incorporated under the Companies Act, 1956 having its Registered Office at Khasra No 378/2, Nemawar Road, Near Makrand House, Indore MP 452020 (hereinafter referred to as the "Transferee Company"). The Transferee Company was incorporated as private company on 23rd March, 2009 as Prataap Snacks Private Limited which was converted into public limited company on 19th September, 2016 vide certificate of Registrar of Companies, Gwalior as Prataap Snacks Limited. The equity shares of the Transferee Company are listed on National Stock Exchange of India limited and BSE Limited.
- f) The Transferee Company is, inter alia, authorized to and is primarily engaged in the business of manufacture, producer, processors, stockiest of and dealers in processed foods, vegetables, fruits, including tinned vegetables and snacks prepared from any type of vegetable, fruits, cereals, wheat, rice and allied products including potato chips, potato wafers, potato fingers puffs, various namkeens and to run cold storage for storage of vegetables, fruits, food products.
- g) The Proposed Scheme of Amalgamation provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

C. RATIONALE FOR THE SCHEME

The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme would enable both the Companies to realize benefits of greater synergies between their businesses and avail of the financial resources as well as the managerial, technical, distribution and marketing resources of each other in the interest of maximizing shareholder and stakeholder value as the Transferor Company and Transferee Company's business activities are similar and complement each other. The proposed amalgamation will be beneficial to the Companies in the following manner-

- i. The amalgamation will result in better integration and financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value, and will improve the competitive position of the combined entity, reduction in operational costs. The business of the Transferor Company can be carried on more economically.
- ii. The amalgamation would result in synergy benefits arising out of single value chain and greater sustainable operations of a value adding business line by manufacturing potato chips, wafers, sweet snacks and various types of namkeens with greater operational flexibility.
- iii. Synergy of operations will be achieved, resulting in optimization of the common facilities such as manpower, office space, administration etc. Other infrastructure could also be better utilized and duplication of facilities could be avoided resulting in optimum use of facilities and cost savings and thus achieving economies of scale



- iv. Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- v. The amalgamation would result better efficiency in cash management of the amalgamated entities and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholders value.
- vi. Better operational synergy in terms of procurement benefits, access to marketing networks/customers, different market segments and comfortable enhancement of opportunities, better credit rating and fund raising capabilities, resulting in cost efficiency coupled with greater financial flexibility.
- vii. The amalgamation will result the advantages of the combined assets, resources and complementary strengths for future expansion and growth of the business of the Transferee Company.

D. It is proposed that the Transferor Company be merged with the Transferee Company followed by dissolution without winding up of the Transferor Company.

E. Upon the sanction of the Scheme by the NCLT (defined hereinafter) the scheme shall become effective on the effective date (defined hereinafter) and the Transferor Company shall stand transferred to, and be vested in the Transferee Company on and from the Appointed date (defined hereinafter) for all intent and purposes.

F. The amalgamation of the Transferor Company with the Transferee Company in accordance with this scheme will be in compliance with the provisions of section 2(1B) of the Income Tax Act, 1961, such that-

- (i) All the property of the Transferor Company, immediately before the amalgamation, shall become the property of the Transferee Company by virtue of this amalgamation.
- (ii) All the liabilities of the Transferor Company, immediately before the amalgamation, shall become the property of the Transferee Company by virtue of this amalgamation.

Since the Transferee Company is the sole shareholder of the Transferor Company, the shares of the Transferee Company in the Transferor Company will stand cancelled as a result of the amalgamation.

G. The Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under section 2(1B) of the Income Tax Act, 1961 (including all amendments).

H. Parts of the Scheme:

This Scheme of Amalgamation is divided into the following parts:



- a) Introduction;
- b) Part I contains the definitions and interpretation;
- c) Part II deals with the share capital of the Transferee Company and the Transferor Company;
- d) Part III deals with the amalgamation of the Companies;
- e) Part IV deals with matters relating to accounts;
- f) Part V deals with the treatment of the Scheme for the purpose of the Income Tax Act, 1961;
- g) Part VI deals with the dissolution of the Transferor Company;
- h) Part VII deals with the general terms and conditions that would be applicable to the Scheme; and
- i) Part VIII deals with residual provisions.

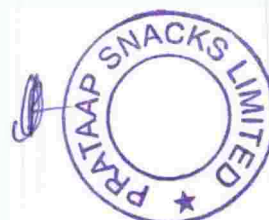
The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

PART I DEFINITIONS

1. DEFINITIONS

1.1 In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- a) "**Act**" means the Companies Act, 2013 , the rules and regulations made thereunder and will include any statutory re-enactment or amendment(s) thereto, from time to time;
- b) "**Appointed Date**" means **1st April 2019** or such other date as may be determined by the Transferor Company and the Board of Directors of the Transferee Company or as may be specified by the Hon'ble National Company Law Tribunal.
- c) "**Board of Directors**" or "**Board**" in relation to the Transferor Company and/or the Transferee Company, as the case may be, means the Board of Directors of such Company and shall include a committee duly constituted and authorized for the purposes of matters pertaining to this amalgamation Scheme and/or any other matter related thereto.
- d) "**Clause**" Means a clause in this Scheme.
- e) "**Effective Date**" means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Company by the Transferor Company and by the Transferee Company. Any references in this

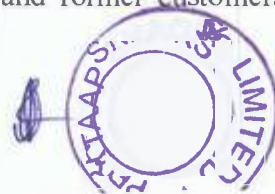


Scheme to the date of "**coming into effect of this Scheme**" or "**effectiveness of this Scheme**" or "**Scheme taking effect**" shall mean the Effective Date;

- f) "**Employees**" mean all permanent employees, if any, of the Transferor Company as on the Effective Date.
- g) "**Encumbrances**" means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "Encumbered" shall be construed accordingly.
- h) "**Governmental Authority**" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India including but not limited to Securities and Exchange of India, Stock Exchanges, Registrar of Companies, competition Commission of India, National Company Law Tribunal (to be constituted under Company Act, 2013), and the NCLT;
- i) "**NCLT** " means the National Company Law Tribunal, Ahmedabad Bench having jurisdiction in relation to the Transferee Company and the Transferor Company;
- j) "**Registrar of Companies**" means the Registrar of Companies, Gwalior (Madhya Pradesh).
- k) "**Scheme**" means this Scheme of Amalgamation in its present form, between the Transferor Company and the Transferee Company and their respective shareholders and creditors, as submitted to the NCLT together with any modification(s) approved or directed by the NCLT Ahmedabad Bench;
- l) "**SEBI**" means Securities and Exchange Board of India.
- m) "**Stock Exchanges**" means BSE Limited and National Stock Exchange of India Limited where the shares of Transferee Company are listed;
- n) "**Transferor Company**" means Pure N Sure Food Bites Private Limited (CIN: U15440MP2011PTC027377) (hereinafter referred to as "PSFBPL" or the "Transferor Company") a private limited company incorporated under the Companies Act, 1956 having its Registered Office at Khasra No 378/2, Nemawar Road, Near Makrand House, Indore – 452020, Madhya Pradesh, India;
- o) "**Transferee Company**" means Prataap Snacks Limited (L15311MP2009PLC021746) (hereinafter referred to as "PSL" or the "Transferee Company") a listed public limited company incorporated under the Companies Act, 1956 having its Registered Office at Khasra No 378/2, Nemawar Road, Near Makrand House, Indore 452020, Madhya Pradesh, India;
- p) "**Undertaking**" means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):



- i. any and all the assets and properties including fixed assets (whether movable or immovable, tangible or intangible, freehold or leasehold, future or contingent, real or personal, corporeal or incorporeal, in possession or in reversion, present or contingent of whatsoever nature and wherever situate) including lease, tenancy and agency rights, continuing rights, developmental rights and all interests, powers, charges, privileges, benefits, entitlements and rights in or arising out of such properties, all intellectual property rights, software licenses, computer programs, investments and current assets of the Transferor Company, in each case, wherever situate;
- ii. any and all approvals, allotments, consents, exemptions, registrations, no-objection certificates, trademarks, trade names, service marks, copyrights, domain names, service marks, permits, quotas, rights, entitlements, licenses, bids, tenders, letter of intent, expressions of interest, permissions, authorisations, applications made for obtaining all or any of the aforesaid, privileges and benefits of/arising out of all contracts, agreements applications, arrangements and all arrangements and other instruments of any nature of the rights including lease rights, registration powers, power of attorney and facilities of every kind and description whatsoever, equipment and installations and utilities such as electricity, water and other service connections, all benefits including subsidies, grants, incentives, tax credits (including but not limited to credits in respect of CENVAT, income tax, minimum alternate tax, goods and services tax (GST), value added tax, sales tax, entry tax, service tax and all other taxes, tax refunds) and all rights, claims and powers of whatsoever nature, pertaining to the Transferor Company;
- iii. all benefits and obligations under the contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of any nature of the Transferor Company;
- iv. all the debts, borrowings, liabilities (including contingent liabilities), duties, responsibilities and obligations of every kind, nature and description of the Transferor Company;
- v. all employees engaged in or relating to the Transferor Company's business activities and operations at their current terms and conditions, employee benefits and balances with all regulatory authorities;
- vi. all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of the Transferor Company;
- vii. any and all investments (including shares and other securities), cash and bank balances, income by whatever name called, loans and advances by whatever name called and of whatever nature, including accrued interest thereon;
- viii. all Insurance Policies
- ix. all books, record, files, papers, computer programs, websites, domain names, process information and drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and supplies,



other customer information, and other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company.

- 1.2 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the meaning hereof, have the same meaning as prescribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other applicable laws, rules, regulations, by-laws, as the case may be, including any statutory modifications or re-enactment thereof, from time to time.
- 1.3 References to Clauses and recitals, unless otherwise provided, are to Clauses and recitals to the Scheme.
- 1.4 The headings herein shall not affect the construction of this Scheme.
- 1.5 The singular shall include the plural and vice versa and references to one gender include all genders.
- 1.6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 References to a person includes any individual, firm, body corporate (whether incorporated or not), Government Authority, or any joint venture, association, partnership, works council or employees representatives body (whether or not having separate legal personality).

PART II: SHARE CAPITAL

2. Share Capital of the Companies

2.1. Transferor Company:

The share capital of the Transferor Company, as on the date of the meeting of the Board of Directors of the Transferor Company for considering and approving this Scheme, i.e. as on 22nd August, 2018, is as under:

Particulars	Amount in Rs.
Authorised Share Capital:	
10,00,000 Equity Shares of Rs. 10/- each	1,00,00,000
Issued, Subscribed and Paid up Share Capital:	
9,29,908 equity shares of Rs. 10/- each	92,99,080

Subsequent to the above date there is no change in the Capital Structure of Transferor Company. Transferor Company is 100% subsidiary of Transferee



Company. Entire Paid up equity share capital of the Transferor Company is held by the Transferee Company and its nominee.

2.2. Transferee Company:

The share capital of the Transferor Company, as on the date of the meeting of the Board of Directors of the Transferor Company for considering and approving this Scheme, i.e. as on 22nd August, 2018, is as under:

Particulars	Amount in Rs.
Authorised Share Capital:	
3,00,00,000 Equity Shares of Rs. 5/- each	15,00,00,000
Issued, Subscribed and Paid up Share Capital:	
2,34,53,036 Equity shares of Rs. 5/- each	11,72,65,180

Subsequent to the above date there is no change in the Capital Structure of Transferee Company.

The equity shares of Transferee Company are, at present, listed on National Stock Exchange of India Limited and BSE Limited.

PART III: AMALGAMATION

Section A- Transfer

- 3 Upon this Scheme becoming effective and with effect from the Appointed Date, the undertaking of the Transferor Company shall, pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in the Transferee Company, as a going concern in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company, by virtue of and in the manner provided in this Scheme.
- 4 Without prejudice to the generality of the above, with effect from the Appointed Date and upon the Scheme becoming effective

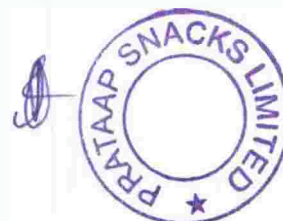
4.1 Transfer of Properties

- a) All assets and properties of the Transferor Company, as are movable in nature (including shares, securities, stocks, bonds) or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred by the Transferor Company upon the coming into effect of the Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 230-232 of the Act and all other applicable provisions of applicable law, if any, without requiring any deed or instrument of conveyance, cost or charge and without any notice or other



intimation to any third party for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/ or financial institutions, if any. The vesting pursuant this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

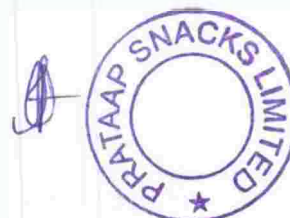
- b) All movable properties of the Transferor Company, other than those referred to in sub-Clause (a) above) including sundry debtors, receivables, bills, credits (including tax credits), loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, earnest money and deposits with any Government, quasi government, local or other authority or body or with any Company or other person, the same shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of applicable law, if any.
- c) All immovable properties (including land, together with buildings and structures standing thereon) and rights and interests thereon of the Transferor Company, whether freehold or leasehold or otherwise, all tenancies and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferor Company Transferee Company, without any further act or deed done by the Transferor Company. The Transferee Company shall be entitled to and shall exercise all rights and privileges attached thereto and shall be liable to pay the ground rent, taxes and fulfill all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/ permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with applicable laws. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT in accordance with the terms thereof.
- d) All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company.
- e) All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date.



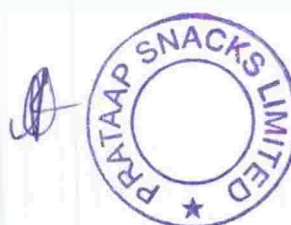
- f) All the licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax, deferrals, exemptions and benefits (including GST, sales tax and service tax), subsidies, tenancy rights, liberties, special status, bids, tenders and other instruments, benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, income tax benefits and exemptions, all other rights, exemptions and benefits including those acquired by the Transferor Company on or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, on coming into effect of the Scheme and with effect from Appointed Date, be and stand transferred to and vest in and/ or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including GST, sales tax and service tax), subsidies, liberties, special status, bids, tenders and other instruments, benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- g) All the rights, remedies, claims and rights of action of the Transferor Company against third parties shall, pursuant to Sections 230 to 232 of the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, be and deemed to be rights, remedies, claims and rights of action of the Transferee Company upon the Coming into effect of the Scheme and with effect from the Appointed Date.

4.2 Transfer of Liabilities

- a) All debts and liabilities of the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities, deferred tax liabilities and obligations under any licenses or permits or Schemes), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, raised or incurred or utilised for its business activities and operations along with any charge, Encumbrance, lien or security thereon (herein referred to as the "Liabilities"), whether or not recorded in its books and records, shall under the provisions of Sections 230 to 232 of the Act and other applicable provisions of applicable law, if any, without any further act, instrument, deed, matter or thing, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date (or in case of any Liability incurred on a date after the Appointed Date, with effect from such date) the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

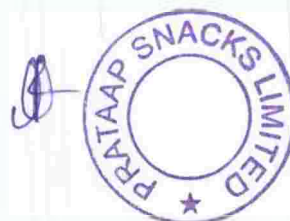


- b) All liabilities incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- c) Where any Liabilities of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- d) All Liabilities incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed, cost or charge and without any notices or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, which shall meet, discharge and satisfy the same.
- e) All loans, advances and other obligations (including any guarantees, letter of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability, including a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.
- f) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- g) The Transferee Company shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of this Scheme. It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- h) The provisions of this Clause shall operate notwithstanding anything to the Contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document. All such instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.



4.3 Encumbrances

- a) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company as stated above shall be subject to the Encumbrances, if any, affecting the same.
- b) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the Liabilities, including the NCDS, shall after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate to attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- c) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of the Scheme.
- d) Any reference in any security documents or arrangements (to which the Transferor Company are a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Company to give formal effect to the above provisions, if required.
- e) Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.
- f) It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- g) The provisions of this Clause shall operate in accordance with the terms of the Scheme, 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 be deemed to stand modified and/or superseded by the foregoing provisions.

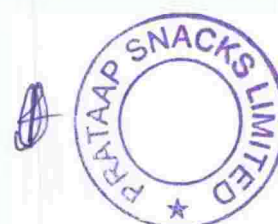


4.4 Contracts, deeds etc.

- a) All contracts, deeds, bonds, agreements, schemes, arrangements, letters of agreed points, undertakings whether written or otherwise, lease rights, insurance policies and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible for, and which are subsisting or have effect immediately before the Effective Date, shall under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferor Company had been a party or beneficiary or oblige thereto or thereunder.
- b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the 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 arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- c) For the avoidance of doubt and without prejudice to the generality of the foregoing, all Consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to, or executed in favour of the Transferor Company shall stand transferred to the Transferee Company 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 thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

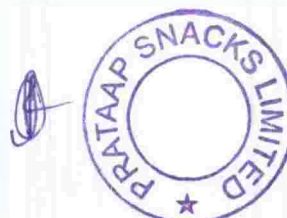
4.5 Licenses and Approvals

- a) All permits, quotas, rights, entitlements, licenses, insurance cover of every, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, and other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements advantages and benefits, approvals, filings, dossiers, copyrights, industrial designs, trade secrets, know-how, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, brand names, trade names and domain names, and all other interests in connection with or relating to and product registrations, applications and authorisations for product registrations, and all other interests exclusively relating to the goods or services description including those relating to trademarks, patents, copyrights, privileges, powers, facilities, letter of allotments including applications for permits, quotas, rights, entitlements, allotments, licenses, lease, tenancy including those



relating to trademarks, tenancies, patents, copyrights, privileges, power, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, 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 be and remain in full force and effect in favour of or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto and the same shall be appropriately granted/ mutated/ recorded by the statutory authorities concerned therewith in favour of the Transferee Company as the case may be, upon the vesting and transfer of the assets and liabilities of the Transferor Company in the Transferee Company pursuant to this Scheme.

- b) Any statutory licenses (including certification marks license issued by Bureau of Indian Standards, if any), licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, recognitions and registrations granted by the Food Safety and Standards Authority of India (FSSAI), no objection certificates, permissions, consents, approvals, allotment or linkages required to be obtained or obtained or any applications made for the same by the Transferor Company, as the case may be, shall stand vested in or be transferred to the Transferee Company without any further act or deed, and shall be appropriately granted/ mutated/ recorded by the statutory authorities concerned therewith in favour of the Transferee Company upon the vesting and transfer of the assets and liabilities of the Transferor Company in the Transferee Company pursuant to this Scheme. All applications made by the Transferor Company for obtaining any consent, permission, license or approval, allotment or linkages including applications for grant of transfer of lease shall stand transferred to and vest in the Transferee Company as if the Transferee Company was the applicant and the Transferee Company shall be entitled to all the rights, benefits and obligations arising therefrom.
- c) All the benefits under the various incentive Schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sale tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, 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 incentives Schemes and or policies.
- d) The work experience, qualifications, capabilities, legacies and track record with government, non-government agencies, Governmental Authorities, bodies, contracts with clients and vendors (including technical parameters, past performance, track record, financial etc.) of the Transferor Company acquired by reason of completion of any project or manufacturing and supplying the products thereof to various authorities, agencies and clients prior to the Effective Date shall be taken into account and treated and recognised as the experience, track record, credentials, etc. of the Transferee Company, including for the purpose of eligibility, standing, evaluation and participation



of the Transferee Company in all existing and future bids, tenders and contracts of such authorities, agencies and clients.

- e) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of the Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- f) Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, shall stand vested by the order of sanction of the NCLT in the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authority who shall take them on file, pursuant to the vesting orders of the sanctioning authorities.

4.6. Legal, taxation and other proceedings

- a) Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Madhya Pradesh Value Added Tax Act, 2002, Central Sales Tax Act, 1956, Goods and Services Tax Act, 2017 any other state Sales Tax / Value Added Tax laws, service tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company
- b) All taxes (including, without limitation, income tax, wealth tax, GST, sales tax, excise duty, customs duty, service tax, value added tax etc.) paid or payable by the Transferor Company in respect of the operations and/ or Profits of the Transferor Company before the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to any other tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, sales tax, GST, excise duty, customs duty, service tax, value added tax etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall in all proceedings be dealt with accordingly.
- c) Any refund under the tax laws due to the Transferor company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- d) The Transferee Company shall be entitled to revise and file income tax returns, GST/sales tax/ value added tax returns, TDS certificates, TDS returns, service tax returns and other returns, and to claim refunds/ credits, advance tax credits, credit of tax



under Section 115JB of the Income Tax Act, 1961, credit of tax deducted at source etc. pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits, including but not limited to, minimum alternate tax paid under Section 115JA/ 115JB of the Income Tax Act,1961 and the right to claim credit in accordance with section 115JAA of the Income Tax Act,1961, including the benefit of brought forward losses or depreciation as admissible under the provisions of the Income Tax Act,1961 to the extent applicable, of the Transferor Company from the taxable profits of the Transferee Company with effect from the Appointed Date. Further, all existing and future benefits/ claim/ relief under the provisions of Income Tax Act shall be available to the Transferee Company in the same manner and to the same extent as those were available otherwise to the Transferor Company upon fulfillment of prescribed conditions. The Transferee Company shall continue to enjoy the tax benefits and concessions provided to the Transferor Company by the concerned authorities.

- e) Any refund/ credit/ claim benefits/ incentives under any tax law due to the Transferor Company (including but not limited to advance tax, self- assessment tax, regular assessment tax, service tax, GST, CENVAT, minimum alternative tax, Value added tax, central sales tax industrial incentive provided by the MP Trade and Investment Facilitation Corporation Ltd. ("MPTRIFAC") etc.) shall belong to and be received by the Transferee Company. Without prejudice to the generality of the aforesaid provision, all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, in relation to their operations, (specifically but not limited to, the industrial incentive provided by the MP Trade and Investment Facilitation Corporation Ltd. ("MPTRIFAC"), GST, value added tax and central sales tax incentives granted to the Transferor Company in the state of Madhya Pradesh) shall upon the scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, including minimum alternate tax credit entitlement, 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 incentives scheme and/ or policies.
- f) Any pending suit/appeal or other proceedings of whatever nature relating to the Transferor Company, whether by or against the Transferor Company, shall not abate, be discontinued or in any way prejudicially be affected by reason of the amalgamation of the Transferor Company or because of the provision contained in the Scheme. The proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as they would have been continued, prosecuted and/ or enforced by or against the Transferor Company, if this Scheme had not been made. The Transferor Company shall pursue such pending proceedings in trust for the benefit of the Transferee Company from the Appointed Date till the Effective Date.

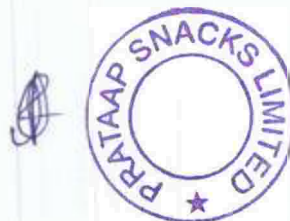
4.7 Employees and Directors

- a) All employees of the Transferor Company, if any, without any further act, instrument, deed, cost, or charge and without any notice or other intimation to any third party for their transfer, shall become the employees of the Transferee Company on terms and



conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.

- b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company unless otherwise determined by the Transferee Company.
- c) The provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created or existing for the benefit of workmen, staff, employees or to which the Transferor Company is contributing for the benefit of the Employees and other such funds, trusts, the benefits of which the Employees enjoy (collectively referred to as the "Funds"), all the contributions made to such Funds for the benefits of the Employees and the accretions thereto and the investments made by the Funds in relation to the Employees shall be transferred to and shall get consolidated with the corresponding funds subject to compliances of all regulatory/ legal requirements/approvals under any applicable law. The Transferee Company shall have the obligation to make contributions to the abovementioned fund or funds in accordance with the provisions thereof as per the terms provided in the trust deed, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds. From the date of acceptance of the Scheme by the Board of Directors of the respective Companies, the Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.
- d) The Transferee Company shall continue to abide by any agreement(s)/ settlement(s) entered into with any union / representatives of the employees. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account and agrees and undertaken to pay the same as and when payable.
- e) In relation to those Employees who are not covered under the provident fund trust of the Transferor Company or who do not enjoy the benefit of any other provident fund trust, and for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company in relation to such provident fund trust shall become those of the Transferee Company.



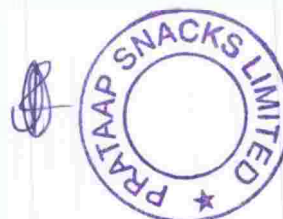
- f) The directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of a person who is already a director in the Transferee Company as of the Effective Date.
- 5 a) Without prejudice to the provisions aforesaid, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.
- b) From the Effective Date, the Transferee Company shall commence, carry on and be authorized to carry on the business of the Transferor Company.

6 SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

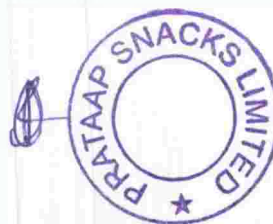
Section B – Conduct of Business

- 7 Upon the coming into effect of the Scheme, with effect from Appointed Date and up to and including the Effective Date:
- a) The Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for, and on account of, and in trust for, the Transferee Company.
- b) All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company.
- c) Any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferee Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company.
- d) All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue



to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company.

- e) All assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not provided in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company.
 - f) All taxes (including, without limitation, income tax, wealth tax, GST, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, GST, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
 - g) Any refund under any tax laws due to the Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company. The Transferee Company is expressly permitted to revise and file income tax returns, GST/sales tax / value added tax returns, service tax returns and other tax returns, and to claim refunds/ credits pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits including but not limited to minimum alternate tax paid under section 115JA/115JB of the Income Tax Act, 1961, and the right to claim credit therefore in accordance with the provisions of Section 115JAA of the Income Tax Act, 1961, including the benefit of brought forward losses or depreciation as admissible under the provisions of the Income Tax Act, 1961, including Section 72A, to the extent applicable to the taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy the tax benefits/ concessions provided to the Transferor Company through notifications, circulars etc. issued by the concerned Government Authorities.
- 8 The transfer and vesting of the assets, liabilities and obligations of the Transferor Company and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and /or on behalf of the Transferor Company as acts, deeds and things made, done and executed by and on behalf of the Transferee Company.



Section C- Cancellation of shares of the Transferor Company

- 9 Upon the Scheme coming into effect all the shares of the Transferor Company held by the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or no payment/consideration shall be made whatsoever by the Transferee Company in lieu of cancellation of such shares of the Transferor Company.

PART IV ACCOUNTING TREATMENTS AND DIVIDENDS

- 10 Upon the coming into effect of this Scheme, the Transferee Company shall account for the amalgamation/merger as per appendix C of Indian Accounting Standard (IND AS) 103 – “Business Combinations” notified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other applicable accounting standards prescribed under the Act.

11 DECLARATION OF DIVIDEND

- a. During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend without the prior written consent of the Board of Directors of the Transferee Company.
- b. For the avoidance of doubt, it is hereby declared that nothing in the Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the Record Date for the purpose of dividend and the shareholders of the Transferor Company shall not be entitled to dividend, if any, declared by the Transferee Company prior to the Effective Date.

12 COMBINATION OF AUTHORISED CAPITAL

- 12.1 Upon sanction of this Scheme, the authorized share capital of the Transferor Company shall automatically get merged with that of the Transferee Company without payment of any additional fees and duties as the said fees have already been paid. The authorized share capital of the Transferee Company shall automatically stand increased by simply filing the requisite forms with the appropriate authority and compliances of other procedural requirements and no separate procedure or further resolution under section 61 and other applicable provisions and Rules of the Act or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.



12.2 Consequently, Clause V of the Memorandum of Association of the Transferee Company shall without any further act, instrument or deed be and stand altered, modified and substituted pursuant to sections 13, 14 and 61 read with section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act, as set out below.

12.3 The clause V of the Memorandum of Association of the Transferee Company stands amended as follows-

“V. The Authorised Share Capital of the Company is Rs. 16,00,00,000/- (Rupees Sixteen Crore Only) divided into 3,20,00,000 (Three Crore Twenty Lakhs) equity shares of Rs. 5/- (Rupees Five Only) each.”

12.4 For removal of doubt, it is clarified that the approval of the Scheme by the shareholders of the Transferee Company under section 230 to 232 or under other relevant provisions of the Act shall be deemed to be the approval under sections 13, 14, 61 and 64 of the Companies Act, 2013 and other applicable provisions of the Act and the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

13 POWER TO GIVE EFFECT TO THIS PART

13.1 The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

13.2 Upon coming into effect of the Scheme, the Transferee Company and/or the Transferor Company shall, with reasonable dispatch apply for transition of all licenses and statutory registrations of the Transferee Company including but not limited to manufacturing licenses, product permissions, certificates, market authorizations, filings, dossiers (including experience and pre-qualification submissions), industrial licenses, municipal permissions, approvals, consent, permits, quotas, registration with FSSAI, incentives and subsidies. The period between the Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as “Transitory Period”.

13.3 During the Transition Period the Transferee Company, may procure or use or manufacture or sale, all materials and products under the respective country registrations including the packing material, art work, label goods, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, publicity materials in the name and form/format of the Transferor Company under any license and/or statutory registration, if any, while conducting the business of the



Undertaking, with a view to avoid any disruption of business, to ensure continuity of operations and uninterrupted supply.

**PART V
TREATMENT OF SCHEME FOR THE PURPOSE OF
THE INCOME TAX ACT, 1961**

- 14 This Scheme has been drawn up to comply and come within the definition and conditions relating to “amalgamation“ Section 2(1B) of the Income tax Act, 1961. If any term(s) or provision(s) of the scheme are found or interpreted to be inconsistent with the provisions of the said sections of the Income Tax Act, 1961, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the scheme shall stand modified / amended to the extent determined necessary to comply and come within the definition and conditions relating to “amalgamation“ as specified in the Income tax Act, 1961. In such an event, where the Clauses which are inconsistent are modified or deemed to be deleted, such modification / deemed deletion shall, however, not affect other parts of the Scheme.

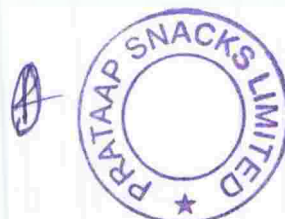
**PART VI
DISSOLUTION OF THE TRANSFEROR COMPANY**

- 15 Upon the Scheme coming into effect, with effect from the Appointed Date, the Transferor Company shall stand dissolved without being wound up or any without any further act by the parties.
- 16 The Transferor Company shall be struck off from the records of the concerned Registrar of Companies upon effectiveness of this Scheme.

**PART – VII
GENERAL TERMS AND CONDITIONS**

17 APPLICATIONS

The Transferee Company and the Transferor Company shall jointly and with all reasonable dispatch make all applications/petition/affidavits etc. under Sections 230 and 232 of the Act or such applicable provisions of the Companies Act, 2013 to the National Company Law Tribunal (NCLT) for directions to convene and/or dispense with all or any of the meetings and other directions and for the sanctioning of the Scheme and to other authorities and bodies for obtaining their approvals, no objections, Consents etc., as may be required, under any law, agreement or otherwise. Further, the Companies shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.



18 COMPLIANCE WITH SEBI REGULATIONS

- 18.1** Shares of the Transferee Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). However, since the present Scheme solely provides for amalgamation of a Wholly-Owned Subsidiary with its holding company, no formal approval, NOC or vetting is required from BSE, NSE or SEBI for the Scheme, in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2017 dated 15th February, 2017, SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3rd January, 2018 and other applicable law, if any.
- 18.2** In terms of the SEBI Regulations, the present Scheme of Amalgamation is only required to be filed with BSE and NSE (the Stock Exchanges where the equity shares of the Transferee Company are listed) for the purpose of disclosure and dissemination on their website. The present Scheme of Amalgamation is to be filed accordingly.
- 18.3** The Transferee Company will comply with the provisions of the SEBI Laws, circulars, if applicable, in connection with the Scheme and other concerned matters.

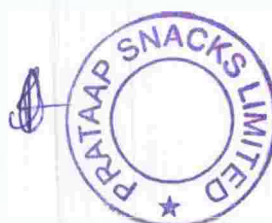
19 TERMS AND CONDITIONS

The Scheme is conditional upon and is subject to:

- 19.1** the Transferee Company filing the Scheme with the Stock Exchanges for the purpose of disclosure as required in terms of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2017 dated 15th February, 2017, SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3rd January, 2018;
- 19.2** the approval of the respective requisite majority of the equity shareholders (wherever applicable) and/or creditors (wherever applicable) of the Transferor Company and the Transferee Company in accordance with Sections 230 to 232 of the Act;
- 19.3** the Scheme being sanctioned by the NCLT and the requisite certified copies of the order of the NCLT sanctioning this scheme being filed with the Registrar of Companies, Gwalior, Madhya Pradesh;
- 19.4** such other approvals and sanctions from any other Governmental Authority or contracting party as may be required by any applicable law or any contract in respect of the Scheme being carried out; and
- 19.5** on this Scheme becoming effective, the members of the Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained by the NCLT for sanction of this Scheme.

20 EFFECT OF NON-RECEIPT OF APPROVALS

In the event that the Scheme is not sanctioned by the NCLT or in the event any of the



consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, then the Board of Directors of the Transferor Company and Transferee Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall stand revoked, cancelled and be of no effect, 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, unless otherwise mutually agreed.

21 MODIFICATIONS OR AMENDMENTS TO THE SCHEME

21.1 The Companies (acting through their respective Boards or Committees or such other person or persons, as the respective Board of Directors may authorize/delegate) may, in their full and absolute discretion, jointly and as mutually agreed in writing:

- a) assent to any modifications or amendments to this Scheme, as may be mutually agreed and which the NCLT and/or any other authorities may deem fit to direct or impose, and/or effect any other modification or amendment, and to do all acts, deeds and things which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out this Scheme;
- b) take such steps and do all such acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and give such directions (acting jointly) as to resolve any doubts, difficulties or questions, arising under this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any relevant person) whether by reason of any order(s) of the NCLT or of any direction or orders of any other Governmental Authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith, or to review the position relating to the satisfaction of the various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under the law) and the decision so taken by them with mutual agreement, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme;
- c) modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time and no further approval of shareholders or the creditors of any of the two companies shall be necessary for giving effect to the provisions contained in this clause; and
- d) determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Company or not, on the basis of any evidence that they may deem relevant for this purpose.

22 In the event of any inconsistency between any of the terms and conditions of any



earlier arrangement between the Companies and their respective shareholders and the terms and conditions of this scheme, the later shall prevail.

- 23 If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme, and the scheme shall not be affected thereby, unless the deletion of such part shall cause this scheme to become materially adverse to either of the Companies, in which case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme.

PART VIII: RESIDUAL PROVISIONS

24 COST, CHARGES AND EXPENSES

All costs, charges and expenses (including but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of/ payable by the Transferor Company and the Transferee Company in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of the Scheme shall be borne and paid by the Transferee Company.

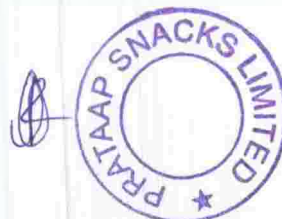
25 VALIDITY OF EXISTING RESOLUTIONS

Upon the scheme coming into effect, from the Appointed Date, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company, if any such resolutions have any monetary limits approved as per the provisions of the Act, or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

- 26 Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

- 27 The Transferee Company shall be entitled, pending the sanction of the scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.

- 28 The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms thereof, in favour of the Transferee Company.



- 29 The Transferee Company shall, 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, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized 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.
- 30 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Transferor Company and /or the Transferee Company shall, if required, simultaneously with the amendment in the register of charges and file particulars of the modified charge with the concerned Registrar of Companies and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Transferor Company.
- 31 The provisions contained in this Scheme are inextricably inter-linked and the Scheme constitutes an integral whole, the scheme would be given effect to only if it is approved on its entirety unless specifically agreed otherwise by the respective Board of Directors of the Transferor Company and the Transferee Company or any committee constituted by such Boards.
- 32 If any part of this Scheme is not approved or found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company, the Transferee Company and their respective Boards, affect the validity or implementation of the other parts and /or provisions of this Scheme.

Transferee Company
For Prataap Snacks Limited

Transferor Company
For Pure N Sure Food Bites Pvt. Ltd.

Amit Kumat
Managing Director & Chief Executive Officer
DIN : 02663687

Apoorva Kumat
Director
DIN : 02630764

Certified True Copy
For Prataap Snacks Limited

Om Prakash Pandey
Om Prakash Pandey
Company Secretary & Compliance Officer



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE Q2-2018-2019- 2ND MEETING OF THE BOARD OF DIRECTORS (THE "BOARD") OF PRATAAP SNACKS LIMITED (THE "COMPANY") HELD ON WEDNESDAY, 22ND DAY OF AUGUST, 2018 AT ARIA TOWERS, 3RD FLOOR, UNIT 3B, JW MARRIOTT, ASSET AREA, NEW DELHI-4, INDIA

Approval of Scheme of amalgamation of Pure N Sure Food Bites Private Limited, Wholly Owned Subsidiary with the Company

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other related/applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules, Circulars and notifications made thereunder (including any statutory modification or re-enactments thereof for the time being in force) and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, NCLT Rules as may be applicable and other applicable laws and subject to applicable provisions of the Memorandum of Association and Articles of Association of the Company and requisite approvals/consents/sanctions of the Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench and/or any other Statutory Authorities as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble NCLT or by any other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to mean and include its Committee constituted/to be constituted, if any, for this purpose) and that of the Shareholders / Creditors approval, as applicable, of the Company, the consent of the Board of Directors ("**Board**") be and is hereby accorded to the Scheme of Amalgamation between the Company, Prataap Snacks Limited (hereinafter "**PSL**" or "**Transferee Company**") and Pure N Sure Food Bites Private Limited (hereinafter "**PNSFBPL**" or "**Transferor Company**"), wholly owned subsidiary of the Company, and respective shareholders and creditors involving amalgamation of PNSFBPL with the Company as per the terms and conditions mentioned in the scheme placed before the Board with effect from **April 1, 2019 ("Appointed date")** or such other date as may be fixed by the NCLT or such other competent authority.

FURTHER RESOLVED THAT the Scheme be filed with relevant regulatory authorities, including Stock Exchange/s where the shares of the Company are listed and thereafter with the NCLT for directions and approval.

FURTHER RESOLVED THAT since the PNSFBPL is a wholly owned subsidiary of the Company, no consideration/ shares shall be paid/ issued pursuant to the Scheme and the shares held by the Company in the Transferor Company shall stand cancelled and extinguished pursuant to the said amalgamation without any further act, application or deed.

FURTHER RESOLVED THAT Mr. Arvind Kumar Mehta, Chairman and Executive Director, Mr. Amit Kumat, Managing Director and CEO, Mr. Sumit Sharma, CFO and Mr. Rishabh Kumar Jain, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorised to oversee and monitor the process connected with the Scheme and to deal with all matters connected, consequential and incidental to obtain sanction, implementation and execution of the scheme and in particular take all the necessary steps including:



Prataap Snacks Limited
(Formerly known as Prataap Snacks Pvt. Ltd.)

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Phone: ++91-731-2437600, 2437602-10 E-mail : info@yellowdiamond.in

CIN No. L15311MP2009PI C021746



- a) to sign and file the Scheme and / or any other information/ details with the concerned stock exchange(s), BSE and NSE or any other body or regulatory authority or agency in order to obtain approval or sanction of the Scheme as required or for giving effect thereto in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant Circulars and to co-ordinate with relevant authorities for providing clarifications on the Scheme, wherever required;
- b) to file application(s) with the NCLT seeking directions as to convening/ dispensing with the requirement of the meeting of the shareholders and / or creditors of the Company and where necessary, to take steps to convene and hold such meetings as per the directions of the NCLT and other usual directions with respect to the Scheme;
- c) filing of petitions for the confirmation of the Scheme by the concerned NCLT;
- d) to prepare, verify, swear, affirm, declare, execute, sign and file affidavits, pleadings, applications, petitions, declarations, notices, forms, rejoinders, replies or other documents incidental or necessary in connection with the above proceedings and to engage counsels, advocates, solicitors, pleaders, chartered accountants, Company Secretaries and other professionals, to sign and execute Vakalatnama /Memorandum of Appearances, whenever necessary and sign and issue public advertisement and notices;
- e) obtaining approval from such other authorities and parties including the shareholders, term loan lenders, financial institution, government authorities as may be considered necessary, to the said Scheme;
- f) in accordance with the directions of the NCLT, if any, hold and do all necessary actions in connection with holding meeting of the shareholders, creditors of the Company and to pass and to do all acts necessary to give effect to the resolutions that may be passed in the meetings;
- g) to incur such expenses as may be necessary with regard to getting approval to the Scheme including fees to various professionals and agencies and such other expenses that may be incidental to the above.
- h) to settle any question or difficulty that may arise with regard to the implementation of the Scheme or with regard to and of the meaning or interpretation of the Scheme therefor in any manner whatsoever connected therewith or to review position relating to the satisfaction of various conditions of the Scheme and to give effect to the above resolution;
- i) to make alteration to the Scheme as may be expedient or necessary which does not materially change the substance of the Scheme;
- j) to delegate authority to another person(s) by a valid power of attorney or other appropriate authorizations; and
- k) to do all such acts, deeds, matters and things as may be considered necessary or incidental and considered appropriate with regard to the above applications and petitions and implementation of the orders passed thereon and generally for putting through the Scheme and completing the same.

Prataap Snacks Limited
(Formerly known as Prataap Snacks Pvt. Ltd.)





FURTHER RESOLVED THAT the nominees of the Company holding shares on behalf of the Company in PNSFBPL be instructed to sign and submit necessary consent for the waiver of the meeting of the shareholders of PSFBPL while moving the application for approval of the Scheme before the Hon'ble NCLT Ahmedabad Bench, under the provisions of section 230 to 232 and other applicable provisions for seeking an order for holding/ dispensing with the meeting(s) of the holders of the equity shares of PNSFBPL and such other meetings as the aforesaid Hon'ble NCLT may direct, for the purpose of considering and approving the aforesaid draft Scheme.

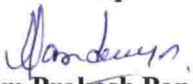
FURTHER RESOLVED THAT further to the approval of the Board of Directors of the Company to the Scheme, the Company in its capacity as Equity Shareholder of the Transferor Company, hereby gives its consent to the Scheme and /or modifications thereof.

FURTHER RESOLVED THAT the Company hereby conveys its "no objection" to the Transferor Company in seeking from the NCLT, dispensation from the requirement of holding meeting of the Equity Shareholders of the Transferor Company, to approve the Scheme and waives its right to receive any notice of the meeting of the Equity Shareholders and/ or Creditors of the Transferor Company and/ or any other proceedings before the NCLT in connection with obtaining approval / sanction to the Scheme.

FURTHER RESOLVED THAT the Common Seal of the Company, if required, be affixed as per the provisions contained in Articles of Association of the Company, in presence of any two Directors of the Company and the Company Secretary of the Company, who shall sign the same in token thereof.

FURTHER RESOLVED THAT Mr. Arvind Kumar Mehta, Chairman and Executive Director, Mr. Amit Kumat, Managing Director and CEO, Mr. Sumit Sharma, CFO and Mr. Rishabh Kumar Jain, Company Secretary and Compliance Officer of the Company, be and are hereby severally authorised to do all things and to take all incidental and necessary steps for and on behalf of the Company and to take from time to time all decisions and steps necessary, expedient or proper in respect to implementation of the above mentioned resolution, and also to take all other decisions as it/they may in their absolute direction, deem appropriate and to deal all questions or difficulties that may arise in the course of implementing the above mentioned resolution and to sign any copy of this resolution as a certified true copy thereof and issue the same to whomsoever concerned wherever necessary."

For Prataap Snacks Limited


Om Prakash Pandey

Company Secretary and Compliance Officer



Prataap Snacks Limited
(Formerly known as Prataap Snacks Pvt. Ltd.)

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