

**SCHEME OF ARRANGEMENT
IN THE NATURE OF DEMERGER
BETWEEN
NIRMA LIMITED
AND
OCULAR ENTERPRISE PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013**

PART – I

1. PREAMBLE:

This Scheme of Arrangement provides for the Demerger and transfer of all Operational Undertakings of Nirma Limited to Ocular Enterprise Private Limited as going concerns with effect from Appointed Date and Restructuring of Share Capital of Demerged Company and Resulting Company pursuant to Sections 230 to 232 read with Sec. 66 and 52, as may be applicable and other relevant provisions of the Companies Act, 2013. This Scheme also provides for various other matters consequent, incidental, supplemental and/ or otherwise integrally connected thereto.

2. BACKGROUND OF THE COMPANIES

- (i) Nirma Limited, ('NL' or 'the Demerged Company') was originally incorporated as a private limited company under the Companies Act, 1956 on 25th February 1980 in the name and style of 'Nirma Private Limited' in the state of Gujarat. Subsequently, it became a public limited company effective from November 8, 1993. The shares were listed on stock exchanges. However, it became a delisted company in the year 2012. Currently, it is a



closely held Public limited company with corporate identity number U24240GJ1980PLC003670. The Demerged Company has its Registered Office at Nirma House, Ashram Road, Ahmedabad-380009 in the state of Gujarat. The debt securities of NL are currently listed on the wholesale debt market segment of the National Stock Exchange of India Limited. Over a period of time, the structure of NL has undergone several changes under several Schemes of Arrangements. NL is engaged, primarily in businesses of manufacturing of consumer products like soaps, detergents and edible salt. However, it has grown and diversified in several distinct business activities, viz. Industrial Chemicals like manufacturing of soda ash, caustic soda, Linear Alkyl benzene (LAB), salt, bromine, phosphoric acid and Sodium Bicarbonate etc. NL had acquired US based company Searles Valley Minerals Inc and Searles Valley Minerals Operations Inc. (later merged with Searles Valley Minerals Inc.) that process Natural Soda ash, Boron, Sodium Sulphate and other chemicals, through Karnavati Holdings Inc. (KHI) being a wholly owned USA subsidiary of NL in the year 2007. NL has forayed into Pharma sector since the year 2024 by acquiring shares of Alivus Life Sciences Limited (formerly Glenmark Life Sciences Limited), subsidiary company.

- (ii) Ocular Enterprise Private Limited (formerly Nirma Management Services Private Limited), the (“OEPL” or “Resulting Company”) is a private limited company incorporated on 31st May, 1983 under the provisions of the Companies Act, 1956 in the name and style of Nirma Management Services Private Limited. The name of the company was changed to Ocular Enterprise Private Limited with effect from 23rd April, 2025. The current corporate identity number is U20119GJ1983PTC006273, and its registered office is situated at Nirma House, Ashram Road, Ahmedabad- 380009 in the state of Gujarat. OEPL was



incorporated with an object of Management consultancy activities. It has also inserted objects inter alia includes businesses of manufacturing of consumer products like soaps, detergents and edible salt and Industrial Chemicals like manufacturing of soda ash, caustic soda, Linear Alkyl benzene (LAB), salt, bromine, phosphoric acid and Sodium Bicarbonate etc.

3. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- (i) **“Act”** means the Companies Act, 2013 or Companies Act 1956, as may be applicable and shall include any other statutory amendment or re-enactment or restatement and the rules and/ or regulations and/ or other guidelines or notifications under Applicable Laws, made thereunder from time to time.

- (ii) **"Applicable Law"** means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars. directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Companies; (b) Permits; (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Companies;



- (iii) **“Appointed Date”** means 1st April 2026.
- (iv) **“Appropriate Authority”** means:
- a. the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission or other authority thereof;
 - b. any governmental, quasi-governmental or private body or agency lawfully exercising or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Tax, importing, exporting or other governmental or quasi- governmental authority including without limitation, and the Tribunal; and
 - c. any Stock Exchange.
- (v) **“Board of Directors”** or **“Board”** in relation to the Demerged Company and the Resulting Company, as the case may be, means the board of directors of such company, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto.
- (vi) **“Companies”** shall mean collectively the Demerged Company and the Resulting Company and “Company” shall mean each of them, individually;
- (vii) **“Demerged Undertakings”** mean the all operational undertaking involved in manufacturing of Industrial chemicals and Consumer products and other undertaking *(including Corporate buildings, hotel business investment and*



investment in hybrid group captive power companies) of Nirma Limited, situated at following locations:

- (1) Kalatalav, Dist. Bhavnagar, Gujarat, (2) Birlasagar, Dist. Porbandar, Gujarat, (3) Alindra, Dist. Vadodara, Gujarat, (4) Mandali, Dist. Mehsana, Gujarat, (5) Moraiya, Dist. Ahmedabad, Gujarat (6) Chhatral, Dist. Gandhinagar, Gujarat, (7) Trikampura, Dist. Ahmedabad, Gujarat and (8) Dhank, Dist. Rajkot, Gujarat; and shall include;
- a. All the assets, Patents, Trademarks and properties as on the Appointed Date pertaining to the aforesaid Demerged Undertaking;
 - b. All the debts, liabilities, duties and obligations including contingent liabilities pertaining to the aforesaid Demerged Undertaking;
 - c. Without prejudice to the generality of above, the aforesaid Demerged Undertaking shall include rights over land, buildings, the movable properties covering plant and machinery if any, equipment, furniture, fixtures, vehicles, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, bank balance, bills of exchange, letter of intents, loans and advances, investments but other than those forming part of Residual Undertaking, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, licenses, contracts, agreements, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, leasehold rights, sub-letting tenancy rights, with or without the consent of the landlord as may be required, goodwill, other intangibles, permits, authorizations, trademarks, trade names, labels,



brands, patents, patent rights, copyrights, designs, and other industrial and intellectual properties and rights of any nature whatsoever including labels, designs, know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions permissions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax etc., unutilized deposits or credits, benefits under the VAT/ Sales Tax law, VAT/ sales tax set off, unutilized deposits or credits, benefits of any unutilized MODVAT/CENVAT/Service tax credits, etc.) and wheresoever situate, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the aforesaid Undertakings

- (viii) **“Employees”** means all the employees and workmen who are on the payroll of the Demerged Company, whether working at the office or factory premises.



- (ix) **“Effective Date”** means the date on which the certified copy of the order of NCLT under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 sanctioning the Scheme is filed with the Registrar of Companies, Gujarat, at Ahmedabad. References in this Scheme to the “date of coming into effect of this Scheme” or “upon the Scheme being effective” shall mean the Effective Date;
- (x) **“Permits”** means all consents, licences, permits, permissions, authorizations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory granted or issued or available or made available to any Company by the relevant Appropriate Authority or otherwise available under Applicable Law;
- (xi) **“Resulting Company”** means Ocular Enterprise Private Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at Nirma House, Ashram Road, Ahmedabad 380 009 in the state of Gujarat.
- (xii) **“Residual Undertaking”/ “Residual Business”** means all the business, assets and liabilities of the Demerged Company other than the aforesaid Demerged Undertakings including, but not limited to Investment business consisting of (i) investments in shares of Karnavati Holdings Inc., USA and Alivus Life Sciences Ltd. (formerly Glenmark Life Sciences Ltd.) (ii) assets situated at Mahuva Dist: Bhavnagar, Gujarat and Igoor coffee estate, Karnataka (iii) investment property at Chharodi and (iv) any other liquid investments including but not limited to investment in mutual funds, commercial paper, fixed deposits, cash &



cash equivalent. .

- (xiii) **“Scheme”** means this Scheme of Arrangement in its present form filed with the NCLT or this Scheme with any modification(s), amendment(s) approved or imposed or directed by the NCLT or any other Appropriate Authority;
- (xiv) **“SEBI”** means the Securities and Exchange Board of India;
- (xv) **“SEBI Circular”** means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/0000000103 dated July 11, 2025, and any amendments thereof, or modifications thereto issued from time to time;
- (xvi) **“SEBI LODR Regulations”** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any amendments thereof;
- (xvii) **“Taxation” or “Tax” or “Taxes”** means all forms of taxes and statutory, governmental, state, central, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Demerged Company or the Resulting Company or any other person and all penalties, charges, costs and interest relating thereto;
- (xviii) **“Tax Laws”** means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax,



service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature.

- (xix) **“Tribunal”** or **“NCLT”** means the Hon’ble National Company Law Tribunal, Ahmedabad Bench or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.

4. INTERPRETATION

All the terms, words, expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

In this Scheme unless the context otherwise requires:

- words denoting singular shall include plural and vice versa and references to any gender includes the other gender;
- headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- references to the word “include” or “including” shall be construed without limitation;
- a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- references to the words “hereof”, “herein” and “hereunder” and words of similar import shall refer to this Scheme as



a whole and not to any particular provision of this Scheme;

- reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation;
- reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them;
- where a wider construction is possible, the words “other” and “otherwise” shall not be construed ejusdem generis with any forgoing words.

5. RATIONALE FOR THE SCHEME

- (i) Both the companies belong to the same group of management viz. ‘Nirma group’ and have common shareholders from the promoter family.
- (ii) Demerged Company has been the flagship company of the group and has several operational fields like businesses of manufacturing of consumer products like soaps, detergents and edible salt and manufacturing of several Industrial chemicals like soda ash, caustic soda, LAB, salt, bromine, phosphoric acid and Sodium Bicarbonate etc. It has recently forayed into manufacturing of Pharmaceuticals through subsidiary. The Pharmaceutical business has stabilized and, is self-sustainable from growth and debt servicing perspective.



- (iii) It has been realized that the risk profile of the above businesses are very different and it is advisable to avoid any intermingling of the risks from operations in different sectors.
- (iv) In order to avoid increase in the cost of borrowing and considering the opportunity of getting an investor interested in a particular sector, the management considers that these businesses be segregated and vested in separate legal entities.
- (v) The proposed segregation would enable greater/enhanced focus by the management of the Demerged Company in the Remaining Business of the Demerged Company.
- (vi) The ring fencing the diverse businesses from each other's risk and help in running them independently along with future potential acquisitions and enable investors to invest in a sector of their interest it is considered appropriate to demerge the demerged undertaking into a separate company.
- (vii) Restructuring will provide an opportunity to build a stronger sustainable business as well as enhance the financial profile of the Resulting Company.
- (viii) It is believed that the proposed demerger will create enhanced value for shareholders and allow a focused strategy and specialization for sustained growth, which would be in the best interest of all the stakeholders and the persons connected with the aforesaid companies;
- (ix) The consideration for the said transfer being Issue of Shares by the Resulting Company to the Shareholders of the Demerged Company would replicate the same shareholding pattern as that of the Demerged Company.
- (x) The Scheme would result in better and efficient control and management for the demerged undertaking and would further empower the respective businesses to pursue their respective strategies to deliver growth with greater agility while reinforcing accountability;



- (xi) The demerger will also provide scope for independent collaborations and expansion.

In view of the aforesaid advantages, Board of Directors of Demerged Company and Resulting Company have considered and proposed the Scheme of Arrangement. The proposed restructuring is in the interest of the shareholders, creditors, employees and other stakeholders of each of the companies.



PART – II

6. SHARE CAPITAL

- i. The Share Capital of Nirma Limited, the Demerged Company as per the Balance Sheet as on 31.3.2025 was as under:

Authorised:	Amount in Rs.
1,461,000,000 Equity Shares of Rs. 5/- each	7,305,000,000
45,00,000 Preference Shares of Rs. 100 each	45,00,00,000
Issued, Subscribed and Paid up:	Amount in Rs.
14,60,75,130 Equity Shares of Rs. 5/- each fully paid up	730,375,650

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Demerged Company till the date of approval of the Scheme by the Board of the Demerged Company

- ii. The Share Capital of Ocular Enterprise Private Limited as per the Balance Sheet as on 31.3.2025 was as under:

Authorised Capital:	Amount in Rs.
Equity: 1,50,000 Equity Shares of Rs. 100/- each	1,50,00,000.00
Preference: 50,000 - 6% Redeemable Non-Cumulative Preference Shares of Rs. 100 each	50,00,000.00
Issued, Subscribed and Paid up:	Amount in Rs.
85,608 Equity Shares of Rs. 100/- each	85,60,800.00



Subsequent to the above date, there has been change in the authorised, issued, subscribed and paid-up share capital of the Resulting Company consequent upon sub-division of face value of equity share. The share capital of Ocular Enterprise Private Limited as on 31.03.2026 was as under:

Authorised Capital:	Amount in Rs.
Equity: 30,00,000 Equity Shares of Rs.5/- - each	1,50,00,000.00
Preference: 50,000 - 6% Redeemable Non-Cumulative Preference Shares of Rs. 100 each	50,00,000.00
Issued, Subscribed and Paid up:	Amount in Rs.
17,12,160 Equity Shares of Rs.5/- - each	85,60,800.00

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Demerged Company till the date of approval of the Scheme by the Board of the Demerged Company

7. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme as set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal or made as per Clause No. 24 of this Scheme, shall become effective from Appointed Date but shall be operative from the Effective Date.



PART - III

8. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

- i. Upon the Scheme becoming effective and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act and Section 2(19AA) of the Income Tax Act, 1962, the Demerged Undertaking along with all its assets, liabilities, investments, loans and advances, contracts, arrangements, employees, permits, licenses, records, approvals, etc. shall without any further act, instrument or deed, be demerged from the Demerged Company and transferred to and be vested in or be deemed to have been vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the assets, liabilities, investments, loans and advances, contracts, arrangements, employees, permits, licenses, records, approvals, etc. of the Resulting Company by virtue of, and in the manner provided in this Scheme.
- ii. All the assets and properties forming part of the Demerged Undertaking as are movable in nature or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall stand transferred by the Demerged Company upon coming into effect of this Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of the Resulting Company.
- iii. All the assets of the Demerged Undertaking including all rights and interests in the agreements (*including agreements for lease or license of the properties*), investments in shares, debentures, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and



deposits, if any, with Government, semi- Government local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Demerged Company and pertaining to Demerged Undertaking, shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company, with effect from the Appointed Date by operation of law as transmission or as the case may be in favor of Resulting Company.

- iv. With regard to assets such as leases or licenses of the properties, Resulting Company will enter into novation agreements, if it is so required. Notwithstanding any provision to the contrary, from the Effective Date and until the owned properties, leasehold properties and related rights thereto, license/right to use the immovable property, tenancy rights, liberties and special status so transferred and vested, are recorded, effected and/or perfected, in the record of the appropriate authority, in favour of Resulting Company, Resulting Company is deemed to be authorised to carry on holding the property and/or the rights in relation to properties in the name and style of Demerged Company under the relevant agreement, deed, lease and/or license, as the case may be.
- v. In respect of the occupancy, lease and usage rights of the land and building, the same shall stand transferred to Resulting Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by Demerged Company and/or Resulting Company. The occupancy and usage rights of the land and building are hereby transferred in favour of Resulting Company by Demerged Company as an integral part of the Scheme. This transfer shall also be subject to terms and conditions of lease agreements stipulated by Government for the lease. For this purpose, if required, the Demerged and Resulting



Companies shall register the true copy of the order of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of assurances or similar registering authority having jurisdiction over the location of such land and building and shall also execute and register, as required, such other documents which may be necessary in this regard and no separate instrument including the one which creates the occupancy and usage rights in the land and building will be required to be registered separately.

- vi. The Demerged Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such persons, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.
- vii. Upon effectiveness of the Scheme, all debts, liabilities, loans, obligations and duties of the Demerged Company as on the Appointed Date and relating to the Demerged Undertaking ("**Transferred Liabilities**") shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and the Resulting Company shall meet, discharge and satisfy the same. The term "Transferred Liabilities" shall include:
 - a. the debts, liabilities, obligations incurred and duties of any kind, nature or description (*including contingent liabilities*) which arise out of the activities or operations of the Demerged Undertaking;
 - b. the specific loans, borrowings (including debentures, bonds notes and other debt securities raised, incurred and utilized solely for the activities or operations of the



- Demerged Undertaking), and
- c. in cases other than those referred to in Clauses (a) or (b) above so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Demerged Undertaking bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.

Provided that on effective date, the debts which are in form of Commercial Paper, which are issued and outstanding as on effective date, shall be listed in the name of Resulting Company without any further, act, deed or document. However, till the such listing in the name of Resulting Company, the Demerged Company shall continue to honour Commercial Papers for and on behalf of Resulting Company.

- viii. In so far as any encumbrance in respect of Transferred Liabilities is concerned, such encumbrance shall without any further act, instrument or deed being required be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking which may have been encumbered in respect of the Transferred Liabilities as transferred to the Resulting Company pursuant to this Scheme. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the encumbrance, if any, over such assets relating to the Transferred Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the encumbrance over such assets relating to any loans, borrowings or other debts which are not



transferred to the Resulting Company pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above. The provisions of this clause shall operate notwithstanding anything contained in any instrument, deed or writing or terms of sanction or issue or any security document, all of which instruments, deeds and writings shall stand modified and/or superseded by the foregoing provision.

- ix. All the taxes, if any, paid or payable by the Demerged Company after the Appointed Date and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim all the credit, refund or adjustment for the same as may be applicable.
- x. The Resulting Company shall be entitled to get credit/claim refund regarding any tax paid and/or tax deduction at source certificates, pertaining to the Demerged Undertaking;
- xi. If the Demerged Company is entitled to any unutilized credits (including balances or advances), benefits under the incentive schemes and policies including tax holiday or concessions relating to the Demerged Undertaking under any Tax Laws or Applicable Laws, the Resulting Company shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilized credits as the case may be without any specific approval or permission;
- xii. Without prejudice to the generality of the above, all benefits including under Tax Laws, to which the Demerged Company, in



relation to or in connection with the Demerged Undertaking, is entitled to in terms of the applicable Tax Laws, including, but not limited to advances recoverable in cash or kind or for value and deposits with any Appropriate Authority or any third party/entity, shall be available to and vest in the Resulting Company;

- xiii. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Applicable Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. Such returns shall be filed based on reconstructed accounts drawn up with effect from Appointed Date and any tax including Minimum Alternate Tax shall be computed accordingly. Further, the Demerged Company and Resulting Company shall have the right to revise the aforesaid returns, notwithstanding that the statutory period for such revision and filing may have expired. It is further clarified that Resulting Company shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of the unpaid liabilities transferred to it as part of the aforesaid demerged undertakings to the extent not claimed by Demerged Company, as and when the same are paid subsequent to the Appointed Date.;
- xiv. Subject to other provisions of the Scheme, any refunds, benefits, incentives, grants, subsidies in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refunds, benefits, incentives, grants, subsidies, be paid or made good or held on account of the Resulting Company, as the



person entitled thereto to the end and intent that the right of the Demerged Company to recover or realize the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes;

- xv. On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate the bank accounts of the Demerged Company, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company.
- xvi. Upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned Registrar of Companies or filing of necessary applications, notices, intimations or letters with any authority or person to give effect to the Scheme.



9. PERMITS

- i. With effect from the Appointed Date, Permits relating to the Demerged Undertaking shall be transferred to and vested in the Resulting Company and the concerned licensor and granters of such Permits shall endorse where necessary, and record the Resulting Company on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking in the Resulting Company and continuation of operations pertaining to the Demerged Undertaking in the Resulting Company without any hindrance and shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the Resulting Company without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company and the Resulting 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 Resulting Company.
- ii. The benefit of all Permits pertaining to the Demerged Undertaking shall without any other order to this effect, transfer and vest into and become available to the Resulting Company pursuant to the sanction of this Scheme.

10. CONTRACTS

- i. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments in relation to the Demerged Undertaking, to which the Demerged Company is a party and which is subsisting or having effect on or immediately before the Appointed Date shall remain in full force



and effect against or in favour of the Resulting Company and shall be binding on and be enforceable by and against the Resulting Company as fully and effectually as if the Resulting Company had at all material times been a party or beneficiary or obligee thereto. The Resulting Company will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above and, if required, cause such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above to be formally taken on record/ recognized by the Appropriate Authorities.

- ii. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme, the Resulting Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (*including deeds of adherence*), confirmations other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Appointed Date, the Resulting Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.
- iii. On and from the Effective Date, and thereafter, the Resulting Company shall be entitled to enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Demerged Undertaking, in the name of the Resulting



Company in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been given effect to under such contracts and transactions.

11. STAFF AND EMPLOYEES

- i. With effect from the Effective Date, the Resulting Company undertakes to engage, without any interruption in service, all employees of the Demerged Company, engaged in or in relation to the Demerged Undertaking, on the terms and conditions not less favorable than those on which they are engaged by the Demerged Company. The Resulting Company undertakes to continue to abide by any agreement/settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees. The Resulting Company agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity' and other retiral/terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking, be decided mutually by the Board of Demerged Company and Resulting Company and shall be final and binding on all concerned.
- ii. The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund or any other fund(s) as the case may be of which they are members as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation



fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Resulting Company, or to the government provident fund in relation to the employees of the Demerged Company who are not eligible to become members of the provident fund maintained by the Resulting Company. The rules of such existing provident fund, gratuity fund and superannuation fund shall stand amended accordingly.

- iii. In so far as provident fund, gratuity fund and superannuation fund is concerned, the balances standing to the credit of the said employees in the existing provident fund of Demerged Company may be retained in such provident fund and such provident fund may be continued for the benefit of: (a) the said employees who are transferred to Resulting Company, as aforesaid; and (b) other employees of Demerged Company. In relation to the employees being transferred, Resulting Company shall stand substituted for Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions thereof.
- iv. The employees of Demerged Company engaged in or in relation to the aforesaid demerged undertakings who are transferred to Resulting Company, as aforesaid, shall be deemed to constitute a separate class of employees of Resulting Company for the purpose of compliance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and other applicable laws.
- v. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged Company.



- vi. Any question that may arise as to whether any employee belongs to or does not belong to aforesaid demerged undertakings shall be decided by the Committee of Directors or Board of Directors of the Demerged Company and the Resulting Company respectively.

12. LEGAL PROCEEDINGS

- i. Upon the coming into effect of this Scheme, all legal or other proceedings (*including before any statutory or quasi-judicial authority or tribunal or government or semi government agency*) [*collectively referred to as “Legal Proceeding”*] relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.

Provided that from the effective date, the assessment proceedings pertaining to assessment period prior to appointed date with respect to demerged undertaking shall be continued by the Resulting Company and the Demerged Company shall be liable to reimburse the Resulting Company with all reasonable cost and expenses related to such proceedings, as may be mutually decided by Demerged Company and Resulting Company.

- ii. The Resulting Company: (a) shall be replaced/ added as party to such proceedings relating to the Demerged Undertaking; and (b) shall prosecute or defend such proceedings at its own cost and the liability of the Demerged Company shall consequently stand nullified. For the avoidance of doubt, it is clarified that only the Resulting Company shall be liable for the result of such order or judgment including any relief or positive impact/benefit or adverse



impact/liability accruing from such order or judgment. It is clarified that except, as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any proceedings relating to the Demerged Undertaking that stand transferred to the Resulting Company.

- iii. To the extent, such any legal proceeding cannot be taken over by the Resulting Company; the Proceedings shall be pursued by the Demerged Company as per the instructions of and entirely at the costs and expenses of the Resulting Company.

13. TAXES

- i. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall be expressly entitled and permitted to revise their returns pertaining to the Income Tax, Goods & Services Tax or any other direct or indirect tax laws, and claim refunds or credits including credit relating to the taxes deducted at source as applicable pursuant to this Scheme.
- ii. Any refunds or credits, under the direct or indirect tax laws or other applicable laws or regulations dealing with taxes, duties and levies due to the Demerged Company relating to the Demerged Undertaking consequent to the assessment made on the Demerged Company (*including any refund for which no credit is taken in the accounts of the Demerged Company*) as on the date immediately preceding the Appointed Date shall belong to and be received by the Resulting Company upon this Scheme becoming effective. That for the administrative convenience such refund may be received in the account of the Demerged Company and then the same shall be transferred to the Resulting Company as an integral part of the scheme.



- iii. The tax payments (*including but not limited to Income Tax, Goods & Services Tax and others*) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Demerged Company relating to the Demerged Undertaking after the Appointed Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- iv. Further, any tax deducted at source by Demerged Company with respect to the Demerged Undertaking on the transactions with the Resulting Company, if any (*from the Appointed Date to the Effective Date*) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- v. Upon the Scheme coming into effect, any obligation of tax at source on any payment made by or to be made by the Demerged Company relating to the Demerged Undertaking shall be made or deemed to have been made and duly complied with by the Resulting Company.
- vi. All taxes of any nature, duties, cess or any other like payments or deductions made by Demerged Company relating to the Demerged Undertaking to any statutory authorities such as Income Tax, Service Tax, Value Added Tax, Goods and Services Tax etc., any tax credits relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of and on behalf of Resulting Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Resulting Company upon the passing of the order on this Scheme by the Hon'ble Tribunal upon relevant proof and documents being provided to the said authorities.
- vii. In accordance with the Goods & Services Act and other relevant central or state legislations dealing with indirect taxes as are



prevalent on the Effective Date, the unutilized credits relating to indirect taxes paid on inputs or capital goods lying to the account of the Demerged Undertaking shall be permitted to be transferred to the credit of the Resulting Company, as if such unutilized credits were lying to the account of the Resulting Company. The Resulting Company accordingly be entitled to set off all such credits.

- viii. It is further clarified that the Resulting Company shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.
- ix. The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income-tax Act, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, to the extent of such conflict the terms of the Scheme shall stand modified and the provisions of the Income-tax Act, 1961 in general, and the definition of "demerger" in particular shall be deemed to have been complied by Demerged Company and Resulting Company. Such modifications will however not affect the other provisions or parts of the Scheme.

14. TAX CREDITS

- i. Demerged Company and Resulting Company shall be entitled to, amongst others, file/or revise its income tax returns, TDS/TCS returns, wealth tax returns, goods and service tax, service tax, excise duty, sales tax, value added tax, entry tax, cess,



professional tax or any other statutory returns, if required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of provisions written back by Resulting Company previously disallowed in the hands of Demerged Company pertaining to Demerged Undertaking of Demerged Company under the Income Tax Act, 1961, credit of tax under Section 115JB read with Section 115JM of the Income Tax Act, 1961, credit of foreign taxes paid/withheld etc. if any, as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. Resulting Company shall have the right to claim refunds, tax credits, setoffs and/or adjustments relating to its income or transactions entered into by it by virtue of this Scheme with effect from Appointed Date.

- ii. The taxes or duties paid by, for, or on behalf of Demerged Undertaking relating to the period on or after Appointed Date shall be deemed to be the taxes or duties paid by Resulting Company, and accordingly Resulting Company shall be entitled to claim credit or refund for such taxes or duties.

15. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the transfer of the Demerged Undertaking into Resulting Company and the continuance of legal proceedings by or against Resulting Company as stated above shall not affect any transaction or proceedings already concluded by Demerged Company for the Demerged Undertaking until the Effective Date, to the end and intent that Resulting Company accepts and adopts all acts, deeds and things done and executed by Demerged Company for the Demerged Undertaking in respect



thereto as acts, deeds and things made, done and executed by or on behalf of Resulting Company.

16. CONSIDERATION

- i. Upon the Scheme coming into effect and in consideration of the transfer of the Demerged Undertakings to the Resulting Company, subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, issue and allot Equity Shares on a proportionate basis to each shareholder of the Demerged Company, whose name is recorded in the register of members on the Effective Date, as under:

765 (Seven Hundred Sixty-five) fully paid-up equity shares of Rs. 5/- each of the Resulting Company, credited as fully paid up for every 47 (Forty Seven) fully paid equity shares of Rs.5/- each held by such shareholder or his/ her/ its heirs, executors, administrators or successors in the Demerged Company ("Share Entitlement Ratio").

The shares issued in accordance with the above-mentioned ratio shall be deemed to be **New Equity Shares** for the purpose of this scheme.

- ii. The Resulting Company shall take necessary steps, if any to increase, alter, its authorized share capital suitably to enable it to issue and allot the New Equity Shares required to be issued and allotted by it under this Scheme.
- iii. Under and pursuant to the Scheme, no fractional shares shall be issued by Resulting Company, in respect of fractional entitlements. If any equity shareholder of Demerged Company becomes entitled to any fractional shares pursuant to issue and allotment of equity



shares as per clause (i) above, the Board of Directors of Resulting Company shall consolidate/round off such fraction to the nearest integer, and thereupon shall issue and allot new equity shares of Resulting Company, to the concerned equity shareholders of Demerged Company. Any fractional entitlement below 0.50 shall be ignored.

The share entitlement ratio has been arrived at based on valuation report by Mr. Vijay Mehta, a partner with CNK & Associates LLP, Chartered Accountant, Registered Valuer (IBBI Reg. No: IBBI/RV/06/12477) and fairness opinion by M/s. Vivro Financial Services Private Limited, a SEBI registered Merchant Banker (Reg No. INM000010122).

- iv. The New Equity Shares issued and allotted by the Resulting Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari-passu with the existing Equity Shares, inter-se in all respects including dividends declared, voting and other rights. The issue and allotment of New Equity Shares by the Resulting Company is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of New Equity Shares by the Resulting Company under applicable provisions of the Act.

- v. Upon the Scheme coming into effect, without any further application, act, deed, and without requiring consent / approval



for the alteration of the Memorandum and Articles of Association of the Resulting Company as required under Section 13, 14, 61, 64 and other applicable provisions of the Companies Act, 2013, the Resulting Company shall be entitled to further increase its authorized share capital to facilitate issue of shares under the Scheme. It is clarified that the approval of the members of the Resulting Company to the Scheme shall be deemed to be their consent / approval for the alteration of the Memorandum and Articles of Association of the Resulting Company as required under Section 13, 14, 61, 64 and other applicable provisions of the Companies Act, 2013.



PART – IV

17. CONDUCT OF BUSINESS BY DEMERGED COMPANY AND RESULTING COMPANY TILL EFFECTIVE DATE:

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

- i. The Demerged Company shall carry on the business pertaining to Demerged Undertaking with reasonable diligence in the ordinary course of business up to and including the Effective Date.
- ii. The Demerged Company shall carry on and shall be deemed to have carried on all the business and activities of the Demerged Undertakings as hitherto and shall be deemed to have held and stood possessed of the undertakings on account of, and for the benefit of and in trust for the Resulting Company.
- iii. All the profits or income accruing or arising to the Demerged Undertakings of the Demerged Company or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Demerged Undertakings of the Demerged Company shall, for all purposes be treated and be deemed to be accrued as the profits or income or incurred as the expenditure or losses or taxes of the Resulting Company, as the case may be.
- iv. The Demerged Company shall not vary the terms and conditions and employment of permanent employees of the Demerged Undertakings except in the ordinary course of business or with prior written approval of the Resulting Company.
- v. The Demerged Company shall not, without prior written consent of the Resulting Company, take any major policy



decisions in respect of management of the Demerged Undertakings except in the ordinary course of business.

- vi. The Demerged Company and the Resulting Company shall co-operate with each other for smooth transfer of the Demerged Undertaking from the Demerged Company to the Resulting Company and any director or key managerial personnel of the Demerged Company and any director or key managerial personnel of the Resulting Company shall be empowered to give effect to the scheme in all aspects as may be necessary or expedient including settling any question or difficulties arising in relation to the Scheme in such manner as they deem fit to attain the objectives of this Scheme and their decision in this regard shall be final and binding.

18. ACCOUNTING TREATMENT

The Demerged Company and Resulting Company shall account for the demerger of Demerged Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and in accordance with the Indian Accounting Standard 103 or such other accounting principles as may be applicable or prescribed under Section 133 of the Act and as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

a. In the books of the Demerged Company

Upon the Scheme coming into effect and with effect from Appointed Date, the Demerged Company shall account for the demerger in its books of account in the following manner:

- i. Upon the coming into effect of this Scheme, Demerged Company shall account for the transfer and vesting of the



Demerged Undertaking in its books of account as per the applicable accounting principles prescribed under the Indian Accounting Standard 103 or such other accounting principles as may be applicable or prescribed under Section 133 of the Act read with relevant rules issued thereunder;

- ii. The Demerged Company shall de-recognize the carrying values of all the assets and liabilities pertaining to Demerged Undertaking of the Demerged Company, as on the Appointed Date, that are held in and /or transferred to Resulting Company pursuant to this Scheme in accordance with the applicable de-recognition related stipulations contained in the Accounting Standard 103 or such other accounting principles as may be applicable or prescribed under Section 133 of the Act read with relevant rules issued thereunder.
- iii. The Demerged Company shall exclude the value of assets and liabilities of the Demerged Undertaking transferred and vested into the Resulting Company pursuant to this Scheme at their respective book values as appearing in the books of the Demerged Company at the close of the business of the day immediately preceding the Appointed Date.
- iv. The difference being the excess of the book value of assets over the book value of liabilities pertaining to the Demerged Undertaking shall be accounted in accordance with the Indian Accounting Standard 103 or such other accounting principles as may be applicable or prescribed under Section 133 of the Act read with relevant rules issued thereunder.

b. In the books of Resulting Company

- i. With effect from Appointed Date, the Resulting Company shall account for the demerger in its books of account in the following manner:



- a. The Resulting Company shall record all assets and liabilities of the Demerged Undertaking transferred to it in pursuance of this Scheme and the components of Other Equity adjusted by the Demerged Company at their respective book values appearing in the books of the Demerged Company;
 - b. The Resulting Company shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
- ii. The difference between the book value of assets minus liabilities and the value of the New Equity Shares issued and allotted to the shareholders of the Demerged Company by the Resulting Company pursuant to this scheme as consideration, if any, shall be credited/ debited to the 'Other Equity (Capital Reserve)/ Goodwill' of the Resulting Company;
 - iii. If the accounting policies adopted by the Resulting Company are different from those adopted by the Demerged Company, the assets and liabilities of the Demerged Undertaking shall be accounted in the books of the Resulting Company adopting applicable accounting principles prescribed under the Indian Accounting Standard 103 or such other accounting principles as may be applicable or prescribed under Section 133 of the Act read with relevant rules issued thereunder;
 - iv. The Resulting Company shall restate comparative information from the beginning of the comparative period presented.



- v. The order of the Hon'ble Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 66 and 52 of the Act.

19. RESIDUAL BUSINESS

- i. The Residual Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- ii. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining/Residual Business shall be continued and enforced by or against Demerged Company after the Effective Date, which shall keep Resulting Company fully indemnified in that behalf.
- iii. Up to and including the Effective Date:
 - a. Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
 - b. all profits accruing to Demerged Company or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as



the case may be, of Demerged Company; and

- iv. all assets and properties acquired by Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in Demerged Company.

20. IMPACT OF THE SCHEME ON HOLDERS OF NON-CONVERTIBLE DEBENTURE

- i. The Demerged Company has outstanding non-convertible debentures listed on whole-sale debt market segment of National Stock Exchange of India Limited (“NCDs”) as specified in Annexure - A of this Scheme.
- ii. Impact: Pursuant to this Scheme, there will be no change in the terms and condition of the NCDs and rights of the NCDs holders will not be affected prejudicially in any manner. The scheme only envisages substitution of existing security in form of charge over the assets of the demerged undertaking with creation of lien/charge over any of the liquid assets including but not limited to investments in mutual funds, commercial papers, fixed deposits, cash & cash equivalent in the hands of Demerged Company and/or investment property at Chharodi, of an amount equivalent to the NCDs and shall continue till the redemption of NCDs.
- iii. Safeguards for the protection of the holders of NCDs: Pursuant to the Scheme, the holders of NCDs of the Demerged Company as on the Effective Date shall continue to hold the same NCDs, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum and ISIN, etc. The Demerged Undertaking on



which charge is created to secure these NCDs will be transferred to Resulting Company and hence the charge over the assets of Demerged Undertaking will be removed and NCDs will be secured by way of lien/charge over any of the liquid assets in the hands of Demerged Company as mentioned in para (i) herein above.

- iv. Exit offer to the dissenting holders of NCDs. if any: The NCDs of the Demerged Company, as on the Effective Date, will continue to be freely tradable and listed on the National Stock Exchange of India Limited, thereby providing exit option and liquidity to the holders of NCDs of the Demerged Company.
- v. The additional disclosures that are required to be included in the Scheme in terms Chapter XII of SEBI circular are set out in Annexure A.



PART V

21. CHANGE OF NAME AND CONVERSION OF RESULTING COMPANY INTO PUBLIC LIMITED COMPANY

- i. Upon this scheme becoming effective, without any further act, instrument or deed, the Resulting Company shall be converted into Public Limited Company. Upon such conversion, without any further act, instrument or deed, the name of the Resulting Company shall be changed to “Nirma Limited”. Further, the name “Ocular Enterprise Private Limited” wherever occurs in the memorandum of association and articles of association of the Resulting Company shall be substituted by such name.
- ii. Upon this scheme becoming effective, without any further act, instrument or deed, the name of the Demerged Company shall be changed to “Ocular Enterprise Limited”. Further, the name “Nirma Limited” wherever occurs in the memorandum of association and articles of association of the Resulting Company shall be substituted by such name.
- iii. The approval and consent of this scheme by the shareholders of the Demerged Company and Resulting Company shall be deemed to be the approval of shareholders by way of special resolution under section 13, 14, 18 and other relevant provisions of the Companies Act, 2013 for conversion and change of name of the Resulting Company and change of name of Demerged Company as contemplated herein and shall be deemed to be sufficient for the purpose of effecting the amendments in the memorandum of association and articles of association of the Resulting Company in relation to the change of name of Resulting Company and Demerged Company in accordance with provisions of the Companies Act, 2013.



- iv. The sanction of this scheme by the NCLT shall be deemed and no further resolutions would be required to be separately passed to be complying with the provisions of the Companies Act, 2013, for the purpose of effecting the conversion and change in name of the Resulting Company and change in name of Demerged Company.

22. TRANSFER OF AUTHORISED SHARE CAPITAL OF THE DEMERGED COMPANY TO RESULTING COMPANY

- i. Subject to Clause 16, upon coming into effect of this Scheme, INR 600,00,00,000 (Rupees six hundred Crores) [1,20,00,00,000 equity shares of Rs. 5/- each] shall stand transferred from the authorised capital of the Demerged Company and combined with the authorised capital of the Resulting Company. Accordingly, Clause V of the Memorandum of Association of the Resulting Company shall automatically stand amended accordingly.
- ii. Correspondingly, the Authorised Capital of the Demerged Company shall stand reduced by INR 600,00,00,000/- (Rupees Six Hundred Crore Only). Accordingly, Clause V of the Memorandum of Association of the Demerged Company shall automatically stand amended so as to read as under:

The Authorised Share capital of the Company is Rs. 175,50,00,000/- (Rupees One Hundred Seventy-Five Crore Fifty Lakh only) divided into 26,10,00,000 (Twenty Six Crore and Ten Lakh) Equity Shares of Rs. 5/- (Rupees Five only) each, and 45,00,000 (Forty Five Lakh) Preference Shares of Rs. 100/- (Rupees One Hundred only) each with a power to increase and reduce the Capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred,



qualified or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

- iii. The consent of the Shareholders to this Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under Section 13(1), Section 61 or any other applicable provisions of the Act would require to be separately passed for such increase and decrease in the Authorised Share Capital of the Resulting Company and Demerged Company respectively as stated above.
- iv. The registration fees applicable under the Act and the stamp duty already paid by the Demerged Company on its authorised capital, which is being transferred to the Resulting Company in terms of Clause (i) herein above, shall be deemed to have been so paid by the Resulting Company and accordingly, the Resulting Company shall not be required to pay any fee / stamp duty on the authorised capital so increased. However, the Resulting Company shall file the required returns / information / the amended copy of its Memorandum of Association with the RoC.



PART VI

23. APPLICATIONS/ PETITIONS TO THE TRIBUNAL

- i. The Companies shall file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the NCLT, Ahmedabad Bench under whose jurisdiction, the registered offices of the respective Companies are situated, for sanction of this Scheme under the provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law.
- ii. Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority if required, under any Applicable Law for such consents and approvals which the Resulting Company may require to own the assets and/ or liabilities of the Demerged Company, and to carry on the business transferred to it pursuant to this Scheme.

24. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- i. The Board of the Demerged Company and the Resulting Company acting themselves or through authorized persons, may consent, to any modifications or amendments of this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the NCLT or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the Board of the Demerged Company and the Resulting Company and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.
- ii. For the purpose of giving effect to this Scheme or to any modification thereof the Boards of the Demerged Company and the Resulting Company acting themselves or through



authorized persons may give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. It is clarified that individual companies acting themselves or through authorized persons may individually approach the NCLT or any other Appropriate Authority to seek clarifications for implementation of the Scheme.

- iii. It is clarified that if any modifications are required post satisfaction of the condition's precedent mentioned in Clause (*) and the Scheme having been made effective, the Effective Date shall not be affected by any such modifications that might be required to be made and the Effective Date for such modified Scheme shall be same as the date on which Scheme was made effective prior to the modifications.

25. CONDITIONS PRECEDENT

The Scheme is and shall be conditional upon and subject to the following:

- i. The Scheme being approved by respective requisite majorities of the member and creditors of the Demerged Company and Resulting Company as required under Applicable Laws and/or as may be directed by the NCLT and / or any other competent authority as may be applicable;
- ii. The Scheme being sanctioned by the NCLT and / or any other competent authority, as may be applicable under Section 230 to 232 and other applicable provisions of the Act; and



- iii. Certified Copies of the Order of the NCLT or such other competent authority, as may be applicable. sanctioning this Scheme being filed with the Registrar of Companies having jurisdiction over the Companies.
- iv. It is hereby clarified that submission of this Scheme to the NCLT and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defenses that the Demerged Company and the Resulting Company may have under or pursuant to all Applicable Laws.
- v. On the approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company and such other classes of persons of the said Companies. if any, such shareholders and classes of persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the demerger, related matters and this Scheme itself.
- vi. The receipt of observation letter / no-objection letter from the National Stock Exchange of India Limited (“NSE”) in terms of the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable circulars and guidelines and compliance with all conditions or modifications, that may be stipulated or imposed by NSE while granting its approval or no objection letter.



26. EFFECT OF NON-RECEIPT OF PERMITS AND MATTERS RELATING TO REVOCATION/ WITHDRAWAL OF THIS SCHEME

- i. The Demerged Company and the Resulting Company acting through their respective Boards shall each be at liberty to withdraw from this Scheme: (a) in case any condition or alteration imposed by any Appropriate Authority is unacceptable to any of them; or (b) they are of the view that coming into effect of this Scheme could have adverse implications on the respective Companies.
- ii. In the event of revocation/withdrawal under Clause No. 26, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and the Resulting Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Company shall bear its own costs, unless otherwise mutually agreed.
- iii. If any clause of this Scheme is held to be 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 clause shall be severable from the remainder of this Scheme, and this Scheme shall not be affected thereby, unless the deletion of such clause shall cause this Scheme to become materially adverse to any party. in which case the Board of Directors of the Companies involved in the Scheme shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies. the benefits, and obligations of this Scheme, including, but not limited to, such clause.



27. COSTS, CHARGES & EXPENSES

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or NCLT's order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne in the manner as may be mutually agreed to between the Board of Directors of Demerged Company and Resulting Company.

28. MISCELLANEOUS

Till the event of this Scheme being effective all the concerned companies shall continue to hold their respective Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations in the same manner, as if this scheme does not exist.



Annexure - A

Details of the NCDs of the Demerged Company in terms of the Chapter XII of SEBI circular dated 11th July, 2025

Particulars	Tranche C of NCDs series VII
ISIN	INE091A07208
Face Value	Rs. 1,00,000
Dividend/Coupon	8.50% p.a.
Payment Frequency	Annual and upon redemption
Credit Rating	AA / Stable
Tenure / Maturity	3 years 44 days
Redemption date	April 7, 2027
Redemption amount	Rs. 1200 crore
Redemption premium / discount	Not applicable
Early redemption scenario, if any	Not applicable
Safeguards for the protection of holders of NCDs	Please refer to Clause No. 20 of the Scheme
Exit offer to the dissenting holders of NCDs, if any	Please refer to Clause No. 20 of the Scheme
Other embedded features (put option, call option, dates, notification times, etc.)	Put /Call date: 22 nd February, 2027. Put /Call price: At par Put Notification time: Put notice to be issued at least 21 days before the Put Date. Call Notification Time: Call notice to be issued at least 21 days before the Call Date.
Other terms of instruments	As per Private Placement offer document (Key Information Document) dated 22 nd February, 2024 and Debenture Trust Deed dated 22 nd February, 2024
Latest audited financials along with notes to accounts and any audit qualifications. (Financial statements should not be later than six months)	https://nirma.co.in/document_category/financial-results/ https://nirma.co.in/document_category/annual-reports/
An auditors' certificate certifying the payment/repayment capability of the resultant entity	https://nirma.co.in/document_category/stock-exchange-disclosures/



Fairness report	Please refer to the following URL on the website of the Demerged Company https://nirma.co.in/document_category/stock-exchange-disclosures/
Any other information/details pertinent to the holders of NCDs	Not applicable.

