

SCHEME OF AMALGAMATION

OF

PENNAR ENGINEERED BUILDING SYSTEMS LIMITED
(FIRST TRANSFEROR COMPANY)

AND

PENNAR ENVIRO LIMITED
(SECOND TRANSFEROR COMPANY)

WITH

PENNAR INDUSTRIES LIMITED
(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS

**UNDER SECTION 230 TO 232 OF THE COMPANIES ACT, 2013 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES
FRAMED THEREUNDER**



M. M. Subramanian

(A) PREAMBLE

This Scheme of Amalgamation (“Scheme”) is presented under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, for the amalgamation of **Pennar Engineered Building Systems Limited** (“PEBS” or “First Transferor Company”) and **Pennar Enviro Limited** (“PEL” or “Second Transferor Company”) (hereinafter collectively referred to as “Transferor Companies”) with **Pennar Industries Limited** (“PIL” or “Transferee Company”).

(B) BACKGROUND OF THE COMPANIES

- a) Pennar Engineered Building Systems Limited, the First Transferor Company, was incorporated as a public limited company under the name and style of ‘**Pennar Engineered Building Systems Limited**’ in the State of Andhra Pradesh on 17 January 2008 vide Corporate Identity Number L45400TG2008PLC057182. The equity shares of the First Transferor Company got listed on the BSE and the National Stock Exchange of India Limited in September 2015 via an initial public offer process. PEBS raised fund of Rs. 58 Crores in the initial public offer, out of which Rs. 52.62 Crores have been utilized till 31 December, 2017 for the objects for which amount was raised in the initial public offer. The unutilised amount has been temporarily invested / parked in liquid mutual funds and banks.
- b) Further, as per Regulation 36 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, 20% of the post initial public offer equity share capital held by the promoters of the First Transferor Company is locked-in, which will be expiring on 10 September 2018.

The First Transferor Company is primarily engaged in designing, fabricating and installing pre-engineered steel buildings, supplying structural steel and components for manufacturing industries, warehouses, aircraft hangars, commercial buildings, high-rises, metro stations, stadiums and power plants, among others. It is also engaged in designing,



M. M. Srinivas

fabricating and installing solar module mounting structures, telecom transmission towers and cold-form buildings for low-cost housing projects.

- c) Pennar Enviro Limited, the Second Transferor Company, was originally incorporated as a public limited company under the name and style of '**Pennar Chemical Limited**' in the State of Andhra Pradesh on 14 March 2008 vide Corporate Identity Number U74900TG2008PLC058171. Subsequently, the name was changed to '**Pennar Enviro Limited**' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Andhra Pradesh on 16 December 2011.

The Second Transferor Company is primarily engaged in the business of design, manufacturing, supply, erection and maintenance of water and waste water treatment plants and EPC contracts. It also manufactures and distributes fuel additives and water treatment chemicals.

- d) Pennar Industries Limited, the Transferee Company, was originally incorporated as a public limited company under the name and style of '**Pennar Steels Limited**' in the State of Andhra Pradesh on 8 August 1975 vide Corporate Identity Number L27109AP1975PLC001919. Subsequently, the name was changed to '**Pennar Industries Limited**' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Andhra Pradesh on 30 September 1998. The equity shares of the Transferee Company are listed on the BSE and the National Stock Exchange of India Limited.

The Transferee Company is primarily engaged in the business of manufacturing cold rolled steel strips, precision tubes, cold rolled formed sections, electro static precipitators, profiles, railway wagons and coach components, press steel components and road safety systems.

- e) There are no proceedings/investigation pending against the Transferor Companies and the Transferee Company under Sections 210 to 217, 219, 220, 223, 224, 225, 226 & 227 of the Act.



MM
Meegani

(C) RATIONALE OF THE SCHEME

PIL holds ~ 54% stake in PEBS since October 2009. One of PIL's most successful initiatives since its inception, PEBS was set up in 2008 with a vision to emerge as a leader in the pre-engineered buildings and structural steel industry space.

PIL acquired ~51% stake in PEL in 30 November 2012 with the objective of entering new areas of engineering services. PEL has strong references in a range of technologies including desalination, effluent treatment and recycling, demineralization and instrumentation.

Accordingly, the merger of the Transferor Companies with the Transferee Company would have the following benefits:

- Enable shareholders of all the companies to get direct participation in the promising combined business of PIL, PEBS & PEL
- Further, the merger would offer a greater potential to the combined entity to develop and further grow and diversify with better optimization of funds and efficient utilization of resources.
- Simplification of the management structure leading to better administration and reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business processes.
- Synergies arising out of consolidation of business, such as enhancement of net worth of the combined business which shall lead to better ability to leverage the business including reduction in cost of capital.
- The Transferee Company will have an improved capital structure, which would enable it to access the Capital Market at better terms and will afford easier access to other resources and at a lower cost.
- The merger in general will have beneficial results for the Companies, their shareholders, employees and all concerned.



[Handwritten signature]

(D) PARTS OF THE SCHEME

This Scheme is divided into the following parts:

PART I deals with the definitions and Share Capital;

PART II deals with the amalgamation of the Transferor Companies with the Transferee Company; and

PART III deals with the General Terms and Conditions applicable to this Scheme.



PART I – DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1 **“Act”** means the Companies Act, 2013 and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force. References in this scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 2013, unless stated otherwise.
- 1.2 **“Appointed Date”** means the 1st day of April 2018
- 1.3 **“Board of Directors” or “Board”** means and includes the respective Board of Directors of the Transferor Companies or the Transferee Company as the case may be, and shall include a duly constituted committee thereof.
- 1.4 **“Effective Date”** means the last of the dates on which the certified copies of the orders sanctioning this Scheme, passed by the NCLT, are filed with the Registrar of Companies, Hyderabad by the Transferor Companies and the Transferee Company collectively. Any 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.



- 1.5 **“Encumbrance”** 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 **“encumber”** or **“encumbered”** shall be construed accordingly.
- 1.6 **“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 and shall include any other authority which supersedes the existing authority.
- 1.7 **“NCLT”** or **“Tribunal”** means National Company Law Tribunal, Hyderabad bench having jurisdiction in relation to the Transferor Companies and the Transferee Company and shall be deemed to include, if applicable, such other forum or authority as may be vested with the powers of a Tribunal for the purposes of Sections 230 to 232 of the Act.
- 1.8 **“PEBS”** or **“First Transferor Company”** means Pennar Engineered Building Systems Limited, (E-mail id – contact@pebspennar.com), (CIN No. - L45400TG2008PLC057182), (PAN No. – AAACP6047P), a listed company incorporated under the Companies Act, 1956, on 17 January 2008 having its registered office at 9th Floor, DHFLVC Silicon Towers, Kondapur, Hyderabad, Telangana, 500084.
- 1.9 **“PEBS ESOP Scheme”** means Employee Stock Option Plan 2014 of PEBS.
- 1.10 **“PEL”** or **“Second Transferor Company”** means Pennar Enviro Limited, (E-mail id – pel@pennarenviro.com), (CIN No. - U74900TG2008PLC058171), (PAN No. - AAACP5982F), a public limited company incorporated under the Companies Act, 1956, on 14 March 2008 having its registered office at 186/A, IDA Mallapur, Mallapur, Hyderabad, Telangana, India, 500076.



- 1.11 **“PIL” or “Transferee Company”** means Pennar Industries Limited, (E-mail id - corporatecommunications@pennarindia.com), (CIN No. - L27109AP1975PLC001919), (PAN No. - AABCP3074H), a listed company incorporated under the Companies Act, 1956, on 8 August 1975, having its registered office at Floor No. 3, DHFLVC Silicon Towers, Kondapur, Hyderabad, Telangana, 500084.
- 1.12 **“Record Date”** means such date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the members of the Transferor Companies to whom shares of the Transferee Company will be allotted pursuant to this Scheme in terms of Clause 12.
- 1.13 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation including Schedules in its present form or with any modification(s) made under Clause 20 of this Scheme as approved or directed by the NCLT or such other competent authority, as may be applicable.
- 1.14 **“Stock Exchanges”** shall mean BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the First Transferor Company and the Transferee Company are currently listed;
- 1.15 **“Transferor Companies”** means collectively the First Transferor Company and the Second Transferor Company. Reference to Transferor Companies shall include, where the context so requires, each of the Transferor Company.
- 1.16 **“Undertaking”** shall mean the entire business and the whole of undertakings of the Transferor Companies as a going concern, all their assets, rights, licenses and powers and all



their debts, outstandings, liabilities, duties, obligations and employees as on the Appointed Date including, but not in any way limited to, the following:

- (a) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, in possession or reversion, present, future or contingent of whatsoever nature) of the Transferor Companies, including, without being limited to land, plant and machinery, computers, equipment, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, deposits, all stocks, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank balances, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Companies, financial assets, leases (including but not limited to lease rights of the Transferor Companies), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements, municipal permissions, tenancies or licenses in relation to the office and/or residential properties, warehouses, intangible assets (including but not limited to software), trade and service names and marks, patents, copyrights, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), incentives, credits (including tax credits benefits of any unutilised MODVAT/CENVAT/Service tax credits, unutilised input tax credit of Central Goods and Services Tax ('CGST'), Integrated Goods and Services Tax ('IGST'), State Goods and Services Tax ('SGST'), Goods, Union Territory Goods and Services Tax ('UTGST') and Services Tax Compensation Cess ('GST Compensation Cess') etc.]), Minimum Alternate Tax Credit entitlement, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the



control of or vested in or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad.

- (b) All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to business activities and operations of the Transferor Companies.
- (c) All statutory and regulatory permissions, factory licenses, environmental approvals and consents, sales tax, service tax, excise registrations, CGST, SGST, IGST, UTGST or other licenses and incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any government body, local authority or by any other person, or availed of by the Transferor Companies.
- (d) All intellectual property rights of any nature whatsoever, records, files, papers, computer programmes, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to business activities and operations of the Transferor Companies.



- (e) Amounts claimed by the Transferor Companies whether or not so recorded in the books of account of the Transferor Companies from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
- (f) Right to any claim not preferred or made by the Transferor Companies in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Companies and any interest thereon, with regard to any law, act or rule or Scheme made by the Governmental Authority, and in respect of deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961 or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.
- (g) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Companies and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized.
- (h) All other obligations of whatsoever kind, including liabilities of the Transferor Companies with regard to its employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment.
- (i) The details of assets and liabilities of the Transferor Companies as on 30th September 2017 are as per Schedule - 1.

All terms and words 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.



2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by NCLT, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1 The share capital of the First Transferor Company as on 31 March 2017 is as under:

Particulars	Amount (in Rs.)
Authorised Capital	
360,00,000 Equity Shares of Rs.10/- each	36,00,00,000
60,00,000 Compulsorily convertible preference shares of Rs.10/- each	6,00,00,000
TOTAL	42,00,00,000
Issued, Subscribed and Paid-up Capital	
3,42,74,911 Equity Shares of Rs. 10/- each fully paid-up	34,27,49,110
TOTAL	34,27,49,110

Subsequent to 31 March 2017 and as on the date of approval of the Scheme by the Board of Directors of the First Transferor Company, there is no change in the authorised, issued, subscribed and paid-up share capital of the First Transferor Company.

3.2 The share capital of the Second Transferor Company as on 31 March 2017 is as under:

Particulars	Amount (in Rs.)
Authorised Capital	
90,00,000 Equity Shares of Rs.10/- each	9,00,00,000
TOTAL	9,00,00,000
Issued, Subscribed and Paid-up Capital	
83,68,259 Equity Shares of Rs. 10/- each fully paid-up	8,36,82,590
TOTAL	8,36,82,590

Subsequent to 31 March 2017 and as on the date of approval of the Scheme by the Board of Directors of the Second Transferor Company, there is no change in the authorised, issued, subscribed and paid-up share capital of the Second Transferor Company.

3.3 The share capital of the Transferee Company as on 31 March 2017 is as under:

Particulars	Amount (in Rs.)
Authorised Capital	
<u>Equity shares:</u>	
15,00,00,000 Equity Shares of Rs 5/- each	75,00,00,000
<u>Preference Shares:</u>	
Series - A : 5,00,000 Cumulative Redeemable Preference Shares of Rs	5,00,00,000

100/- each	
Series - B : 4,00,00,000 Cumulative Redeemable Preference Shares of Rs 5/- each	20,00,00,000
TOTAL	100,00,00,000
Issued, Subscribed and Paid-up Capital	
<u>Equity shares:</u>	
12,03,49,514 Equity Shares of Rs 5/- each	60,17,47,570
TOTAL	60,17,47,570

Subsequent to 31 March 2017 and as on the date of approval of the Scheme by the Board of Directors of the Transferee Company, there is no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company.

**PART II - AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE
TRANSFeree COMPANY**

4. TRANSFER AND VESTING OF UNDERTAKING

4.1 Upon coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the entire business and whole of the Undertaking of the Transferor Companies, as a going concern, including but not limited to all the debts, liabilities, duties and obligations of every description and also including, without limitation, all the movables, all immovable properties and assets comprising amongst others all freehold and leasehold land, all freehold and leasehold buildings, investments, vehicles, furniture and fixtures, computers, office equipment, permits, licenses, authorisations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall without any further act or deed, but subject to the charges affecting the same be transferred and/or deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and liabilities of the Transferee Company.

Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Companies or the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore after the Effective Date or otherwise.

4.2 All the movable assets of the Transferor Companies along with assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash on hand, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent



that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date.

- 4.3 Such delivery and transfer shall be made on a date mutually agreed upon between the Transferor Companies and the Transferee Company.
- 4.4 In respect of any assets of the Transferor Companies, other than those mentioned in Sub Clause 4.2 above, including actionable claims, sundry debtors, outstanding loans, income-tax refunds, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the Transferor Companies shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the NCLT having sanctioned this Scheme, the relevant debt, loan, income tax refunds, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Companies to recover or realise the same stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 4.5 With effect from the Appointed Date, all debts, liabilities, including contingent liabilities, duties and obligations of the Transferor Companies, as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Companies, and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall, pursuant to the orders of the NCLT and other applicable provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies.

- 4.6 Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company per se shall be considered as intra-party transactions for all purposes from the Appointed Date.
- 4.7 For purpose of giving effect to the vesting order passed under Section 230 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the recording of the change in the title and appurtenant legal right(s) upon the vesting of the Undertaking of the Transferor Companies in the Transferee Company in accordance with the provisions of Sections 230 and 232 of the Act. Upon the Scheme becoming effective and with effect from the Appointed Date, the filing of certified copies of the order of NCLT sanctioning this Scheme shall constitute a creation / modification of charge in the name of the Transferee Company in accordance with the provisions of Section 77 of the Act and satisfaction of charge in respect of the Transferor Companies in accordance with Section 82 of the Act, if there are any existing charges attached to the over the assets of the Transferor Companies.
- 4.8 The amalgamation of the Transferor Companies with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with provisions of Section 2(1B) of the Income-tax Act, 1961. If any terms of provisions of the Scheme is/ are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) shall prevail and the Scheme shall stand modified to the extent necessary to comply with such provisions. Such modifications will however not affect the other parts of the Scheme.

5. **CONTRACTS, DEEDS AND OTHER INSTRUMENTS**



5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favor of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto or there under.

5.2 The Transferee Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Companies are a party in order to give formal effect to the provisions of the 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 Companies and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Companies.

6. STAFF, WORKMEN & EMPLOYEES

6.1 Upon the coming into effect of this Scheme, all employees of the Transferor Companies 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 Companies and without any interruption of or break in service as a result of the amalgamation of the Transferor Companies with the Transferee Company. For the purpose of payment of all retirement benefits, the past services of such employees with the Transferor Companies shall be taken into account from the date of their appointment with the Transferor Companies and such benefits to which the Employees are entitled in the Transferor

Companies shall also be taken into account, and paid (as and when payable) by the Transferee Company.

- 6.2 The equitable interest in accounts/funds of the employees, staff and workmen whose services are vested with the Transferor Companies, relating to superannuation, provident fund and gratuity fund shall be identified, determined and vested with the respective trusts/funds of the Transferee Company and such employees shall be deemed to have become members of such trusts/funds of the Transferee Company. Until such time, the Transferor Companies may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Transferor Companies to the relevant funds of the Transferor Companies.

7. ESOPs

- 7.1 The First Transferor Company has an existing PEBS ESOP Scheme in place for eligible employees. As on the date of filing this Scheme with the NCLT, the First Transferor Company has not granted any stock options under the PEBS ESOP Scheme to any of their employees. On and from the date of filing of this Scheme with the NCLT, the First Transferor Company shall not bring into effect any employee stock option plan, issue or enter into any agreements/ arrangements for issuance of employee stock options or grant any options.
- 7.2 Upon the coming into effect of the Scheme, the Transferee Company shall formulate a new employee stock option scheme ("PIL ESOP Scheme") by adopting an employee stock options scheme similar to or substantially similar to PEBS ESOP Scheme. The terms and conditions applicable to the PIL ESOP Scheme shall be no less favourable than those provided under PEBS ESOP Scheme.
- 7.3 The First Transferor Company and the Transferee Company and the Board of Directors of the First Transferor Company and the Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause.



7.4 The approval granted to this Scheme by the shareholders shall be deemed to be approval granted to any modifications made to the PEBS ESOP Scheme by the First Transferor Company and approval granted to the PIL ESOP Scheme to be adopted by the Transferee Company, respectively.

8. LEGAL PROCEEDINGS

8.1 If any suit, appeal or other legal proceedings of whatsoever nature by or against the Transferor Companies are pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the Amalgamation of the Transferor Companies with the Transferee Company and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

8.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Companies referred to in Sub Clause 8.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Companies.

8.3 On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Companies in the same manner and to the same extent as would or might have been initiated by the Transferor Companies.



9. TAXES

- 9.1 Any liabilities including all liabilities under the Income-tax Act, 1961, Excise Laws, Service Tax Laws, Central Sales Tax Laws, applicable State Value Added Tax Laws, The Integrated Goods and Services Tax Act, 2017, The Central Goods and Services Tax Act, 2017, Andhra Pradesh Goods and Services Tax Act, 2017 and any other state Goods and Services Tax Act, 2017, The Goods and Services Tax (Compensation to States) Act, 2017, 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 Companies 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.
- 9.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, CGST, SGST, IGST, UTGST, GST Compensation Cess, VAT etc.) paid or payable by the Transferor Companies in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, CGST, SGST, IGST, UTGST, GST Compensation Cess, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on and 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.
- 9.3 Any refund under the Tax Laws due to the Transferor Companies consequent to the assessments made on the Transferor Companies 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.

- 9.4 The Transferee Company shall be entitled to carry forward, avail or set-off any unutilized CENVAT credit, VAT credit, Entry tax, unutilised input tax credit of CGST, IGST, SGST, UTGST, GST Compensation Cess etc. lying unutilized in the Transferor Companies on and from the Effective Date.
- 9.5 Without prejudice to the generality of the above, all benefits including under the income tax, excise duty, service tax, applicable State Value Added Tax Laws, Goods & Service tax, etc., to which the Transferor Companies is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 9.6 The Transferee Company shall be entitled to file/ revise its income-tax returns, TDS certificates, TDS returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credits of all taxes paid/ withheld, if any, as may be required consequent to implementation of this Scheme.

10. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

With effect from the Appointed Date to the Effective Date:

- 10.1 The Transferor Companies undertake to preserve and carry on its business, with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:

- If the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the NCLT; or
- If the same is expressly permitted by this Scheme; or



- If the prior written consent of the Board of Directors of the Transferee Company has been obtained.

10.2 The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest for and on account of, and in trust for the Transferee Company.

10.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by the Transferor Companies, shall for all purposes, be treated as the profits/cash, taxes or losses of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.

11. SAVING OF CONCLUDED TRANSACTION

The transfer and vesting of the assets, liabilities and obligations pertaining to the Transferor Companies to the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company shall not affect any contracts or proceedings, already concluded by the Transferor Companies, on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and/or executed by the Transferor Companies in regard thereto as having been done or executed on behalf of the Transferee Company.

12. CONSIDERATION / ISSUE OF SHARES

12.1 Upon the effectiveness of the Scheme, in consideration of the Amalgamation of the Transferor Companies with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot to each member of the Transferor Companies whose name is recorded in the register of members of the Transferor Companies on the Record Date

or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title as the case may be, equity shares in the Transferee Company in the following ratio (the "Share Entitlement Ratio"):

- 23 (Twenty Three) equity share in the Transferee Company of the face value of Rs. 5/- (Rupees Five) each credited as fully paid-up for every 13 (Thirteen) equity share of Rs. 10/- (Rupees Ten) each fully paid-up, held by such member in the First Transferor Company; and
- 1 (One) equity share in the Transferee Company of the face value of Rs. 5/- (Rupees Five) each credited as fully paid-up for every 1 (One) equity share of Rs. 10/- (Rupees Ten) each fully paid-up, held by such member in the Second Transferor Company

12.2 Without prejudice to the Sub Clause 12.1 above, the Transferee Company shall not allot any equity shares to itself by virtue of its investment in the equity shares of the Transferor Companies.

12.3 The equity shares issued and allotted by the Transferee Company in terms of this Scheme shall rank pari-passu in all respects with the existing equity shares of the Transferee Company.

12.4 The equity shares to be issued and allotted in terms hereof will be subject to the terms and conditions set out in the Memorandum of Association and Articles of Association of the Transferee Company.

12.5 No fractional certificates, entitlements or credits shall be issued or given by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Companies are entitled on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme. If any

members of the Transferor Companies have a shareholding such that such members become entitled to a fraction of a new equity share, the board of directors of the Transferee Company shall consolidate all such fractional entitlements to which the shareholders of the Transferor Companies may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid and shall, without any further application, act, instrument or deed, issue and allot such fractional entitlements directly to a nominee to be appointed by the board of directors of the Transferee Company who shall hold such fractional entitlements with all additions or accretions hereto in trust for the benefit of the respective shareholders to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such fractional entitlements in the market at such price or prices and at such time or times as the nominee may in its sole discretion decide and on such sale pay to the Transferee Company the net sale proceeds thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax and expenses, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Companies in proportion to their respective fractional entitlements.

- 12.6 The shares shall be issued to the members of the Transferor Companies in dematerialised form by the Transferee Company.
- 12.7 The issue and allotment of new equity shares by the Transferee Company to the shareholders of the Transferor Companies is an integral part of this Scheme and shall be deemed to have been carried out without any further act or deed and the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be due compliance of the provisions of Sections 42 and 62 and other relevant or applicable provisions of the Act.
- 12.8 The equity shares of the Transferee Company are listed and admitted to trading on the Stock Exchanges. The Transferee Company shall enter into such arrangements and give such

confirmation and/ or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the Stock Exchanges with respect to the issued equity shares under this Scheme. On such formalities being fulfilled, the Stock Exchanges shall list and/ or admit such equity shares issued pursuant to this Scheme, for the purpose of trading. The equity shares allotted pursuant to Clause 12.1, shall remain frozen in the depositories system till listing/ trading permission is given by the Stock Exchanges, respectively.

13. CANCELLATION OF EQUITY SHARES

Upon the Scheme being sanctioned and finally effective, and upon the transfer and vesting of all the said assets, liabilities and rights, duties and obligations etc. of the Undertaking of the Transferor Companies in the Transferee Company, in terms of the Scheme, the shares of the Transferor Companies to the extent held by the Transferee Company shall stand cancelled.

14. ACCOUNTING TREATMENT

Upon the Scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Companies in its books of accounts in accordance with 'Pooling of Interest Method' of accounting as laid down in Appendix C of IND-AS 103 (Business Combinations of entities under common control) as under:

- 14.1 All the assets, liabilities and reserves in the books of the Transferor Companies shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their carrying amount as appearing in the books of the respective Transferor Company.
- 14.2 The Transferee Company shall credit to its share capital account, the aggregate face value of the new shares on merger issued by it pursuant to Clause 12.1 of this Scheme.



- 14.3 The carrying amount of investments in the equity shares of the Transferor Companies to the extent held by the Transferee Company, shall stand cancelled pursuant to Clause 13 of this Scheme and there shall be no further obligation in that behalf.
- 14.4 Upon the Scheme coming into effect, the surplus/ deficit, if any, of the net value of assets, liabilities and reserves of the Transferor Companies acquired and recorded by the Transferee Company in terms of Clause 14.1 over the sum of (a) the face value of the new shares on merger issued and allotted pursuant to Clause 12.1; and (b) the value of investments cancelled pursuant to Clause 14.3, shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company.
- 14.5 Inter-company transactions and balances including loans, advances, amount receivable or payable inter-se between the Transferor Companies and the Transferee Company as appearing in their books of accounts, if any, shall stand cancelled.
- 14.6 In case of any differences in the accounting policies between the Transferor Companies, the impact of the same till the Appointed Date of amalgamation will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the true financial position on the basis of consistent accounting policies.

15. AGGREGATION OF AUTHORISED SHARE CAPITAL

- 15.1 Upon this Scheme becoming effective, the authorized share capital of the Transferor Companies shall stand consolidated with the authorized share capital of the Transferee Company. Accordingly, the authorized share capital of the Transferee Company shall stand increased to that extent without any further act, instrument or deed on the part of the



Transferee Company, including without payment of stamp duty and any fees or charges payable to the Registrar of Companies and/or to any other government authority, and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Section 13, 14, 61 and 232(3)(i) respectively of the Companies Act, 2013 and/or any other applicable provisions of the Act, as the case may be. Hence, for this purpose, the stamp duties and fees paid on the authorised share capital of the Transferor Companies shall be utilised and applied to the increased authorised share capital of the Transferee Company and no extra stamp duty and/or fees shall be required to be paid by the Transferee Company for its increased authorised share capital.

- 15.2 Consequent upon the amalgamation, 'Clause V' of the Memorandum of Association of the Transferee Company shall be amended by deleting the existing clause and replacing it by the following:

"The authorized share capital of the company is Rs.151,00,00,000 (Rupees One Hundred and fifty one crores only) divided into 25,20,00,000 (Twenty Five Crore Twenty Lac only) equity shares of Rs.5/- each and 5,00,000 Preference shares of Rs.100/- each (called as Series-A Preference Shares) and 4,00,00,000 (Four Crores only) Preference Shares of Rs.5/- Each (called as Series-B Preference shares) with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being in force with powers to increase and / or reduce the capital of the Company and to divide the shares in the capital from time to time and power to interchange from one class / series to another class / series being in accordance with the provisions of the Companies Act, 1956 or any other statutory enactment / order / notification in force from time to time into several classes and to attach thereto respectively such preferential / qualified or other rights, privileges or conditions including that of redemption and / or in conversion including deemed redemption and / or conversion, as may be determined by or in accordance with the regulations of the Company or any statutory enactment / order / notification as may be in force from time to

time and to vary, modify or delete any such rights, privileges or conditions in such manner as may from time to time be permissible under the regulations of the Company or any statutory enactment/order/notification as may be in force from time to time."

15.3 It is clarified that the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14 and 61, respectively, of the Companies Act, 2013 and/ or any other applicable provisions of the Act, would be required to be separately passed.

16. ALTERATION OF THE OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE TRANSFEEE COMPANY

16.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the Object Clause of the Memorandum of Association of Transferee Company shall be amended to include the main objects currently contained in the Memorandum of Association of the Transferor Companies. Accordingly, Clause III(A) of the Memorandum of Association of Transferee Company shall stand amended by inclusion of the following additional paragraphs in the main objects as paragraph <<13>> in Clause III(A) of the Memorandum of Association of the Transferee Company immediately after the existing paragraph <<12.>>:

- To carry on the business of selling buildings systems including pre-engineered buildings, pre-fabricated structures, pre-stressed concrete assemblies and structures, high rise metal buildings, framing systems, heavy steel and metal structures for use as warehouses, commercial buildings, factories, aircraft hangers, sports facilities, insulated cold chains and including sub assemblies such as wall systems, roofing assemblies, solar panel systems and building facades.
- To carry on the business of selling components and building materials such as roof panels, wall panels, polyurethane foam filled panels, mineral wool insulated panels, 'standing seam' roofing solutions, gutters, downspouts, secondary framing components

(z-purlins, c-purlins and girts), primary framing members and systems and various accessories including fasteners, trims, walk doors, roll up doors, windows, louvers, skylights, ridge ventilators, roof jacks, roof curbs and sealers.

- To carry on the business of providing supervisory, consulting and contract services for building erection, civil works, foundations, concrete works, finishing, electrical, mechanical, lighting solutions, heating, ventilation, air conditioning and ducting.
- To carry on the business of providing engineering services including the generation of initial building designs, detailed Computer Aided Design(CAD), structural detailing, 3d modelling, shop drawings, erection drawings bill of materials, elevations, architectural designs and other Information Technology (IT) enabled services. The company will also utilize and develop software for engineering design and detailing, 3d modelling and price estimation.
- To carry on the business of trading and marketing by the purchase or sale of components, systems, building components, colored sheets, insulated panels, software licenses, drawings and designs from an overseas source or nationally for use in the manufacture of the above products or for the purpose of sale to customers.
- To carry on business as general engineers, mechanical engineers, process engineers, civil engineers, general mechanical and civil contractors and to enter into contracts, joint ventures and special purpose vehicles (SPVs) in relation to and to erect, construct, supervise, maintain, alter, repair, pull down and restore, either alone or jointly with other companies or persons, works of all descriptions including plants of all descriptions, water works, water treatment plants, factories, mills, refineries, pipelines, gas works, electric works, power plants and to undertake turnkey projects of every description and to undertake the supervision of any plant or factory and to invest in or acquire interest in companies carrying on the above business.
- To collect, transport, treat, process, purify, store, recycle, reuse, dispose off all types of wastes generated by various industries, municipalities hospitals and other health care establishments, commercial establishments including solids, semi-solids, aqueous, non-

aqueous liquids by establishing treatment, storage and disposal facilities or such other facilities required therefore.

- To establish, run and maintain laboratory facilities for carrying out analysis of water, waste water, air, noise, soil, all types of solid and liquid wastes and to carry out research and treatability studies of all types of pollutants; preparation of environmental impact assessments, environmental audits and other risk assessments pertaining to environmental management.
- To manufacture, process, buy, sell blend import or export water treatment chemicals of all types and categories for softening, purification or other treatment of water for industrial domestic and other purposes and prevention of scale in boilers and pipes.
- To manufacture and deal in all kinds of fuel additives and compounds for improving the performance and for energy saving, cleaning, purification, anti-pollutant and manufacture of Bio-fuels like Bio-diesel, Ethanol and such other fuels including cultivation of agricultural produce to meet end user requirement.
- To carry on the business as manufactures of, dealers in, traders, importers and exporters of all kinds of chemicals, chemical compounds(organic and inorganic) in all forms and chemical products of any nature and kind whatsoever, Drugs, Pharmaceuticals, Pesticides, Dyestuffs and all by-products, joint-products and other intermediaries.
- To carry on business as chemical engineers, analytical chemists, traders, importers, exporters, manufactures of and dealers in heavy chemicals, acids, alkalis, petrochemicals, tannins and tannin extracts, essences, solvents, plastic of all types, intermediaries, textile auxiliaries, cellophanes, colours, dyes, paints, varnishes, chemical auxiliaries, disinfectants, deodorants, bio-chemicals, medicinal, sizing, bleaching, photographic and other preparations and articles and chemicals of all kinds.
- To carry on the business of renewable and non renewable energy generation by several processes including wind turbines, solar energy systems including photovoltaic, thermal solar systems, Bio-mass conversion including generation of electricity from waste. To manufacture, process, buy, sell exchange, alter, improve, import or export or otherwise

deal in all kinds of energy saving devices, solar energy products, gadgets and components for industrial, business and household applications.

- To provide advisory and counseling services in all areas relating to energy saving applications.
- To carry on the business of any or all the objects of the company by way of entering into an agreement with the central Government or a state Government or a local authority or any other statutory body on build-Operate-Transfer (BOT) or on Build-Own-Operate-Transfer (BOOT) basis, Build-own-Lease-Transfer (BOLT) scheme wherein the company will provide the necessary and crucial components of infrastructure system, own them for a stipulated period and may or may not maintain or operate the same. Also the company will lease the asset of all or necessary and crucial components of the Infrastructure for maintenance and operation and shall ultimately transfer to the Government bodies or authorities.
- To undertake feasibility study, provide technical, commercial and financial consultancy and also undertake engineering procurement contracts (EPC), project management, related civil construction and maintenance contracts for all the projects, mentioned in the main objects.

16.2 The consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment contemplated in Clause 16.1 of this Scheme to the Memorandum of Association of the Transferee Company and that no further resolutions under section 13 of the Act or any other applicable provisions of the Act, shall be required to be separately passed. Pursuant to this Scheme, the Transferee Company shall file the requisite forms with the Registrar of Companies for alteration of its main objects and the consequent amendment of the Memorandum of Association.



17. DIVIDENDS

17.1 The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/ or final, to their members in respect of the accounting period prior to the effective date. However, the Transferor Companies shall declare any such dividend only after obtaining prior written consent of the Transferee Company.

17.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Companies and Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, as applicable, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and subject to the approval, if required, of the respective members of the Companies.

18. DISSOLUTION OF THE TRANSFEROR COMPANIES

The Transferor Companies shall be dissolved without winding up, on an order made by the NCLT.



PART III - GENERAL TERMS AND CONDITIONS

19. APPLICATION TO NCLT

The Transferor Companies and the Transferee Company shall with all reasonable effort, make necessary applications/petitions, under Sections 230 to 232 and other applicable provisions of the Act to the NCLT for sanctioning this Scheme.

20. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

20.1 The Transferor Companies and the Transferee Company by their respective Boards may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other statutory or regulatory authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board). The Transferee Company's Board be and is hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any statutory or regulatory authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith and to do all acts, deeds, matters and things and take all such steps as may be necessary, desirable or expedient for putting the Scheme into effect.

20.2 In the event of any of the conditions imposed by the NCLT or any other statutory or regulatory authorities, which the Transferor Companies and/or the Transferee Company may find unacceptable for any reason, in whole or in part, then the Transferor Companies and/or the Transferee Company are at liberty to withdraw the Scheme.




21. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional upon and subject to:

- 21.1 The approval by the requisite majorities of the respective members and/or creditors (where applicable) of the Transferor Companies and the Transferee Company, as required under the Act or as may be directed by the NCLT;
- 21.2 Approval by the public shareholders of the First Transferor Company and the Transferee Company through postal ballot and / or e-voting in terms of Para 9(a) & (b) of Annexure I of Circular No. CFD/DIL3/CIR/2017/21 dated 10 March 2017 issued by the Securities and Exchange Board of India, as may be amended from time to time, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against it by the respective company.
- 21.3 The sanction of the Scheme by the NCLT under Sections 230 to 232 of the Act in favour of Transferor Companies and Transferee Company, as the case may be, under the said provisions and to the necessary order sanctioning the Scheme being obtained.
- 21.4 The requisite consent, approval or permission of Securities and Exchange Board of India, Stock Exchanges or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- 21.5 Certified copy of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Telangana at Hyderabad, collectively by Transferor Companies and Transferee Company.
- 21.6 The completion of the unexpired period for which the shareholding of the promoters of the First Transferor Company is locked-in, as per Regulation 36 of the Securities and Exchange

Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, such period expiring on 10 September, 2018.

22. EFFECT OF NON-RECEIPT OF APPROVALS

22.1 In the event any of the said approvals or sanctions referred to in Clause 21 above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or committee empowered thereof of the Transferor Companies and the Transferee Company shall by mutual agreement 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 become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

22.2 The Boards of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Companies and/ or the Transferee Company.

23. SEVERABILITY

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Companies, affect the validity or implementation of the other parts and/ or provisions of this Scheme.

24. COSTS, CHARGES AND EXPENSES



All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Companies and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.



SCHEDULE - 1

Part - I - ASSETS

Assets of the First Transferor Company (PEBS) & the Second Transferor Company (PEL) as on 30 September 2017

Assets	PEBS	PEL
Non-current assets		
Property, Plant and Equipment	6,113	140
Intangible Assets	398	177
Capital Work in Progress	46	246
	6,557	564
Financial Assets		
Trade receivables	1,267	
Other Financial assets	214	9
Investments		2
Other non-current assets	36	
Current tax asset (net)	509	
	2,026	11
Current assets		
Inventories	21,412	247
Financial Assets		
Investments	3,233	
Trade receivables	13,001	6,813
Cash and Cash Equivalents	636	78
Other bank balances	190	122
Loans	1,669	
Other Financial assets	2,840	486
Other current assets	5,941	43
	48,922	7,789
Total	57,505	8,365



LIABILITIES - Part - II

Liabilities of the First Transferor Company (PEBS) & the Second Transferor Company (PEL) as on 30 September 2017

Liabilities	PEBS	PEL
Non-current liabilities		
Financial Liabilities		
Borrowings	22	2,500
Other Financial liabilities	775	
Deferred tax liabilities (net)	284	78
Provisions	231	
	1,312	2,578
Current liabilities		
Financial Liabilities		
Borrowings	9,297	727
Trade payables	13,751	3,249
Other financial liabilities	118	
Other current liabilities	8,370	422
Provisions	134	
Current tax liability (net)	232	115
	31,902	4,512
Total	57,505	8,365

M. M. Steeb

