



**NILA  
INFRASTRUCTURES  
LIMITED**

To,  
The Department of Listing Operations,  
BSE Limited,  
P.J.Towers, Dalal Street,  
Mumbai- 400 001

**Date: October 17, 2017**

**Subject: Submission of the requisite documents for approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, for the Scheme of Arrangement between Nila Infrastructures Limited and Parmananday Superstructure Limited and their respective shareholders and creditors ('the Scheme')**

Dear Sir,

Kindly find the attached copy of documents as follows:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Annexure No.</b>
1	Certified copy of the resolution passed at the meeting of the Board of Directors held on 17October2017 of Nila Infrastructures Limited and Parmananday Superstructure Limited	1
2	The Draft Scheme proposed to be filed with the NCLT	2
3	Swap ratio report obtained from an Independent Chartered Accountant	3
4	Report from Audit Committee of Nila Infrastructures Limited recommending the Draft Scheme taking into consideration, inter alia, the Swap ratio report obtained from an Independent Chartered Accountant	4
5	A fairness opinion on the swap ratio report as required under regulation 37 of the SEBI LODR, obtained from Category-I Merchant Banker registered with SEBI	5
6	Shareholding Pattern, pre and post Scheme, of Nila Infrastructures Limited and Parmananday Superstructure Limited in the format prescribed under regulation 31 of SEBI LODR	6

Registered Office:  
1st floor, Sambhaav House  
Opp. Chief Justice's Bungalow  
Bodakdev, Ahmedabad 380015  
Tel.: +91 79 4003 6817 / 18, 2687 0258  
Fax: +91 79 3012 6371  
e-mail: info@nilainfra.com



CIN : L45201GJ1990PLC013417

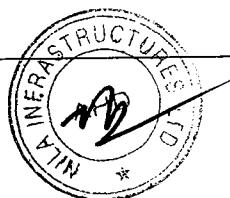
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**Annexure**  
**NILA INFRASTRUCTURES LIMITED**

Sr. No.	Particulars	
7	Audited financials of Nila Infrastructures Limited and Parmananday Superstructure Limited for the last 3 financial years (financials not being more than 6 months old)	7
8	Complaint report as per Annexure III of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website)	To be submitted in due course
9	Compliance report with the requirements specified in Annexure IV of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 duly certified by the Company Secretary and Managing Director, confirming compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards	8
10	An undertaking certified by the auditor clearly stating the reasons for non-applicability of Sub Para 9(a) of SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ; and Certified copy of Board of Director's resolution approving the aforesaid auditor certificate.	9
11	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI	BSE
12	Certified true copy of the resolution passed by the Board of Directors appointing DSE	10
13	Brief details of Nila Infrastructures Limited and Parmananday Superstructure Limited in the prescribed format	11
14	Information pertaining to Parmananday Superstructure Limited as per format specified for abridged prospectus along with certificate from Merchant Banker confirming the adequacy and accuracy of the information contained in above document	12
15	Networth certificate (excluding Revaluation Reserve) together with related workings pre and post Scheme for Nila Infrastructures Limited and Parmananday Superstructure Limited	13
16	Capital evolution details of the Nila Infrastructures Limited and Parmananday Superstructure Limited	14
17	Confirmation by Managing Director / Company Secretary of Nila Infrastructures Limited in the prescribed format	15
18	Statutory Auditor's Certificate confirming the compliance of the accounting treatment as specified in Para(I)(A)(5)(a) of Annexure I of SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017	16

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Annexure  
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Sr. No.	Particulars	
19	Annual Reports Nila Infrastructures Limited and Parmananday Superstructure Limited for the last financial year i.e. FY 2016-17	17
20	Confirmation by the Director of Parmananday Superstructure Limited, in respect of listing of equity shares proposed to be issued pursuant to the Draft Scheme	18
21	Statement of Net-worth, Profitability and Turnover of the Demerged Undertaking of Nila Infrastructures Limited vis-à-vis Nila Infrastructures Limited is enclosed in the prescribed format	19
22	Quarterly compliance Report on Corporate Governance as per Regulation 27 (2)(a) of the SEBI LODR	20
23	Confirmation from all the companies involved in the scheme regarding the following: a. The Company, its promoters or Directors have never been declared as wilful defaulter as per RBI Circular Ref. No. RBI/2015-16/100DBR.No.CID.BC.22/20.16.003/2015-16 dated July 1, 2015 by the Banks. b. The Company, its promoters or Directors have not been directly or indirectly, debarred from accessing the capital market or have been restrained by any regulatory authority from, directly or indirectly, acquiring the said securities. The Company, its promoters or Directors do not have direct or indirect relation with the companies, its promoters and whole-timed directors, which are compulsorily delisted by any recognized stock exchange	21
24	Cheque in favour of 'BSE Limited' of Rs. 1,80,000/- plus GST	22

### Listing Status of Parmananday Superstructure Limited

Post the scheme becoming effective, equity shares proposed to be issued, pursuant to the Draft Scheme, by Parmananday Superstructure Limited will be listed on all stock exchanges where the equity shares of Nila Infrastructures Limited are listed, subject to SEBI granting relaxation from applicability under Rule 19 (2) (b) of the Securities Contract (Regulation) Rules, 1957, post the Scheme becomes effective.

It may further be noted that the Resultant Company M/s Parmananday Superstructure Ltd. has applied for change of its name with the Registrar of Companies – Ministry of Corporate Affairs (RoC) and the said application is under process. Hence, upon the completion of the name change formalities, such name as may be approved by the ROC shall stand altered and reflected under the Scheme. Further,



For and on behalf of the Company,  
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Opp. Chhatrapati's Bungalow  
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such amended name shall be read accordingly in the Scheme and other relevant documents being filed with the Scheme. The necessary documents evidencing such change of name of the Company shall be furnished to you immediately on its availability.

**Name and Designation of the Contact Person:**

Mr. Dipen Parikh; Company Secretary

Nila Infrastructures Limited

1st floor, Sambhaav House, Opp. Chief Justice's Bungalow,

Bodakdev, Ahmedabad, Gujarat, 380015

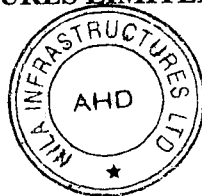
E-mail: [dipen@nilainfra.com](mailto:dipen@nilainfra.com); Contact No: 09825547352

We request you to take above on record and oblige. We request you to provide necessary "No Objection" at the earliest so as to enable us to file the Draft Scheme with the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

If you require any further information / clarifications, we would be happy to provide the same.

**FOR NILA INFRASTRUCTURES LIMITED,**

  
COMPANY SECRETARY



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## SCHEME OF ARRANGEMENT

*among*

**NILA INFRASTRUCTURES LIMITED**

*and*

**NILA SPACES LIMITED**

*and*

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

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

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### **PREAMBLE**

This Scheme (as defined hereinafter) is presented under Sections 230 to 232 of the Act (as defined hereinafter), together with Sections 13, 52, 61, 62 and 66 and other applicable provisions of the Act for demerger of the Real Estate Undertaking (as defined hereinafter) of the Demerged Company (as defined hereinafter) and vesting of the same to the Resulting Company (as defined hereinafter); sub-division of the equity share capital of the Resulting Company and increase in the authorised share capital of the Resulting Company; issuance of equity shares by the Resulting Company to the equity shareholders of the Demerged Company; reduction of paid-up equity share capital of the Resulting Company pursuant to cancellation of equity shares held by the Demerged Company in the Resulting Company; reduction of Securities Premium Account of the Demerged Company; and for matters consequential, supplemental and/or otherwise integrally connected therewith.

### **A. BACKGROUND**

- (i) The Demerged Company was incorporated on 26<sup>th</sup> day of February 1990 as Nila Builders Private Limited, a private limited company, with the Registrar of Companies, Gujarat under the provisions of the Companies Act, 1956. Its name was then changed to: (a) Nila Builders Limited on 16<sup>th</sup> day of December 1994, (b) Nila Housing and Infrastructures Limited on 20<sup>th</sup> day of December 1994, and (c) Nila Infrastructures Limited on 4<sup>th</sup> day of August 1995. The Corporate Identification Number of the Demerged Company is L45201GJ1990PLC013417.



The equity shares of the Demerged Company are listed on BSE Limited and National Stock Exchange of India Limited.

- (ii) The Demerged Company along with its nominees hold 100% of the paid-up equity share capital of the Resulting Company.

The Demerged Company is carrying on the activities of Infrastructure Business and the Real Estate Business. Under the Infrastructure Business, the Demerged Company is engaged in the construction of affordable housing units through Engineering, Procurement and Construction (EPC) and Public Private Partnership (PPP) model and leasing of properties. Further, the Demerged Company is also carrying on the business of Civic Urban Infra Projects through EPC and PPP model and is also engaged in the development of Industrial Parks

The Demerged Company through its Real Estate Business has completed various residential projects in the State of Gujarat. Under the Real Estate Business, the Demerged Company is also in the process of execution of/contemplating several residential/commercial projects.

- (iii) The Resulting Company was incorporated on 3<sup>rd</sup> day of May 2000 as Gee Tele Network Limited, a public limited company, with the Registrar of Companies, Mumbai, under the provisions of the Companies Act, 1956. Its registered office was shifted from the State of Maharashtra to the State of Gujarat on 29 day of December 2014. Its name was then changed to: (a) Parmannaday Consultancy Limited on 3<sup>rd</sup> day of March 2017, (b) Parmananday Superstructure Limited on 12<sup>th</sup> day of October 2017 and (c) Nila Spaces Limited on 27<sup>th</sup> day of November 2017. The Corporate Identification Number of the Resulting Company is U45100GJ2000PLC083204. The Resulting Company is a wholly-owned subsidiary of the Demerged Company. The Demerged Company and its nominees holds 100% of the paid-up share capital of the Resulting Company. The Resulting Company is incorporated to carry on the business, inter alia, of construction and development of buildings, offices, etc.

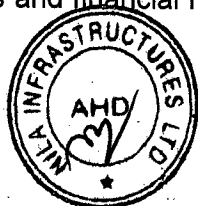
- (iv) This Scheme is presented under Sections 230 to 232 and other applicable provisions of the Act, for the transfer by way of a demerger of the Real Estate Undertaking of The Demerged Company to the Resulting Company, and the consequent issue of equity shares by the Resulting Company to the shareholders



of the Demerged Company ("Demerger") in accordance with the relevant provisions of the Act and Section 2(19AA) of the Income-tax Act, 1961.

**B. RATIONALE AND PURPOSE OF THE SCHEME**

- (a) The Demerged Company has, over a period of time, become an Infrastructure Company with specific focus on Civic Urban Infrastructure. It has been one of the first participants in Affordable Housing projects under the Pradhan Mantri Awas Yojana ('PMAY') and, over-a-period of time, has become a specialist with already satisfactory delivery of substantial units and/or built up area. The proposed demerger of Real Estate Business is expected to provide an absolute focus on Infrastructure business and make it a pure-play Infrastructure Company. It shall provide an impetus to the financials and make a strong case of improved credit profile. The leaner capital structure and commensurate assets shall boost the business prospects of the Demerged Company and provide for value unlocking/wealth creation of the investors in the long-run
- (b) The Demerged Company is carrying on the activities of Infrastructure Business and the Real Estate Business. Under the Infrastructure Business, the Demerged Company is engaged in the construction of affordable housing units through Engineering, Procurement and Construction (EPC) and Public Private Partnership (PPP) model and leasing of various properties. Further, the Demerged Company is also carrying on the business of Civic Urban Infra Projects through EPC and PPP model. The said Infrastructure Business has been the major contributor to the overall revenue of the Demerged Company as on date.
- (c) The Demerged Company, as a private developer, has completed various real estate projects in the State of Gujarat, while it is also in the process, through the Resulting Company, to leverage the skills, resources, and experience in development and marketing of real estate projects.
- (d) The proposed demerger of Real Estate Business of the Demerged Company into the Resulting Company shall result into an asset light business model for the Demerged Company and is expected to result into the improvement of the credit ratings and financial ratios. Thus, it should in turn boost the growth of the



Demerged Company in future which shall be in the best interest of all the stakeholders of the aforesaid Companies.

- (e) Further, while working with the Government / Semi Government on various projects in past under EPC, EPC + PPP, PPP model, the Demerged Company has gathered an inherent potential of carrying out its own real estate projects. Further, initiatives of the Government such as "Housing for All by 2022" and "Smart Cities" projects clearly indicate that the Government recognizes urbanization as a feature of modernity. The mammoth and ambitious goal of Government of India of providing affordable housing to all its citizen by 2022 coupled with overall growth in economy and path-breaking regulatory developments such as The Real Estate (Regulation and Development) Act, 2016 ('RERA') and Goods and Service Tax Act, 2017 ('GST') will provide much needed impetus to the real estate industry in India.
- (f) Hence, keeping in mind the favorable regulatory developments for the real estate industry, the management of the Demerged Company believes that the proposed demerger of the Real Estate Business would also ensure a focused strategy and specialization for sustainable growth of the Real Estate Business while it would also support the initiatives taken by the Government to provide affordable housing. Thus, with the proposed scheme, the stakeholders may look forward to the benefits of unlocking and maximizing value
- (g) Thus, segregating the business would enable independent business opportunities, attracting different sets of investors, strategic partners, lenders and other stakeholders and would bring about synergy of operations and greater internal control on business processes / ease in decision making

**C. PARTS OF THE SCHEME**

The Scheme is divided into the following parts:

1. **PART-I** deals with definitions, date of taking effect and share capital of the Demerged Company and the Resulting Company;





2. **PART-II** deals with demerger of the Real Estate Undertaking of the Demerged Company and its vesting in the Resulting Company;
4. **PART-III** deals with the sub-division of the equity share capital of the Resulting Company and increase in the authorised share capital of the Resulting Company, consideration, reduction of paid-up share capital of the Resulting Company, accounting treatment, and reduction in the securities premium account of the Demerged Company;
5. **PART-IV** deals with the Remaining Business of the Demerged Company; and
6. **PART-V** deals with the general terms and conditions that would be applicable to the Scheme.

**D. TREATMENT OF THE SCHEME FOR THE PURPOSES OF THE INCOME-TAX ACT, 1961**

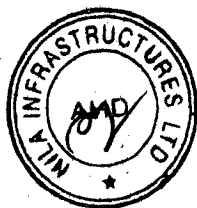
The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income-tax Act, 1961. If, at a later date, any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961, including as a result of an amendment of law or the enactment of a new legislation or for any other reason whatsoever, the provisions of Section 2(19AA) of the Income-tax Act, 1961, or a corresponding provision of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification(s) will, however, not affect the other provisions of the Scheme.

**PART - I**

**DEFINITIONS, DATE OF TAKING EFFECT AND SHARE CAPITAL**

**1 DEFINITIONS**

In this Scheme, the following words and expressions shall, unless the context requires otherwise, have the following meanings ascribed to them:



- 1.1 **"Act"** means the Companies Act, 2013 and shall include the provisions of the Companies Act, 1956, to the extent the corresponding provisions in the Companies Act, 2013 have not been notified.
- 1.2 **"Appointed Date"** means 1<sup>st</sup> April 2017.
- 1.3 **"Board"** or **"Board of Directors"** in relation to each of the Companies, as the case may be, means the board of directors of such company and, unless it be repugnant to the context, includes a duly authorised committee of directors.
- 1.4 **"Companies"** means together the Demerged Company and the Resulting Company.
- 1.5 **"Demerged Company"** means Nila Infrastructures Limited, a public company incorporated under the provisions of the Companies Act, 1956 and having its registered office at First Floor, Sambhaav House, Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad – 380 015, Gujarat, India.
- 1.6 **"Effective Date"** means the last of the dates on which the conditions and matters referred to in Clause 20 hereof occur or have been fulfilled or waived and 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.
- 1.7 **"LODR"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 1.8 **"NCLT"** means National Company Law Tribunal, Bench at Ahmedabad, which has jurisdiction in relation to the Demerged Company and the Resulting Company.
- 1.9 **"Nila Infra ESOPs"** means Nila Infrastructures Limited ESOP – 2014, established as per the Employee Stock Option Scheme by the Demerged Company under the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended.

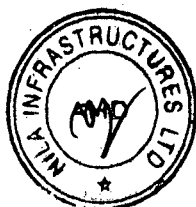


1.10 **"Real Estate Undertaking"** means all the businesses, undertakings, activities, properties, investments and liabilities, of whatsoever nature and kind and wheresoever situated, pertaining to Real Estate Business, including specifically the following:

- (a) all immovable properties, i.e. land together with the buildings and structures standing thereon, if any, (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including the lands awarded by the Government/ Semi-Government Authorities in lieu of the execution of various PPP real estate projects, benefits of and rights under the agreements for sale, Floor Space Index (FSI) rights, in relation to the Real Estate Business and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (b) all assets, as are movable in nature pertaining to and in relation to the Real Estate Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including electrical fittings, furniture, fixtures, appliances, accessories, office equipments, communication facilities, installations and inventory), actionable claims, current assets, earnest monies and sundry debtors, financial assets, strategic investments of the Demerged Company in Megacity Cinemall Private Limited, Nilsan Realty LLP, Fangdi Land Developers LLP and Nila Projects LLP pertaining or relating to the Real Estate Business, outstanding loans and advances including advances given for purchase of immovable properties, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Governmental Authority, banks, customers and other persons, the benefits of any bank guarantees, performance guarantees and tax related assets, including but not limited to goods and service tax input credits, CENVAT credits, value added/sales tax/entry tax credits or set-offs, advance tax, tax deducted at source and tax refunds;



- (c) all permits, licenses, permissions including municipal permissions, right of way, approvals including application seeking approvals under Real Estate (Regulation and Development) Act, 2016, plans including building plans, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates including commencement certificates issued by any local authorities, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Real Estate Business;
- (d) all contracts, agreements including development agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all-rights, title, interests, claims and benefits thereunder pertaining to the Real Estate Business;
- (e) all applications (including hardware, software, licenses, source codes, parameterisation and scripts), registrations, goodwill, licenses, trade names, service marks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the Real Estate Business;
- (f) all rights to use and avail 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 interests held in trusts, registrations, contracts, engagements,



arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Demerged Company pertaining to or in connection with or relating to the Demerged Company in respect of the Real Estate Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company and pertaining to the Real Estate Business;

- (g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, advertisements, brochures, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Real Estate Business;
- (h) all debts, liabilities including contingent liabilities, duties, taxes and obligations of the Demerged Company pertaining to the Real Estate Business and/or arising out of and/or relatable to the Real Estate Business including:
  - i. the debts, liabilities, duties and obligations of the Demerged Company which arises out of the activities or operations of the Real Estate Business;
  - ii. specific loans and borrowings raised, incurred and utilized solely for the activities or operations of or pertaining to the Real Estate Business;
  - iii. in cases other than those referred to in Sub-Clause i. or Sub-Clause ii. above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same



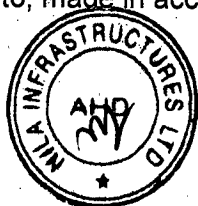
proportion which the value of the assets transferred pursuant to the Demerger bears to the total value of the assets of the Demerged Company immediately prior to the Effective Date;

- (i) all employees of the Demerged Company employed/engaged in the Real Estate Business as on the Effective Date; and
- (j) all legal or other proceedings of whatsoever nature that pertain to the Real Estate Business.

*Explanation:*

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Real Estate Business or whether it arises out of the activities or operations of the Real Estate Business, the same shall be decided by mutual agreement between Board of Directors of the Demerged Company and the Resulting Company.

- 1.11 **"Record date"** means the date to be fixed by the Board of Directors of the Demerged Company for the purpose of determining the equity shareholders of the Demerged Company to whom shares of the Resulting Company shall be allotted pursuant to Demerger under this Scheme.
- 1.12 **"Remaining Business"** shall mean all the undertakings, businesses, activities, operations, assets and liabilities of the Demerged Company other than those comprised in the Real Estate Undertaking.
- 1.13 **"Resulting Company"** means Nila Spaces Limited, a public company incorporated under the provisions of the Companies Act, 1956 and having its registered office at First Floor, Sambhaav House, Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad – 380 015, Gujarat, India.
- 1.14 **"RoC"** means the Registrar of Companies, Gujarat.
- 1.15 **"Scheme"** means this scheme of arrangement including any modification or amendment hereto, made in accordance with the terms hereof.



1.16 “SEBI” shall mean Securities and Exchange Board of India.

1.17 “SEBI Circular” means, together, the circular no. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> day of March 2017, the circular no. CFD/DIL3/CIR/2017/26 dated 23<sup>rd</sup> day of March 2017 and the circular no. CFD/DIL3/CIR/2017/105 dated 21<sup>st</sup> day of September 2017, each issued by SEBI.

1.18 “Stock Exchanges” means BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), collectively.

## 2 DATE OF TAKING EFFECT AND OPERATIVE DATE

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

## 3 SHARE CAPITAL

3.1 The share capital structure of the Demerged Company as on 30<sup>th</sup> day of September 2017 was as follows:

Particulars	Amount (INR)
<b><u>Authorised Capital:</u></b>	
50,00,00,000 equity shares of INR 1/- each	50,00,00,000
<b>Total</b>	<b>50,00,00,000</b>
<b><u>Issued, Subscribed and Paid-up Capital:</u></b>	
39,38,89,200 equity shares of INR 1/- each fully paid up	39,38,89,200
<b>Total</b>	<b>39,38,89,200</b>



- 3.2 The share capital structure of the Resulting Company as on 30<sup>th</sup> day of September 2017 was as follows:

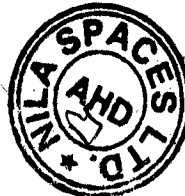
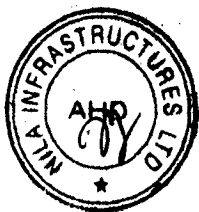
Particulars	Amount (INR)
<b><u>Authorised Capital:</u></b>	
1,50,000 equity shares of INR 10/- each	15,00,000
<b>Total</b>	<b>15,00,000</b>
<b><u>Issued, Subscribed and Paid-up Capital:</u></b>	
79,000 equity shares of INR 10/- each fully paid-up	7,90,000
<b>Total</b>	<b>7,90,000</b>

## **PART – II**

### **DEMERGER OF THE REAL ESTATE UNDERTAKING OF THE DEMERGED COMPANY AND ITS VESTING IN THE RESULTING COMPANY**

#### **4 TRANSFER AND VESTING OF THE REAL ESTATE UNDERTAKING**

- 4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the Real Estate Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Real Estate Undertaking) shall, without any further act, instrument, deed, matter or thing, be demerged from the Demerged Company and transferred to and vested in the Resulting Company or be deemed to have been demerged from the Demerged Company, and transferred to and vested in the Resulting Company as a going concern, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interests and authorities of the Resulting Company, pursuant to Sections 230 to 232 of the Act.
- 4.2 In respect of such of the assets of the Real Estate Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery of possession and/or by endorsement and delivery, the same shall be so transferred by the Demerged Company to the Resulting Company upon the coming into





effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Company as an integral part of the Real Estate Undertaking.

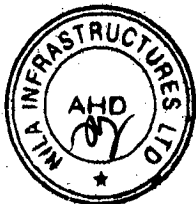
- 4.3 In respect of the movable assets other than those dealt with in clause 4.2 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with the Government, semi-Government, local or other authority or body or with any company or other person, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc., the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act to the end and intent that the right of the Demerged Company to recover or realize the same stands transferred to the Resulting Company. The Resulting Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to each person, debtor or depositor, 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.
- 4.4 In respect of such of the assets belonging to the Real Estate Undertaking other than those referred to in clause 4.2 and 4.3 above, the same shall, as more particularly provided in clause 4.1 above, without any further act, instrument or deed, be demerged from the Demerged Company and transferred to and vested in and/or be deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of the Scheme, the Resulting Company shall be entitled to exercise all the rights and privileges and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all such immovable properties, including mutation and/or substitution of the title to, or interest in the immovable properties which shall be made and duly recorded by the appropriate authority(ies) in favour of the Resulting Company pursuant to the sanction of the Scheme by the NCLT and upon the Scheme being effective in accordance with the terms hereof without any



further act or deed to be done or executed by the Demerged Company and/or the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution.

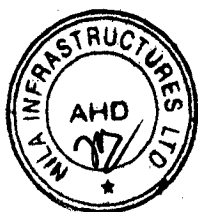
Notwithstanding any provision to the contrary, from the Effective Date and until the owned properties, leasehold properties and related rights thereto, license/right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded, effected and/or perfected, in the record of the appropriate authority, in favour of the Resulting Company, the Resulting Company is deemed to be authorised to carry on the business in the name and style of the Demerged Company under the relevant agreement, deed, lease and/or license, as the case may be, and the Resulting Company shall keep a record and/or account of such transactions.

- 4.5 All assets, rights, title, interests and investments of the Demerged Company in relation to the Real Estate Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- 4.6 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold/leave and licence/right of way properties of the Demerged Company in relation to the Real Estate Undertaking, shall, pursuant to Section 230 of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in the Resulting Company automatically and on the same terms and conditions.
- 4.7 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, lease hold rights and tenancies, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Demerged Company, and the rights and benefits under the same, in so far as they relate to the Real Estate Undertaking and all quality certifications and approvals, trademarks, trade names, copy rights, domain names, designs and all



other interests relating to the goods or services being dealt with by the Real Estate Undertaking and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by the Demerged Company in relation to the Real Estate Undertaking shall be transferred to and vested in the Resulting Company and the concerned licensors and granters of such approvals, clearances, permissions, etc, shall endorse, where necessary, and record, in accordance with applicable laws, the Resulting Company on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Real Estate Undertaking of the Demerged Company in the Resulting Company and continuation of operations pertaining to the Real Estate Undertaking of the Demerged Company in the Resulting Company without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

- 4.8 In so far as various incentives, subsidies, exemptions, special status, experience, service tax benefits, goods and service tax benefits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Government body, regulatory authority, local authority or by any other person, or availed of by the Demerged Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Real Estate Undertaking, vest with and be available to the Resulting Company on the same terms and conditions, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company.
- 4.9 Any claims due to the Demerged Company from its customers or otherwise and which have not been received by the Demerged Company as on the date immediately preceding the Effective Date as the case may be, in relation to or in connection with the Real Estate Undertaking, shall also belong to and be received by the Resulting Company.
- 4.10 All assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Real Estate Undertaking shall also stand transferred to and vested in the Resulting Company upon the coming into effect of this Scheme.



- 4.11 Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities (including contingent liabilities) of the Demerged Company relating to the Real Estate Undertaking shall without any further act, instrument or deed be and stand transferred to the Resulting Company and shall thereupon become the debts, duties, obligations and liabilities of the Resulting Company which it undertakes to meet, discharge and satisfy to the exclusion of the Demerged Company and to keep the Demerged Company indemnified at all times from and against all such debts, duties, obligations and liabilities and from and against all actions, demands and proceedings in respect thereto. It shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this clause.
- 4.12 In so far as loans and borrowings of the Demerged Company are concerned, the loans and borrowings and such amounts pertaining to the general and multipurpose loans and borrowings, and liabilities, if any, which are to be transferred to the Resulting Company in terms of clause 4.11 above, being a part of the Real Estate Undertaking shall, without any further act or deed, become loans and borrowings of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Resulting Company, as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities shall be that of the Resulting Company. However, without prejudice to such transfer of proportionate liability amount, if any, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Resulting Company may discharge such liability (including accretions) by making payments on the respective due dates to the Demerged Company, which in turn shall make payments to the respective creditors.
- 4.13 Subject to clause 4.12 above, from the Effective Date, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities of the Real Estate Undertaking as the borrower/issuer thereof, and the Demerged Company shall not have any obligations in respect of the said liabilities.
- 4.14 Where any of the liabilities and obligations of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account



of the Resulting Company and all liabilities and obligations incurred by the Demerged Company for the operations of the Real Estate Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company and to the extent of their outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company, which shall meet, discharge and satisfy the same.

- 4.15 Any claims, liabilities or demands arising on account of the Real Estate Undertaking of the Demerged Company which relates to the period prior to the Appointed Date but arises at any time after the Effective Date shall be entirely borne by the Resulting Company. In the event that such liability is incurred by or such claim or demand is made upon the Demerged Company, then the Resulting Company shall indemnify the Demerged Company for any payments made in relation to the same.
- 4.16 Subject to the other provisions of this Scheme, in so far as the assets of the Real Estate Undertaking are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Remaining Business of the Demerged Company shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of the Demerged Company which are not transferred to the Resulting Company.
- 4.17 In so far as the assets of the Remaining Business of the Demerged Company are concerned, the security, pledge, existing charges and mortgages over such assets, to the extent they relate to any loans or borrowings of the Real Estate Undertaking shall, without any further act, instrument or deed be released and discharged from such security, pledge, charges and mortgages. The absence of any formal amendment which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this clause.
- 4.17.1 In so far as the existing security in respect of the loans and other liabilities relating to the Remaining Business of the Demerged Company are concerned, such security shall, without any further act, instrument or deed be continued with



the Demerged Company only on the assets which are remaining with the Demerged Company.

- 4.18 Without any prejudice to the provisions of the foregoing clauses and upon the Scheme being effective, the Demerged Company and the Resulting Company shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the RoC to give formal effect to the provisions of this clause and foregoing clauses, if required.
- 4.19 Upon the coming into effect of this Scheme, the Demerged Company alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Business of the Demerged Company and the Resulting Company shall not have any obligations in respect of the Remaining Business of the Demerged Company.
- 4.20 The foregoing provisions shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
- 4.21 On and from the Effective Date, and thereafter, the Resulting Company shall be entitled to operate all bank accounts of the Demerged Company in relation to or in connection with the Real Estate Undertaking, and realize all monies and complete and 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 Real Estate Undertaking, in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Real Estate Undertaking to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions.
- 4.22 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of bank accounts of the Demerged Company in relation to or in connection with the Real Estate Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company, in relation to or in connection with the Real Estate Undertaking, in the name of the Demerged Company in so far as may be necessary. 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 Real Estate 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. the Resulting Company shall be allowed to maintain bank accounts in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company, in relation to or in connection with the Real Estate Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company, in relation to or in connection with the Real Estate Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of the Demerged Company shall be instituted, or as the case may be, continued by or against the Resulting Company after the coming into effect of this Scheme.

- 4.23 It is hereby clarified that all assets and liabilities of the Real Estate Undertaking, which are set forth in the closing balance sheet of the Demerged Company as on the close of business hours on the date immediately preceding the Appointed Date, shall be transferred at values appearing in the books of account of the Demerged Company as on the Appointed Date.

## **5 LEGAL PROCEEDINGS**

- 5.1 Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the Real Estate Undertaking shall be continued and enforced by or against the Resulting Company after the Effective Date. In the event that the legal proceedings referred to herein require the Demerged Company and the Resulting Company to be jointly treated as parties thereto, the Resulting Company shall be added as a party to such proceedings and shall prosecute and defend such proceedings in co-operation with the Demerged Company. In the event of any difference or difficulty in determining as to whether any specific legal or other proceedings relate to the Real Estate Undertaking or not, a decision jointly taken by the Board of Directors of the Demerged Company and the Resulting Company in this regard, shall be conclusive evidence of the matter.



- 5.2 If proceedings are taken against the Demerged Company in respect of the matters referred to in clause 5.1 above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all the liabilities and obligations incurred by the Demerged Company in respect thereof.
- 5.3 The Resulting Company shall have all legal or other proceedings initiated by or against the Demerged Company with respect to the Real Estate Undertaking, transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.

## **6 CONTRACTS, DEEDS, ETC.**

- 6.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Real Estate Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.
- 6.2 Notwithstanding the fact that vesting of the Real Estate Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.





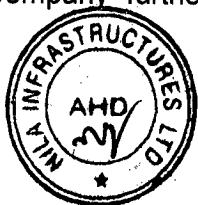
- 6.3 Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interests in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Real Estate Undertaking which the Demerged Company own or to which the Demerged Company is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, in so far as it is permissible so to do, till such time as the transfer is effected.

## **7 SAVING OF CONCLUDED TRANSACTIONS**

- 7.1 The transfer and the vesting of the assets, liabilities and obligations of the Real Estate Undertaking under clause 4 hereof and the continuance of proceedings by or against the Resulting Company under clause 5 hereof shall not affect any transaction or proceedings already completed by the Demerged Company on or after the Appointed Date, to the end and intent that the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things made, done and executed by and on behalf of the Resulting Company.

## **8 STAFF, EMPLOYEES & WORKMEN**

- 8.1 Upon the coming into effect of this Scheme, all the employees relating to the Real Estate Undertaking that were employed by the Demerged Company immediately before the Effective Date, shall become the employees of the Resulting Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Real Estate Undertaking of the Demerged Company immediately prior to the demerger of the Real Estate Undertaking.
- 8.2 The Resulting Company agrees that the service of all employees pertaining to the Real Estate Undertaking with the Demerged Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in the Demerged Company up to the Effective Date. The Resulting Company further agrees that for the purpose of payment of any

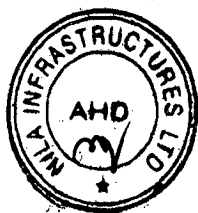


retrenchment compensation, gratuity or other terminal benefits, such past service with the Demerged Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

- 8.3 Upon the coming into effect of this Scheme, the Resulting Company shall make all the necessary contributions for such transferred employees relating to the Real Estate Undertaking, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Resulting Company will also file relevant intimations in respect of the Real Estate Undertaking to the statutory authorities concerned who shall take the same on record and substitute the name of the Resulting Company for the Demerged Company.
- 8.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by the Demerged Company for employees of the Real Estate Undertaking are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Real Estate Undertaking as on the Effective Date, who are being transferred along with the Real Estate Undertaking in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of the Resulting Company and till the time such necessary funds, schemes or trusts are created by the Resulting Company, all contribution shall continue to be made to the existing funds, schemes or trusts of the Demerged Company.

## **9 EMPLOYEE STOCK BENEFITS**

- 9.1 Upon Part II of the Scheme becoming effective, employees of the Demerged Company holding options, (whether vested or unvested) under the Nila Infra ESOPs as on the Effective Date, shall continue to hold such Nila Infra ESOPs on the existing terms and conditions, except for such modifications as may be required to give effect to this Clause 9.
- 9.2 Immediately upon Part II of the Scheme becoming effective, Nila Infra ESOPs shall continue, subject to such adjustments towards the demerger of the Real Estate Undertaking, as may be deemed appropriate by the relevant committee of the Board of the Demerged Company in accordance with the provisions of the



Nila Infra ESOPs and in compliance with the applicable laws. The Board of the Demerged Company shall form a committee in order to decide the manner in which difference in the intrinsic value created pursuant to the demerger of the Real Estate Undertaking is to be compensated to the Nila Infra ESOPs holders in compliance with the applicable laws and SEBI regulations.

- 9.3 The Boards of the Demerged Company and the Resulting 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 Clause 9.

**10 BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF REAL ESTATE UNDERTAKING FOR THE RESULTING COMPANY**

With effect from the Appointed Date and up to and including the Effective Date:

- 10.1 The Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Real Estate Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Real Estate Undertaking for and on account of, and in trust for the Resulting Company;
- 10.2 all profits and income accruing or arising to the Demerged Company from the Real Estate Undertaking, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Real Estate Undertaking shall, for all purposes, be treated as and be deemed to be the profits income, losses or expenditure, as the case may be, of the Resulting Company;
- 10.3 Any of the rights, powers, authorities, privileges, attached, related or pertaining to the Real Estate Undertaking exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for and as an agent of the Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Real Estate Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Resulting Company;
- 10.4 The Demerged Company undertakes that it will preserve and carry on the business of the Real Estate Undertaking with reasonable diligence and business



prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Real Estate Undertaking or any part thereof or recruit new employees or conclude settlements with union or employees or undertake substantial expansion or change the general character or nature of the business of the Real Estate Undertaking or any part thereof save and except in each case:

- (a) 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
- (b) if the same is expressly permitted by this Scheme; or
- (c) if the prior written consent of the Board of Directors of the Resulting Company has been obtained.

10.5 The Demerged Company and/or the Resulting Company shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government(s), regulatory/local/ administrative bodies and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions, which the Resulting Company may require to carry on the business of the Real Estate Undertaking.

## 11 TAX CREDITS

- 11.1 The Resulting Company will be the successor of the Demerged Company vis-à-vis the Real Estate Undertaking. Hence, it will be deemed that the benefits of any tax credits, whether central, state, or local, availed vis-à-vis the Real Estate Undertaking and the obligations, if any, for payment of taxes on any assets of the Real Estate Undertaking or their erection and/or installation, etc. shall be deemed to have been availed by the Resulting Company, or as the case may be deemed to be the obligation of the Resulting Company.
- 11.2 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess, receivables/payables by the Demerged Company relating to the Real Estate Undertaking including all or any refunds/credits/claims/tax losses/unabsorbed depreciation relating thereto shall be treated as the assets/liability or refund/credit/claims/tax losses/unabsorbed depreciation, as the case may be, of the Resulting Company.
- 11.3 The Demerged Company and the Resulting Company are expressly permitted to revise their tax returns including tax deducted at source ('TDS')



certificates/returns and to claim refund, advance tax, credits, excise and service tax credits, set off etc. on the basis of the accounts of the Real Estate Undertaking as vested with the Resulting Company upon coming into effect of this Scheme.

### **PART – III**

#### **SUB-DIVISION OF THE EQUITY SHARE CAPITAL OF THE RESULTING COMPANY AND INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE RESULTING COMPANY, CONSIDERATION, REDUCTION OF PAID-UP SHARE CAPITAL OF THE RESULTING COMPANY AND ACCOUNTING TREATMENT**

#### **12 SUB-DIVISION OF THE EQUITY SHARE CAPITAL AND INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE RESULTING COMPANY**

- 12.1 As an integral part of the Scheme, and, upon the coming into effect of the Scheme, (i) the face value per equity share of the Resulting Company shall be sub-divided from INR 10/- to INR 1/-; and (ii) the authorised share capital of the Resulting Company shall automatically stand increased, without any further act, instrument or deed on the part of the Resulting Company, such that upon the coming into effect of this Scheme, the authorised share capital of the Resulting Company shall be INR 45,00,00,000/- (Rupees Forty Five Crores Only) divided into 45,00,00,000 (Forty Five Crore) equity shares of INR 1/- (Rupee One Only). Consequently, Clause V of the Memorandum of Association of the Resulting Company shall, upon the coming into effect of this Scheme and without any further act or deed, be and stand altered, modified and substituted pursuant to Sections 13, 61 and 230 to 232 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

*"V. The Authorised Share Capital of the Company is Rs. 45,00,00,000/- (Rupees Forty Five Crores Only) divided into 45,00,00,000 (Forty Five Crores) Equity Shares of Rs. 1/- (Rupees one Only) each."*

- 12.2 It is hereby clarified that the approval of the shareholders of the Resulting Company to the Scheme shall be deemed to be their consent/approval also to



the sub-division of the equity share capital of the Resulting Company and consequential alteration of the Memorandum of Association of the Resulting Company and the Resulting Company shall not be required to seek separate consent/approval of its shareholders for such alteration of the Memorandum of Association of the Resulting Company as required under Sections 13 and 61 of the Act.

- 12.3 Upon the coming into effect of this Scheme, the Resulting Company shall file the requisite form(s) with the RoC for sub-division of its equity share capital and for alteration of its authorised share capital. The Resulting Company shall pay necessary fees as may be required to be paid in accordance with law.

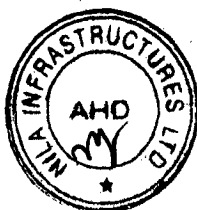
### 13 CONSIDERATION

- 13.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Real Estate Undertaking of the Demerged Company in the Resulting Company in terms of Part II of the Scheme, the Resulting Company shall, without any further act or deed, issue and allot to the equity shareholders of the Demerged Company, whose name is recorded in the register of members and records of the depositories as members of the Demerged Company, on the Record Date, 1 (one) equity share of INR 1/- (Rupee One only) each of the Resulting Company credited as fully paid-up for every 1 (one) equity share of INR 1/- (Rupee One only) each held by such shareholder of the Demerged Company ("**New Equity Shares**"). The ratio in which equity shares of the Resulting Company are to be issued and allotted to the shareholders of the Demerged Company is referred to as the "**Share Entitlement Ratio**". It is clarified that no cash consideration shall be paid by the Resulting Company to the Demerged Company or its shareholders.
- 13.2 The New Equity Shares to be issued and allotted as provided in Clause 13.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank *pari-passu* in all respects with the then existing equity shares of the Resulting Company after the Record Date including with respect to dividend, bonus entitlement, rights' shares' entitlement, voting rights and other corporate benefits.
- 13.3 The New Equity Shares to be issued pursuant to Clause 13.1 above shall be issued in dematerialized form by the Resulting Company, unless otherwise



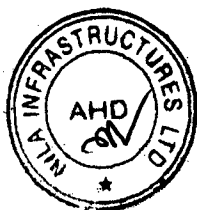
notified in writing by the shareholders of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Directors of the Demerged Company. In the event that such notice has not been received by the Resulting Company in respect of any of the shareholders of the Demerged Company, the New Equity Shares shall be issued to such shareholders in dematerialized form provided that the shareholders of the Resulting Company shall be required to have an account with a depository participant and shall be required to provide details thereon and such other confirmations as may be required. In the event that the Resulting Company has received notice from any shareholder that the New Equity Shares are to be issued in physical form or if any shareholder has not provided the requisite details relating to his/hers/its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall issue New Equity Shares in physical form to such shareholder or shareholders.

- 13.4 The New Equity Shares issued and/or allotted pursuant to Clause 13.1, in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act shall, pending settlement of dispute by order of court or otherwise, be held in abeyance by the Resulting Company.
- 13.5 The New Equity Shares issued pursuant to Clause 13.1, which the Resulting Company is unable to allot due to applicable laws (including, without limitation, the non receipt of approvals of governmental authority as required under applicable law) or any regulations or otherwise shall, pending allotment, be held in abeyance by the Resulting Company and shall be dealt with in the manner as may be permissible under the applicable law and deemed fit by the Board of Directors of the Resulting Company including to enable allotment and sale of such New Equity Shares to a trustee nominated by the Board of Directors of the Resulting Company in that behalf, who shall sell such shares in the market at such price or prices and on such time or times as the trustee may in its sole discretion decide an on such sale, shall pay to the Resulting Company, and thereafter the Resulting Company shall make distributions of the net sales proceeds in lieu thereof (after deduction of taxes and expenses incurred) to the eligible shareholders of the Demerged Company, in proportion to their entitlements. If the above cannot be effected for any reason, the Resulting



Company shall ensure that this does not delay implementation of the Scheme; and shall, take all such appropriate actions as may be necessary under applicable laws. The Resulting Company and/or the depository shall enter into such further documents and take such further actions as may be necessary or appropriate in this regard and to enable actions contemplated therein.

- 13.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of Directors of the Demerged Company shall be empowered prior to or even subsequent to the Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by the Resulting Company. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in the Resulting Company on account of difficulties faced in the transition period.
- 13.7 The issue and allotment of the New Equity Shares in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act have been complied with.
- 13.8 The Resulting Company shall, if and to the extent required to, apply for and obtain any approvals from the governmental authorities including Reserve Bank of India, for the issue and allotment of New Equity Shares by the Resulting Company to the non-resident equity shareholders of the Demerged Company.
- 13.9 The New Equity Shares issued pursuant to Clause 13 shall, in compliance with the applicable regulations, be listed and admitted to trading on the Stock Exchanges pursuant to this Scheme and the SEBI Circular. The Resulting Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circular and applicable law and take all steps to procure the listing of the New Equity Shares issued by it pursuant to Clause 13.1 above.





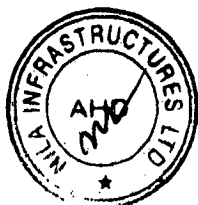
- 13.10 The New Equity Shares allotted by the Resulting Company pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the Stock Exchanges.

#### **14 REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY**

- 14.1 Simultaneously, with the issue and allotment of the New Equity Shares by the Resulting Company to the equity shareholders of the Demerged Company in accordance with Clause 13.1 of the Scheme, in the books of the Resulting Company, all the equity shares issued by the Resulting Company to the Demerged Company and held by it shall stand cancelled, extinguished and annulled on and from the Effective Date, without any further act, instrument or deed. Such cancellation of the share capital of the Resulting Company shall be effected as a part of the Scheme itself and not in accordance with Section 66 of the Act. The order of NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction and no separate sanction under Section 66 of the Act shall be necessary.

#### **15 ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY**

- 15.1 The assets and liabilities pertaining to the Real Estate Undertaking of the Demerged Company being transferred to the Resulting Company, shall be, at values appearing in the books of account of the Demerged Company as on the Appointed Date which are set forth in the closing balance sheet of the Demerged Company as of the close of business hours on the date immediately preceding the Appointed Date since the shareholders before and after the scheme remain unchanged
- 15.2 Upon the Scheme being effective, the inter-company balances, if any, appearing in the books of accounts of the Demerged Company pertaining to the Real Estate Undertaking and the Resulting Company shall stand cancelled.
- 15.3 The aggregate of excess assets over the liabilities of the Real Estate Undertaking transferred to the Resulting Company and the cancellation of the equity shares held by the Demerged Company in the paid-up share capital of the Resulting Company as per clause 14 above, shall be debited to equity. The amount of equity debited will be appropriated as follows:
- 15.3.1 Firstly, against Securities Premium of the Demerged Company; and



- 15.3.2 The balance difference, if any, remaining shall be appropriated against the surplus in Profit and Loss Account of the Demerged Company.
- 15.4 The reduction in the Securities Premium Account and/or General Reserve and/or Profit & Loss Account of the Demerged Company shall be effected as an integral part of the Scheme, and where applicable, in accordance with the provisions of Section 52 read with Section 66 of the Act and any other applicable provisions of the Act without any further act or deed on the part of the Demerged Company and without any approval or acknowledgement of any third party. The order of the NCLT sanctioning the Scheme shall be deemed to also be the order passed by the NCLT under Section 52 read with Section 66 of the Act for the purpose of confirming such reduction. It is expressly clarified that the consent of the shareholders and the creditors of the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the above reduction of the Securities Premium Account of the Demerged Company and no further resolution or action under Section 52 read with Section 66 of the Act and any other applicable provisions of the Act would be required to be separately passed or taken.

## **16 ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY**

- 16.1 Upon the coming into effect of this Scheme, the Resulting Company shall record the assets and liabilities of the Real Estate Undertaking transferred to and vested in the Resulting Company pursuant to this Scheme, at values appearing in the books of account of the Demerged Company as on the Appointed Date, which are set forth in the closing balance sheet of the Demerged Company as on the close of business hours on the date immediately preceding the Appointed Date.
- 16.2 Upon the Scheme being effective, the inter-company balances, if any, appearing in the books of accounts of the Demerged Company pertaining to the Real Estate Undertaking, shall stand cancelled.
- 16.3 The excess/ shortfall, if any of the assets over liabilities of the Real Estate Undertaking, transferred to and recorded by the Resulting Company shall be treated in the manner prescribed within the applicable Ind-AS.
- 16.4 The Resulting Company shall credit to the Equity Share Capital Account in its books of accounts, the aggregate face value of the new equity shares issued and



allotted to the equity shareholders of the Demerged Company as per clauses 13.1 and 13.2 above.

- 16.5 Upon the Scheme being effective, the existing shareholding of the Demerged Company in the Resulting Company shall stand cancelled. Upon cancellation, the Resulting Company shall debit to its Equity Share Capital Account, the aggregate face value of existing equity shares held by the Demerged Company in the Resulting Company, which stands cancelled and the same shall be credited to the General Reserve of the Resulting Company.

#### **PART – IV**

#### **REMAINING BUSINESS OF THE DEMERGED COMPANY**

##### **17 REMAINING BUSINESS TO CONTINUE WITH THE DEMERGED COMPANY**

- 17.1 The Remaining 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 subject to the provisions of the Scheme.
- 17.2 All legal or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal or other proceedings by or against the Demerged Company.
- 17.3 With effect from the Appointed Date and up to and including the Effective Date:
- 17.3.1 the 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;
- 17.3.2 all profits and income accruing or arising to the Demerged Company, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or



income) relating to the Remaining Business shall, for all purposes, be treated as and be deemed to be the profits income, losses or expenditure, as the case may be, of the Demerged Company; and

17.3.3 all employees relatable to the Remaining Business shall continue to be employed by the Demerged Company and the Resulting Company shall not in any event be liable or responsible for any claims whatsoever regarding such employees.

## **PART V**

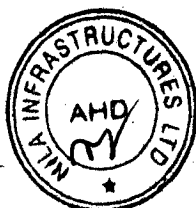
### **GENERAL TERMS AND CONDITIONS**

#### **18 APPLICATIONS TO NCLT**

18.1 The Companies shall make applications and/or petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the NCLT for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.

#### **19 MODIFICATIONS OR AMENDMENTS TO THE SCHEME**

19.1 The Companies by their respective Board of Directors or any Director/Executive/Employee authorized in this behalf (hereinafter referred as to the "Delegates") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which the NCLT or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Companies may in their discretion accept, or such modification(s) or addition(s) as the Board of Directors of the Companies or as the case may be, their respective Delegates may deem fit, or require for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The Companies by their respective Board of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by the NCLT or any authorities, which the Board of



Directors of the Companies find unacceptable for any reason, then the Companies shall be at liberty to withdraw the Scheme.

- 19.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates of the Companies may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, 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. For the avoidance of doubt, it is clarified that where this Scheme requires the approval of the Board of Directors of the Companies to be obtained for any matter, the same may be given through their Delegates.

## **20 SCHEME CONDITIONAL ON APPROVALS/SANCTIONS**

The coming into effect of this Scheme is conditional upon and subject to:

- (i) the Demerged Company having received observation letter/no-objection letter from the Stock Exchanges in respect of the Scheme, pursuant to Regulation 37 of the LODR read with SEBI Circular and Regulations 11 and 94 of the LODR;
- (ii) this Scheme being approved by the respective requisite majorities of the classes of members and creditors (where applicable) of the Companies in accordance with the Act;
- (iii) the NCLT having accorded its sanction to the Scheme; and
- (iv) the certified copies of the orders of the NCLT approving this Scheme being filed with the RoC.

## **21 SEVERABILITY**

- 21.1 If any part of this Scheme is found to be unworkable or unviable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors



of the Companies affect the validity or implementation of the other parts and/or provisions of this Scheme.

## **22 EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

- 22.1 In the event of any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of the Companies shall mutually waive such conditions as they may 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 each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

## **23 COSTS, CHARGES AND EXPENSES**

Subject to clause 22.1 above:

- 23.1 All costs, charges, levies and expenses, duties, etc. in relation to or in connection with or incidental to this Scheme shall be borne and paid by the Resulting Company.

