

Annexure - B

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OK

For Vaishali Sugar & Energy Limited
Neelgagan
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

THE OUDH SUGAR MILLS LIMITED

AND

UPPER GANGES SUGAR & INDUSTRIES LIMITED

AND

PALASH SECURITIES LIMITED

AND

ALLAHABAD CANNING LIMITED

AND

GANGES SECURITIES LIMITED

AND

CINNATOLLIH TEA LIMITED

AND

VAISHALI SUGAR & ENERGY LIMITED

AND

MAGADH SUGAR & ENERGY LIMITED

AND

AVADH SUGAR & ENERGY LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

PREAMBLE

(A) BACKGROUND AND DESCRIPTION OF COMPANIES WHO ARE PARTIES TO THE SCHEME

1. **The Oudh Sugar Mills Limited** (hereinafter called 'Oudh Sugar'), is engaged in the business of manufacture and sale of sugar, ethyl alcohol including ethanol, co-generation of power and by-products. Further, Oudh Sugar is also engaged in the business of Food Processing and investment in listed and unlisted securities. The equity shares of Oudh Sugar are listed on the National Stock Exchange of India Limited (hereinafter called 'NSE') and the BSE Limited (hereinafter called 'BSE').
2. **Upper Ganges Sugar & Industries Limited** (hereinafter called 'Upper Ganges'), is engaged in the business of manufacture and sale of sugar, ethyl alcohol including ethanol, co-generation of power and by-products. Further, Upper Ganges is also engaged in the business of Tea and investment in listed and unlisted securities. The equity shares of Upper Ganges are listed on the National Stock Exchange of India Limited (hereinafter called 'NSE'), the BSE Limited (hereinafter called 'BSE') and the Calcutta Stock Exchange Limited (hereinafter called 'CSE').
3. **Palash Securities Limited** (hereinafter called 'Palash Securities') is a public limited company as per the Companies Act, 2013 and as per the Object Clause of the Memorandum of Association ('MoA') can carry on the business of Food Processing and Investments in listed and unlisted securities.
4. **Allahabad Canning Limited** (hereinafter called 'Allahabad Canning') is a public limited company as per the Companies Act, 2013 and as per the Object Clause of the Memorandum of Association ('MoA') can carry on the business of Food Processing.
5. **Ganges Securities Limited** (hereinafter called 'Ganges Securities') is a public limited company as per the Companies Act, 2013 and as per the Object Clause of the Memorandum of Association ('MoA') can carry on the business of manufacture and sale of Tea and Investments in listed and unlisted securities.

For Upper Ganges Sugar & Industries Ltd.

Warday 2
Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited

Director

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Chinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

6. **Cinnatolliah Tea Limited** (hereinafter called '**Cinnatolliah Tea**') is a public limited company as per the Companies Act, 2013 and as per the Object Clause of the Memorandum of Association ('MoA') can carry on the business of manufacture and sale of Tea
7. **Vaishali Sugar & Energy Limited** (hereinafter called '**Vaishali Sugar**') is a public limited company as per the Companies Act, 2013 and as per the Object Clause of the Memorandum of Association ('MoA') can carry on the business of manufacture and sale of sugar , ethyl alcohol including ethanol, co-generation of power and by-products.
8. **Magadh Sugar & Energy Limited** (hereinafter called '**Magadh Sugar**') is a public limited company as per the Companies Act, 2013 and as per the Object Clause of the Memorandum of Association ('MoA') can carry on the business of manufacture and sale of sugar , ethyl alcohol including ethanol, co-generation of power and by-products.
9. **Avadh Sugar & Energy Limited** (hereinafter called '**Avadh Sugar**') is a public limited company as per the Companies Act, 2013 and as per the Object Clause of the Memorandum of Association ('MoA') can carry on the business of manufacture and sale of sugar , ethyl alcohol including ethanol, co-generation of power and by-products.

(B) **RATIONALE FOR THE COMPOSITE SCHEME OF ARRANGEMENT**

This Composite Scheme of Arrangement (hereinafter called '**the Scheme**') has been propounded under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956. The Board of Directors of the companies considers that the Composite Scheme of Arrangement would benefit the respective companies and their respective stakeholders on account of the following reasons:

1. Oudh Sugar is engaged in the business of manufacture and sale of sugar, ethyl alcohol including ethanol, co-generation of power and by-products. Further, Oudh Sugar is also engaged in the business of Food Processing and has investment in listed and unlisted securities.

For Upper Ganges Sugar & Industries Ltd. For The Oudh Sugar Mills Ltd.

Company Secretary

3

Company Secretary

For Avadh Canning Limited
Director

For Cinnatolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited

Neelish
Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

2. Upper Ganges is engaged in the business of manufacture and sale of sugar, ethyl alcohol including ethanol, co-generation of power and by-products. Further, Upper Ganges is also engaged in the business of manufacture and sale of Tea and has investment in listed and unlisted securities.
3. The management of Oudh Sugar and Upper Ganges with a view to achieve the following objectives proposes to restructure and de-link its multiple businesses in separate entities:
 - (a) Establish independent companies for Bihar Sugar Undertakings of Oudh Sugar and Upper Ganges, UP Sugar Undertakings of Oudh Sugar and Upper Ganges, Investments of Oudh Sugar and Upper Ganges, Food Processing Undertaking of Oudh Sugar and Tea Undertaking of Upper Ganges.
 - (b) Each of the above mentioned business undertakings have variant capital needs and require a distinct skill set. The Sugar Business is a highly capital intensive business with high risk and rewards. On the other hand the capital requirements are low in Food Processing Business and Tea Business along with low risk to rewards ratio. Accordingly each of the Businesses have their respective set of assets, liabilities and employees.

Hence with a view to have concentrated effort and focus by the senior management on each business, the company intends to house each business in separate legal entity.
 - (c) The dynamics of the sugar industry in Bihar and UP are vastly different, therefore the consolidation of the Sugar Business of Oudh Sugar and Upper Ganges in Bihar and UP in separate legal entities is intended to achieve better efficiencies and commercial synergies.
 - (d) The Food Processing Business and Tea Business has good growth potential. With a view to explore the potential of these businesses to the fullest, provide focused leadership and management attention and explore the possibility of monetization of these businesses, it is intended to house the Food Processing Business and Tea Business in separate legal entities
 - (e) Proposed business re-alignment will create enhanced value for all stakeholders of the two companies as it would facilitate focused strategy, direction and business planning to optimize operational, managerial,

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Anand Channing Limited
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

financial, technical and marketing capabilities of each business. It will help in optimization of the resources and reduction of the operational costs.

- (f) The Board of Directors of Oudh Sugar and Upper Ganges believe that the proposed business restructuring will lead to enhanced operational, managerial, financial and technological synergy and thereby enable each entity to address challenges of rising competitiveness.

In consideration of the above mentioned business rationale and related benefits, this Scheme between Oudh Sugar, Upper Ganges, Palash Securities, Allahabad Canning, Ganges Securities, Cinnatollah Tea, Vaishali Sugar, Magadh Sugar and Avadh Sugar is being proposed in accordance with the terms set out hereunder.

(C) PARTS OF THE COMPOSITE SCHEME OF ARRANGEMENT:

This Composite Scheme of Arrangement is divided into the following parts:

1. **PART I** - Definitions and Share Capital
2. **PART II** - Demerger of Food Processing and Investments Business Undertaking of Oudh Sugar to Palash Securities
3. **PART III** - Transfer of Food Processing Business Undertaking of Palash Securities to Allahabad Canning
4. **PART IV** - Demerger of Tea Business and Investments Business Undertaking of Upper Ganges to Ganges Securities
5. **PART V** - Transfer of Tea Business Undertaking of Ganges Securities to Cinnatollah Tea
6. **PART VI** - Transfer of Bihar Sugar Business Undertaking of Oudh Sugar to Vaishali Sugar
7. **PART VII** - Demerger of Bihar Sugar Business Undertaking of Upper Ganges to Magadh Sugar
8. **PART VIII** - Merger of Vaishali Sugar with Magadh Sugar
9. **PART IX** - Merger of Residual Oudh Sugar and Residual Upper Ganges with Avadh Sugar
10. **PART X** - General Terms and Conditions.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

For The Oudh Sugar Mills Ltd.

Company Secretary

Company Secretary

PART - I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 "Act" or "The Act" means the Companies Act, 1956 and the Companies Act, 2013, wherever applicable, including the rules and regulations made thereunder and will include any statutory modifications, re-enactments and / or amendments thereof and also mean and refers to corresponding sections of the Companies Act, 2013 as and when such corresponding sections are notified in the Official Gazette by the Central Government.
- 1.2 "Allahabad Canning" means Allahabad Canning Limited, a company being incorporated under the Act with registered office at P.O. Hargaon, Dist Sitapur, Uttar Pradesh 261 121.
- 1.3 "Appointed Date" means April 01, 2015 or such other date as may be fixed or approved by the Hon'ble High Court of Allahabad or National Company Law Tribunal or any other appropriate authority.
- 1.4 "Avadh Sugar" means Avadh Sugar & Energy Limited, a company being incorporated under the Act with registered office at P.O. Hargaon, Dist Sitapur, Uttar Pradesh 261 121.
- 1.5 "Bihar Sugar Business Undertaking of Oudh Sugar" means the business of manufacture and sale of sugar and it's by-products being carried out by unit of Oudh Sugar in Bihar on a going concern basis, comprising, inter alia, the assets and liabilities relating thereto and which shall mean and include (without limitation):
- 1.5.1 All assets (wherever situated), whether movable or immovable, tangible or intangible, leasehold or freehold, including all plant and machinery, investments, capital work in progress, furniture, fixtures, office equipments, current assets, loans and advances, deposits, receivables, funds, cash, bank balances, deferred tax asset (if any)

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

Director

For Allahabad Canning Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent and loans and advances appearing in the books of accounts of Oudh Sugar pertaining to or relatable to its Bihar Sugar Business Undertaking.

1.5.2 All rights, entitlements, approvals, licenses, registrations, certifications, consents, permissions, brands, logos, engagements, arrangements, municipal permissions, cash balances, financial assets, funds of Oudh Sugar relatable to its Bihar Sugar Business Undertaking; bank balances, balances with Government, excise department, tax authorities both state and central government bank accounts, security deposits, privileges, recoverable, receivables, advantages, all other rights and benefits of Oudh Sugar, in connection with or relating to its Bihar Sugar Business Undertaking.

1.5.3 All secured and unsecured debts, liabilities present or future (including contingent liabilities), deferred tax liability (if any), duties, undertakings and obligations, of every kind, nature and description whatsoever and howsoever arising in connection with or relating to the Bihar Sugar Business Undertaking of Oudh Sugar.

1.5.4 All existing and future contracts, Request for Proposals ('RFP'), bids, responses to Expression of Interest ('EOI'), memorandum of understanding, entitlements, industrial and other licenses, municipal permissions, approvals, consents, tenancies in relation to any joint venture or other arrangement which may be entered into by Oudh Sugar in respect of business relating or incidental to its Bihar Sugar Business Undertaking.

1.5.5 All the past track record of Oudh Sugar, including without limitation, the profitability, production volumes, experience, credentials (including awards and accolades), certifications, accreditations and market share pertaining to or relating to its Bihar Sugar Business Undertaking.

1.5.6 All employees of Oudh Sugar who are substantially engaged in its Bihar Sugar Business Undertaking, as identified by the Board of Directors of Oudh Sugar.

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Megadth Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Neelesh
Director

- 1.5.7 All records, files, papers, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, labels, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, in connection with or relating to the Bihar Sugar Business Undertaking of Oudh Sugar.
- 1.5.8 Any question that may arise as to whether a specified asset or liability pertains to or does not pertain to the Bihar Sugar Business Undertaking or whether it arises out of the activities or operations or is to be included in the Bihar Sugar Business Undertaking, shall be decided by mutual agreement between the Board of Directors of Oudh Sugar and Vaishali Sugar.

1.6 "Bihar Sugar Business Undertaking of Upper Ganges" means the business of manufacture and sale of sugar and its by-products being carried out by units of Upper Ganges in Bihar on a going concern basis, comprising, inter alia, the assets and liabilities relating thereto and which shall mean and include (without limitation):

1.6.1 All assets (wherever situated), whether movable or immovable, tangible or intangible, leasehold or freehold, including all plant and machinery, investments, capital work in progress, furniture, fixtures, office equipments, current assets, loans and advances, deposits, receivables, funds, cash, bank balances, deferred tax asset (if any), accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent and loans and advances appearing in the books of accounts of Upper Ganges pertaining to or relating to its Bihar Sugar Business Undertaking.

1.6.2 All rights, entitlements, approvals, licenses, registrations, certifications, consents, permissions, brands, logos, engagements, arrangements, municipal permissions, cash balances, financial assets, funds of Upper Ganges relating to its Bihar Sugar Business Undertaking; bank balances, balances with Government, excise department, tax authorities both state and central government bank accounts, security deposits, privileges, recoverable, receivables, advantages, all other rights and

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Chhatraallah Tea Limited
Director

For Allahabad Canning Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

benefits of Upper Ganges, in connection with or relating to the Bihar Sugar Business Undertaking.

- 1.6.3 All secured and unsecured debts, liabilities present or future (including contingent liabilities), deferred tax liability (if any), duties, undertakings and obligations, of every kind, nature and description whatsoever and howsoever arising in connection with or relating to the Bihar Sugar Business Undertaking of Upper Ganges.
- 1.6.4 All existing and future contracts, Request for Proposals ('RFP'), bids, responses to Expression of Interest ('EOI'), memorandum of understanding, entitlements, industrial and other licenses, municipal permissions, approvals, consents, tenancies in relation to any joint venture or other arrangement which may be entered into by Upper Ganges in respect of business relating or incidental to its Bihar Sugar Business Undertaking.
- 1.6.5 All the past track record of Upper Ganges, including without limitation, the profitability, production volumes, experience, credentials (including awards and accolades), certifications, accreditations and market share pertaining to or relating to its Bihar Sugar Business Undertaking.
- 1.6.6 All employees of Upper Ganges who are substantially engaged in its Bihar Sugar Business Undertaking, as identified by the Board of Directors of Upper Ganges.
- 1.6.7 All records, files, papers, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, labels, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, in connection with or relating to the Bihar Sugar Business Undertaking of Upper Ganges.
- 1.6.8 Any question that may arise as to whether a specified asset or liability pertains to or does not pertain to the Bihar Sugar Business Undertaking or whether it arises out of the activities or operations or is to be included in the Bihar Sugar Business Undertaking, shall be decided by mutual agreement between the Board of Directors of Upper Ganges and Magadh Sugar.

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Varadha Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

- 1.7 "Cinnatollah Tea" means Cinnatollah Tea Limited, a company being incorporated under the Act with registered office at P.O: Hargaon P.O. Hargaon, Dist Sitapur, Uttar Pradesh 261 121.
- 1.8 "Effective Date" means the date on which certified copy(s) of the Order of the Hon'ble High Court of Judicature at Allahabad or National Company Law Tribunal or any other appropriate authority under Sections 391 to 394 of the Act sanctioning this Scheme are filed with the Registrar of Companies, Kanpur.
- 1.9 "FP&I Business Undertaking" means the Food Processing and Investments business of Oudh Sugar i.e. producing all types of Canned Fruits & Vegetables, Jams, Jellies, Marmalades, Juices, Tomato Products (like Tomato Ketchup, Baked Beans in Tomato Sauce, Tomato Puree), Vegetables Sauces, Squashes, breakfast cereals like cornflakes, choccos, white oats etc. and investments in various market and other securities, on a going concern basis, comprising, inter alia, the assets and liabilities relating thereto and which shall mean and include (without limitation):
- 1.9.1 All assets (wherever situated), whether movable or immovable, tangible or intangible, leasehold or freehold, including all plant and machinery, investments, capital work in progress, furniture, fixtures, office equipments, current assets, loans and advances, deposits, receivables, funds, cash, bank balances, deferred tax asset (if any), accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent and loans and advances appearing in the books of accounts of Oudh Sugar pertaining to or relatable to its Food Processing and Investments Business Undertaking.
- 1.9.2 All rights, entitlements, approvals, licenses, registrations, certifications, consents, permissions, brands, logos, engagements, arrangements, municipal permissions, cash balances, financial assets, funds of Oudh Sugar relatable to its Food Processing and Investments Business Undertaking; bank balances, balances with Government, excise department, tax authorities both state and central government bank accounts, security deposits, privileges, recoverable, receivables,

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Anand Ginning Limited
Director

For Chinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

advantages, all other rights and benefits of Oudh Sugar, in connection with or relating to its Food Processing and Investments Business Undertaking.

1.9.3 All secured and unsecured debts, liabilities present or future (including contingent liabilities), deferred tax liability (if any), duties, undertakings and obligations, of every kind, nature and description whatsoever and howsoever arising in connection with or relating to the Food Processing and Investments Business Undertaking of Oudh Sugar.

1.9.4 All existing and future contracts, Request for Proposals ('RFP'), bids, responses to Expression of Interest ('EOI'), memorandum of understanding, entitlements, industrial and other licenses, municipal permissions, approvals, consents, tenancies in relation to any joint venture or other arrangement which may be entered into by Oudh Sugar in respect of business relating or incidental to its Food Processing and Investments Business Undertaking.

1.9.5 All the past track record of Oudh Sugar, including without limitation, the profitability, production volumes, experience, credentials (including awards and accolades), certifications, accreditations and market share pertaining to or relating to its Food Processing and Investments Business Undertaking.

1.9.6 All employees of Oudh Sugar who are substantially engaged in its Food Processing and Investments Business Undertaking, as identified by the Board of Directors of Oudh Sugar.

1.9.7 All records, files, papers, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, labels, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, in connection with or relating to the Food Processing and Investments Business Undertaking of Oudh Sugar.

1.9.8 Any question that may arise as to whether a specified asset or liability pertains to or does not pertain to the Food Processing and Investments Business Undertaking or whether it arises out of the activities or

For Vaishali Sugar & Energy Limited

Neelesh Kumar

Director

For Avadh Sugar & Energy Limited

P. S. Singh

Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

operations or is to be included in the Food Processing and Investments Business Undertaking, shall be decided by mutual agreement between the Board of Directors of Oudh Sugar and Palash Securities.

1.10 **"Food Processing Business Undertaking"** means the Food Processing business of Palash Securities i.e. producing all types of Canned Fruits & Vegetables, Jams, Jellies, Marmalades, Juices, Tomato Products (like Tomato Ketchup, Baked Beans in Tomato Sauce, Tomato Puree), Vegetables Sauces, Squashes, breakfast cereals like cornflakes, choccos, white oats etc., on a going concern basis, comprising, inter alia, the assets and liabilities relating thereto and which shall mean and include (without limitation):

1.10.1 All assets (wherever situated), whether movable or immovable, tangible or intangible, leasehold or freehold, including all plant and machinery, investments, capital work in progress, furniture, fixtures, office equipments, current assets, loans and advances, deposits, receivables, funds, cash, bank balances, deferred tax asset (if any), accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent and loans and advances appearing in the books of accounts of Palash Securities pertaining to or relatable to its Food Processing Business Undertaking.

1.10.2 All rights, entitlements, approvals, licenses, registrations, certifications, consents, permissions, brands, logos, engagements, arrangements, municipal permissions, cash balances, financial assets, funds of Palash Securities relatable to its Food Processing Business Undertaking; bank balances, balances with Government, excise department, tax authorities both state and central government bank accounts, security deposits, privileges, recoverable, receivables, advantages, all other rights and benefits, in connection with or relating to its Food Processing Business Undertaking.

1.10.3 All secured and unsecured debts, liabilities present or future (including contingent liabilities), deferred tax liability (if any), duties, undertakings and obligations, of every kind, nature and description whatsoever and howsoever arising in connection with or relating to the Food Processing Business Undertaking of Palash Securities.

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Upper Ganges Sugar & Industries Ltd.

For The Oudh Sugar Mills Ltd.

Company Secretary

Company Secretary

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

1.10.4 All existing and future contracts, Request for Proposals ('RFP'), bids, responses to Expression of Interest ('EOI'), memorandum of understanding, entitlements, industrial and other licenses, municipal permissions, approvals, consents, tenancies in relation to any joint venture or other arrangement which may be entered into by Palash Securities in respect of business relating or incidental to its Food Processing Business Undertaking.

1.10.5 All the past track record of Palash Securities, including without limitation, the profitability, production volumes, experience, credentials (including awards and accolades), certifications, accreditations and market share pertaining to or relating to its Food Processing Business Undertaking.

1.10.6 All employees of Palash Securities who are substantially engaged in its Food Processing Business Undertaking, as identified by the Board of Directors of Palash Securities.

1.10.7 All records, files, papers, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, labels, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, in connection with or relating to the Food Processing Business Undertaking of Palash Securities.

1.10.8 Any question that may arise as to whether a specified asset or liability pertains to or does not pertain to the Food Processing Business Undertaking or whether it arises out of the activities or operations or is to be included in the Food Processing Business Undertaking, shall be decided by mutual agreement between the Board of Directors of Palash Securities and Allahabad Canning.

1.11 "Ganges Securities" means Ganges Securities Limited, a company being incorporated under the Act with registered office at P.O. Hargaon, Dist Sitapur, Uttar Pradesh 261 121.

1.12 "High Court" or "Court" means the High Court of Judicature at Allahabad, Uttar Pradesh.

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Maqadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

Neelam K.

For Vaishali Sugar & Energy Limited

Director

Shashi

For Avadh Sugar & Energy Limited

Director

Shashi

For Magadh Sugar & Energy Limited

- 1.13 **"Magadh Sugar"** means Magadh Sugar & Energy Limited, a company being incorporated under the Act with registered office at P.O. Hargaon, Dist Sitapur, Uttar Pradesh 261 121.
- 1.14 **"NCLT"** means National Company Law Tribunal.
- 1.15 **"Oudh Sugar"** means The Oudh Sugar Mills Limited, a company incorporated under the Act, having its registered office at P. O. Hargaon, District Sitapur, Uttar Pradesh – 261 121.
- 1.16 **"Palash Securities"** means Palash Securities Limited, a company being incorporated under the Act with registered office at P.O. Hargaon, Dist Sitapur, Uttar Pradesh 261 121.
- 1.17 **"Residual Oudh Sugar"** means and refers to the Business Undertaking of Oudh Sugar comprising of business, activities and operations pertaining to the business of manufacture and sale of sugar, ethyl alcohol including ethanol, co-generation of power and by-products in the plants located in Uttar Pradesh and includes all assets, liabilities and employees of Oudh Sugar pertaining to UP Plants (other than assets, liabilities, employees pertaining to the Food Processing & Investments Business Undertaking of Oudh Sugar as defined in Clause 1.9 of this Scheme and pertaining to the Bihar Sugar Business Undertaking of Oudh Sugar as defined in Clause 1.5 of this Scheme)
- 1.18 **"Residual Upper Ganges"** means and refers to the Business Undertaking of Upper Ganges comprising of business, activities and operations pertaining to business of manufacture and sale of sugar, ethyl alcohol including ethanol, co-generation of power and by-products in the plants located in Uttar Pradesh and includes all assets, liabilities and employees of Upper Ganges pertaining to UP Plants (other than assets, liabilities, employees pertaining to the Tea & Investments Business Undertaking of Upper Ganges as defined in Clause 1.21 of this Scheme and pertaining to the Bihar Sugar Business Undertaking of Upper Ganges as defined in Clause 1.6 of this Scheme).
- 1.19 **"Record Date"** means date to be fixed by the Board of Directors of Palash Securities, Allahabad Canning, Ganges Securities, Cinnatollah Tea, Vaishali Sugar, Magadh Sugar and Avadh Sugar for the purpose of determining the members of Oudh Sugar, Upper Ganges, Palash Securities, Ganges Securities and Vaishali Sugar to whom shares will be allotted pursuant to this Scheme.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited

Shashi

Director

For Cinnatollah Tea Limited

Shashi

Director

For Ganges Securities Limited

Shashi

Director

For Palash Securities Limited

Shashi

Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

1.20 "Scheme" or "the Scheme" or "this Scheme" means this Composite Scheme of Arrangement, in its present form or with any modification(s) made or to be made and approved under Clause 86 of this Scheme.

1.21 "T&I Business Undertaking" means the Tea and Investments business of Upper Ganges i.e. Tea Garden situated in Assam and which produces different varieties of Tea and investments in various market and other securities, on a going concern basis, comprising, inter alia, the assets and liabilities relating thereto and which shall mean and include (without limitation):

1.21.1 All assets (wherever situated), whether movable or immovable, tangible or intangible, leasehold or freehold, including all plant and machinery, investments, capital work in progress, furniture, fixtures, office equipments, current assets, loans and advances, deposits, receivables, funds, cash, bank balances, deferred tax asset (if any), accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent and loans and advances appearing in the books of accounts of Upper Ganges pertaining to or relatable to its Tea and Investments Business Undertaking.

1.21.2 All rights, entitlements, approvals, licenses, registrations, certifications, consents, permissions, brands, logos, engagements, arrangements, municipal permissions, cash balances, financial assets, funds of Upper Ganges relatable to its Tea and Investments Business Undertaking; bank balances, balances with Government, excise department, tax authorities both state and central government bank accounts, security deposits, privileges, recoverable, receivables, advantages, all other rights and benefits of Upper Ganges, in connection with or relating to its Tea and Investments Business Undertaking.

1.21.3 All secured and unsecured debts, liabilities present or future (including contingent liabilities), deferred tax liability (if any), duties, undertakings and obligations, of every kind, nature and description

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary 15

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Nalini
Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

whatsoever and howsoever arising in connection with or relating to the Tea and Investments Business Undertaking of Upper Ganges.

- 1.21.4 All existing and future contracts, Request for Proposals ('RFP'), bids, responses to Expression of Interest ('EOI'), memorandum of understanding, entitlements, industrial and other licenses, municipal permissions, approvals, consents, tenancies in relation to any joint venture or other arrangement which may be entered into by Upper Ganges in respect of business relating or incidental to its Tea and Investments Business Undertaking.
- 1.21.5 All the past track record of Upper Ganges, including without limitation, the profitability, production volumes, experience, credentials (including awards and accolades), certifications, accreditations and market share pertaining to or relating to its Tea and Investments Business Undertaking.
- 1.21.6 All employees of Upper Ganges who are substantially engaged in its Tea and Investments Business Undertaking, as identified by the Board of Directors of Upper Ganges.
- 1.21.7 All records, files, papers, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, labels, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, in connection with or relating to the Tea and Investments Business Undertaking of Upper Ganges.
- 1.21.8 Any question that may arise as to whether a specified asset or liability pertains to or does not pertain to the Tea and Investments Business Undertaking or whether it arises out of the activities or operations or is to be included in the Tea and Investments Business Undertaking, shall be decided by mutual agreement between the Board of Directors of Upper Ganges and Ganges Securities.
- 1.22 "Tea Business Undertaking" means the Tea business of Ganges Securities i.e. i.e. Tea Garden situated in Assam and which produces different varieties of Tea, on a going concern basis, comprising, inter alia, the assets and

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Allahabad Canning Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

For Allahabad Canning Limited



For Cinnaball Tea Limited



Director

For Ganges Securities Limited



Director

For Palash Securities Limited



Director

liabilities relating thereto and which shall mean and include (without limitation):

- 1.22.1 All assets (wherever situated), whether movable or immovable, tangible or intangible, leasehold or freehold, including all plant and machinery, investments, capital work in progress, furniture, fixtures, office equipments, current assets, loans and advances, deposits, receivables, funds, cash, bank balances, deferred tax asset (if any), accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent and loans and advances appearing in the books of accounts of Ganges Securities pertaining to or relatable to its Tea Business Undertaking.
- 1.22.2 All rights, entitlements, approvals, licenses, registrations, certifications, consents, permissions, brands, logos, engagements, arrangements, municipal permissions, cash balances, financial assets, funds of Ganges Securities relatable to its Tea Business Undertaking; bank balances, balances with Government, excise department, tax authorities both state and central government bank accounts, security deposits, privileges, recoverable, receivables, advantages, all other rights and benefits of Ganges Securities, in connection with or relating to its Tea Business Undertaking.
- 1.22.3 All secured and unsecured debts, liabilities present or future (including contingent liabilities), deferred tax liability (if any), duties, undertakings and obligations, of every kind, nature and description whatsoever and howsoever arising in connection with or relating to the Tea Business Undertaking of Ganges Securities.
- 1.22.4 All existing and future contracts, Request for Proposals ('RFP'), bids, responses to Expression of Interest ('EOI'), memorandum of understanding, entitlements, industrial and other licenses, municipal permissions, approvals, consents, tenancies in relation to any joint venture or other arrangement which may be entered into by Ganges Securities in respect of business relating or incidental to its Tea Business Undertaking.

For Vaishali Sugar & Energy Limited



Director

For Avadh Sugar & Energy Limited




Director

For Magadh Sugar & Energy Limited



Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.


Company Secretary

Director

Handwritten signature

For Vaishali Sugar & Energy Limited

1.22.5 All the past track record of Ganges Securities, including without limitation, the profitability, production volumes, experience, credentials (including awards and accolades), certifications, accreditations and market share pertaining to or relating to its Tea Business Undertaking.

1.22.6 All employees of Ganges Securities who are substantially engaged in its Tea Business Undertaking, as identified by the Board of Directors of Ganges Securities.

1.22.7 All records, files, papers, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, labels, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, in connection with or relating to the Tea Business Undertaking of Ganges Securities.

1.22.8 Any question that may arise as to whether a specified asset or liability pertains to or does not pertain to the Tea Business Undertaking or whether it arises out of the activities or operations or is to be included in the Tea Business Undertaking, shall be decided by mutual agreement between the Board of Directors of Ganges Securities and Cinnatollah Tea.

1.23 "Upper Ganges" means Upper Ganges Sugar & Industries Limited, a company incorporated under the Act, having its registered office at P. O. Seohara, District Bijnor, Uttar Pradesh – 246746.

1.24 "Vaishali Sugar" means Vaishali Sugar & Energy Limited, a company being incorporated under the Act with registered office at P.O. Hargaon, Dist Sitapur, Uttar Pradesh 261 121.

1.25 In this Scheme, unless the context otherwise requires:

- a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- c) words in the singular shall include the plural and vice versa;

For Upper Ganges Sugar & Industries Ltd.

Handwritten signature
Company Secretary

For The Oudh Sugar Mills Ltd.

Handwritten signature
Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Allahabad Fanning Limited

Director

Director

Director

For Avadh Sugar & Energy Limited

For Meghath Sugar & Energy Limited

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

- d) any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date; and
- e) 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, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 The Scheme set out herein in its present form or with any modification(s) approved or directed by the High Court or NCLT or any other appropriate authority shall be effective from the Appointed Date but shall be operative from the Effective Date.

Part III of the Scheme shall take effect and be operative after coming into effect of Part II of the Scheme;

Part V of the Scheme shall take effect and be operative after coming into effect of Part IV of the Scheme;

Part VIII of the Scheme shall take effect and be operative after coming into effect of Part VI and VII of the Scheme; and

Part IX of the Scheme shall take effect and be operative after coming into effect of Part II, IV and VIII of the Scheme.

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For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Valsah Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

3. SHARE CAPITAL

3.1 The Share Capital of Oudh Sugar as per the Audited Balance Sheet as at March 31, 2014 is as under:

Particulars	As at March 31, 2014 (Rs.)
Authorized Share Capital	
4,00,00,000 Equity Shares of Rs. 10/-each	40,00,00,000
5,00,00,000 Preference Shares of Rs. 10/-each	50,00,00,000
3,00,00,000 Unclassified Shares of Rs. 10/-each	30,00,00,000
Total	120,00,00,000
Issued Share Capital	
2,61,70,410 Equity Shares of Rs. 10/- each fully paid up	26,17,04,100
5,00,00,000 Preference Shares of Rs. 10/- each fully paid up	50,00,00,000
Total	76,17,04,100
Subscribed and Paid-up Share Capital	
2,59,17,285 Equity Shares of Rs. 10/- each fully paid up	25,91,72,850
5,00,00,000 Preference Shares of Rs. 10/- each fully paid up	50,00,00,000
Forfeited shares (originally paid-up)	12,69,335
Total	76,04,42,185

Subsequent to the Balance Sheet date, there has been no change in the issued, subscribed and paid-up capital of Oudh Sugar. An application for reduction of share capital of Rs. 6400 is pending before the High Court of Judicature of

For Upper Ganges Sugar & Industries Ltd.

For The Oudh Sugar Mills Ltd.

Company Secretary

Company Secretary

Director

Director

Director

For Palash Securities Limited

For Ganges Securities Limited

For Cinnatollah Tea Limited

For Allahabad Ginning Limited

Director

Director

Director

Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

Allahabad (Lucknow Bench). The share capital of the company as on December 31, 2014 is same as shown above.

3.2 The Share Capital of Upper Ganges as per the Audited Balance Sheet as at March 31, 2014 is as under:

Particulars	As at March 31, 2014 (Rs.)
Authorized Share Capital	
1,60,00,000 Equity Shares of Rs. 10/- each	16,00,00,000
16,00,000 Preference Shares of Rs. 100/- each	16,00,00,000
Total	32,00,00,000
Issued, Subscribed and Paid-up	
1,15,57,239 Equity Shares of Rs. 10/-each fully paid up	11,55,73,000
Total	11,55,73,000

Subsequent to the Balance Sheet date, the company has increased its Authorised Capital to Rs 50 crores and also issued 30,00,000 12% Non-Convertible Cumulative Redeemable Preference Shares of Rs. 100/- each. The revised share capital of Upper Ganges as on December 31, 2014 is as under:

Particulars	As at December 31, 2014 (Rs.)
Authorized Share Capital	
1,60,00,000 Equity Shares of Rs. 10/- each	16,00,00,000
34,00,000 Preference Shares of Rs. 100/- each	34,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-up	

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Megadth Sugar & Energy Limited

Director

For Vaishali Sugar & Energy Limited
Director

1,15,57,239 Equity Shares of Rs. 10/-each fully paid up	11,55,73,000
30,00,000 Preference Shares of Rs. 100/- each fully paid up	30,00,00,000
Total	41,55,73,000

For Palash Securities Limited
Director

3.3 The Share Capital of Palash Securities on incorporation will be as under:

Particulars	As on the incorporation date (Rs.)
Authorized Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10/-each fully paid up	5,00,000
Total	5,00,000

For Ganges Securities Limited
Director

Post incorporation, the Authorized Share Capital of Palash Securities shall be increased to Rs. 12,00,00,000.

3.4 The Share Capital of Allahabad Canning on incorporation will be as under:

Particulars	As on the incorporation date (Rs.)
Authorized Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10/-each fully paid up	5,00,000

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Alakhnandam Cement Limited
Director

For Cinnatolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

Total	5,00,000
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3.5 The Share Capital of Ganges Securities on incorporation will be as under:

Particulars	As on the incorporation date (Rs.)
Authorized Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10/-each fully paid up	5,00,000
Total	5,00,000

Post incorporation, the Authorized Share Capital of Ganges Securities shall be increased to Rs. 12,00,00,000.

3.6 The Share Capital of Cinnatolliah Tea on incorporation will be as under:

Particulars	As on the incorporation date (Rs.)
Authorized Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10/-each fully paid up	5,00,000
Total	5,00,000

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Ltd.
Naveen Kumar
Director

3.7 The Share Capital of Vaishali Sugaron incorporation will be as under:

Particulars	As on the incorporation date (Rs.)
Authorized Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10/-each fully paid up	5,00,000
Total	5,00,000

For Palash Securities Limited
Rajendra
Director

For Avadh Sugar & Energy Limited

3.8 The Share Capital of Magadh Sugar on incorporation will be as under:

Particulars	As on the incorporation date (Rs.)
Authorized Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10/-each fully paid up	5,00,000
Total	5,00,000

For Ganges Securities Limited
Rajendra
Director

For Avadh Sugar & Energy Limited
Rajendra
Director

For Cinnatollah Tea Limited
Rajendra
Director

Post incorporation, the Authorized Share Capital of Magadh Sugar shall be increased to Rs. 22,00,00,000.

For Magadh Sugar & Energy Limited
Rajendra
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For All-India Cement Limited
Rajendra
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

3.9 The Share Capital of Avadh Sugar on incorporation will be as under:

Particulars	As on the incorporation date (Rs.)
Authorized Share Capital	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10/-each fully paid up	5,00,000
Total	5,00,000

For Vaishali Sugar
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

PART - II

DEMERGER OF FOOD PROCESSING AND INVESTMENTS BUSINESS

UNDERTAKING OF OUDH SUGAR TO PALASH SECURITIES

4. TRANSFER AND VESTING OF FOOD PROCESSING AND INVESTMENTS BUSINESS UNDERTAKING OF OUDH SUGAR

With effect from the Appointed Date or such other date as may be fixed or approved by the Court and upon the Scheme becoming effective, the Food Processing and Investments Business Undertaking ('FP&I Business Undertaking') of Oudh Sugar shall be transferred and vested in Palash Securities in the following manner:

- 4.1 The whole of the FP&I Business Undertaking of Oudh Sugar as defined in Clause 1.9, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, and pursuant to the order of the Court or any other appropriate authority sanctioning the Scheme and without any further act or deed, be transferred to and vested in and/or deemed to be transferred to and vested in Palash Securities, as a going concern, so as to become the properties and liabilities of Palash Securities within the meaning of Section 2(19AA) of the Income Tax Act, 1961 with effect from the Appointed Date.

- 4.2 Without prejudice to the generality of the above said Clause:

- 4.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets, rights and properties of Oudh Sugar pertaining to its FP&I Business Undertaking (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to data processing equipments, computers and servers, computer software, leasehold rights and improvements, plant and machinery, vehicles, furniture and fixtures, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, brand, trade mark, trade-name or copyright or any other intellectual property of Oudh Sugar, registrations, permits, quotas, approvals, actionable claims, all rights/ title or interest in property(ies) by virtue of any Court Order/ Decree, contractual arrangement, allotment, grant, lease,

For Veerpal Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

For Cinnatollah Tea Limited

Director

For Anand Canning Limited

Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, registrations, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situate 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 Oudh Sugar pertaining to its FP&I Business Undertaking, licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever of Oudh Sugar pertaining to FP&I Business Undertaking, shall under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act and pursuant to the orders of the Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and/ or deemed to be transferred to and vested in Palash Securities so as to become the properties and assets of Palash Securities. The benefit of all copyrights, trademarks or any other intellectual property actionable claims, all rights/ title or interest in properties by virtue of any court Order/ Decree, contractual arrangement, registrations with statutory authorities, allotment, lease, grant, possession or otherwise, statutory and regulatory permissions, service tax registrations or other licenses and consents of Oudh Sugar pertaining to its FP&I Business Undertaking shall vest in and become available to Palash Securities pursuant to this Scheme.

- 4.2.2 In respect of all the movable assets of Oudh Sugar pertaining to its FP&I Business Undertaking which are capable of transfer by physical delivery or endorsement and delivery, including cash in hand, shall be

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

so transferred to Palash Securities and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to Palash Securities to the end and intent that the property and benefit therein passes to Palash Securities with effect from the Appointed Date.

4.2.3 In respect of movable assets of Oudh Sugar pertaining to its FP&I Business Undertaking, other than those specified in sub-clause 4.2.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with local and other authorities, bodies corporate, customers and other persons, Oudh Sugar shall give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court or NCLT having sanctioned this Scheme, the said debt, loan, advance or deposit pertaining to its FP&I Business Undertaking shall be paid to or made good to or held on account of Palash Securities, as the person entitled thereto, to the end and intent that the right of Oudh Sugar to recover or realize the same stands transferred to Palash Securities and that appropriate entries should be passed in their respective books to record the aforesaid changes.

4.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties, if any, standing in the books of Oudh Sugar pertaining to its FP&I Business Undertaking and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and / or be deemed to have been vested in and transferred to Palash Securities without any further act, deed, matter or thing and shall belong to Palash Securities. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms thereof, in favour of Palash Securities. Any inchoate title or possessory title of the Oudh Sugar shall be deemed to be the title of Palash Securities.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Alkhalaf Canning Limited
Director

For Chinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

4.2.5 It is clarified that if any assets (estate, claims, rights, title, interest and authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to FP&I Business Undertaking, and to which Oudh Sugaris a party or is owned by Oudh Sugar and which cannot be transferred to Palash Securities for any reason whatsoever, Oudh Sugar shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Palash Securities insofar as it is permissible so to do, till such time the transfer is effected

4.2.6 All assets and liabilities of Oudh Sugar pertaining to its FP&I Business Undertaking as on the Appointed Date, and all assets and properties which are acquired by Oudh Sugar for its FP&I Business Undertaking on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of Palash Securities and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in Palash Securities upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by Oudh Sugar for its FP&I Business Undertaking after the Appointed Date without the prior written consent of Palash Securities.

4.2.7 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature in relation to FP&I Business Undertaking, or to the benefit of which FP&I Business Undertaking may be eligible/entitled, and which are subsisting or having effect on the Effective Date shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting orders of the Courts sanctioning the Scheme, be deemed to be

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd. For The Oudh Sugar Mills Ltd.

Company Secretary

Company Secretary

Helena
Director

For Valsang Sugar & Energy Limited

For Avadh Sugar & Energy Limited

Director

For Megadh Sugar & Energy Limited
Director

approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Palash Securities, and shall be in full force and effect in favour of Palash Securities, subject to Palash Securities maintaining all prior undertakings and commitments pursuant to any administrative or judicial proceedings, concerning FP&I Business Undertaking, and may be enforced as fully and effectually as if, instead of Oudh Sugar, Palash Securities had been a party or beneficiary or obligor thereto. Any third party or authority required to give effect to the provisions of this Clause shall take on record the order of the Court sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of Palash Securities as successor in interest, pursuant to the sanction of this Scheme by the Courts, and upon this Part becoming effective in accordance with the terms provided hereof. For this purpose, Palash Securities shall file certified copies of such sanction orders and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

- 4.2.8 All loans raised and used and all liabilities and obligations incurred by Oudh Sugar pertaining to its FP&I Business Undertaking prior to the Appointed Date shall be deemed to have been raised, used or incurred for and on behalf of Palash Securities; and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Palash Securities and shall become the

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Alkafan Panning Limited
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

liabilities and obligations of Palash Securities which shall meet, discharge and satisfy the same to the exclusion of Oudh Sugar.

- 4.2.9 Where any of the debt, liabilities, duties and obligations of Oudh Sugar pertaining to its FP&I Business Undertaking as on the Appointed Date, deemed to be transferred to Palash Securities have been discharged by Oudh Sugar after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Palash Securities and all loans raised and used and all liabilities and obligations incurred by Oudh Sugar for the operations of the FP&I Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Palash Securities and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to Palash Securities and shall become the liabilities and obligations of Palash Securities which shall undertake to meet, discharge and satisfy the same and in order to give effect to the provisions of this Clause, 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 loans and liabilities have arisen.

- 4.2.10 All cheques and other negotiable instruments, payment orders received in the name of Oudh Sugar pertaining to its FP&I Business Undertaking after the Effective Date shall be accepted by the bankers of Palash Securities and credited to the account of Palash Securities. Similarly, the banker of Palash Securities shall honour cheques issued by Oudh Sugar pertaining to its FP&I Business Undertaking and presented for payment after the Effective Date.

- 4.2.11 Upon the coming into effect of this Scheme, the resolutions, if any, of Oudh Sugar pertaining to its FP&I Business Undertaking, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of Palash Securities and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd. For The Oudh Sugar Mills Ltd.

Company Secretary

Company Secretary

For Vaishali Sugar & Energy Limited
Nehal &
Director

For Avadh Sugar & Energy Limited
S. S. S.
Director

For Megadh Sugar & Energy Limited
S. S. S.
Director

provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in Palash Securities.

4.2.12 All patents, trademarks, copyrights, or any kind of intellectual property, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by Oudh Sugar pertaining to the FP&I Business Undertaking shall stand transferred and vested in the name of Palash Securities without any further act or deed. Palash Securities, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies).

4.2.13 The existing security or charge in favour of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the FP&I Business Undertaking from Oudh Sugar to Palash Securities. Restructuring of all such security or charge shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of Oudh Sugar and Palash Securities.

It is clarified that-

- (a) Existing security, if any, in respect of the liabilities of FP&I Business Undertaking shall extend to and operate only over the assets comprised in the FP&I Business Undertaking which have been charged and secured in respect of the said liabilities. If any of the assets comprised in the FP&I Business Undertaking have not been charged or secured in respect of the said liabilities, such assets shall remain unencumbered.
- (b) If any existing security in respect of any part of the liabilities of FP&I Business Undertaking extends wholly or partly over the assets of the Remaining Business of Oudh Sugar, then Palash Securities shall create adequate security, as may be required, in respect of such part of the liabilities over the assets of the FP&I Business Undertaking to the satisfaction of the respective lenders and upon creation of such security, the assets of the other businesses of Oudh Sugar shall be released and discharged from such encumbrance.

For Upper Ganges Sugar & Industries Ltd.
Nodda
Company Secretary

For The Oudh Sugar Mills Ltd.
S. S. S.
Company Secretary

For Palash Securities Limited
S. S. S.
Director

For Ganges Securities Limited
S. S. S.
Director

For Chinalolish Tea Limited
S. S. S.
Director

For Anand Conning Limited
S. S. S.
Director

For Ch...atollah Tea Limited


Director

For Avadh Sugar & Energy Limited


Director

For Allahabad Canning Limited


Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.


Company Secretary

(c) If any security or charge exists on the assets comprising the FP&I Business Undertaking in respect of any loans or liabilities which have not been transferred to Palash Securities pursuant to this Scheme, Oudh Sugar shall create adequate security over the assets of its other relevant business to the satisfaction of the respective lenders and upon creation of such security, the assets of the FP&I Business Undertaking, as above, shall be released and discharged from such encumbrance.

5. DISCHARGE OF CONSIDERATION

5.1 Upon the Scheme becoming effective and in consideration for the transfer and vesting of the FP&I Business Undertaking of Oudh Sugar with Palash Securities, Palash Securities shall issue and allot Equity Shares in its share capital at par, credited as fully paid up to the extent indicated below, to the members of Oudh Sugar (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Oudh Sugar and approved by them) whose names appear in the Register of Members on the Record Date in the following ratio:

27 Equity Shares of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in the share capital of Palash Securities for every 70 fully paid up equity share(s) of the face value of Rs. 10/- (Rupees Ten) each held in Oudh Sugar.

The paid-up equity share capital of Palash Securities partly held by Oudh Sugar, directly or indirectly ipso facto, shall without any further act or deed stand cancelled on the Effective Date and no shares of Palash Securities will be issued or allotted with respect to the Equity shares held by Oudh Sugar directly or indirectly in Palash Securities in consideration for the demerger.

5.2 Further, upon this Scheme coming into effect, Palash Securities shall issue and allot 13,00,000 (Thirteen Lakhs) fully paid up 8.5% Non-Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in its share capital to the preference shareholders of Oudh Sugar. The terms and conditions of 8.5% Non-Convertible Cumulative Redeemable Preference Shares, so allotted by

For Vaishali Sugar & Energy Limited


Director

For Palash Securities Limited


Director

For Magadh Sugar & Energy Limited


Director

For Ganges Securities Limited


Director

For Cinnatollah Tea Limited


Director


For Avadh Sugar & Energy Limited


Director

For Allahabad Canning Limited


Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.


Company Secretary

- Palash Securities, shall be subject to the same terms and conditions which are applicable to the existing 8.5% Non-Convertible Cumulative Redeemable Preference Shares of Oudh Sugar.
- 5.3 The fractional entitlement, if any, to which the shareholders of Oudh Sugar may become entitled to upon issue of equity shares pursuant to Clause 5.1 above, would be rounded off by Palash Securities to the next integer.
- 5.4 With effect from the Appointed Date but upon the Scheme becoming effective, the number of outstanding preference shares and the value of issued preference share capital of Oudh Sugar shall stand reduced to the extent of the number and value of preference shares issued by Palash Securities to the preference shareholders of Oudh Sugar as per Clause 5.2 above.
- 5.5 With respect to the shares in Palash Securities to be issued to the members of Oudh Sugar pursuant to Clause 5.1 and 5.2 above shall be subject to the Memorandum and Articles of Association of Palash Securities and Palash Securities shall issue and dispatch the new share certificates.
- 5.6 All equity shares allotted by Palash Securities to the shareholders of Oudh Sugar pursuant to Clause 5.1 above shall be listed for trading on the BSE and the NSE and shall be subject to the applicable regulations. Palash Securities shall enter into such arrangement and issue such confirmations and/or undertakings as may be necessary in accordance with the applicable law or regulation for the above purpose.
- 5.7 8.50% Non-Convertible Cumulative Redeemable Preference Shares of Oudh Sugar are not listed on any stock exchange and therefore 8.5% Non-Convertible Cumulative Redeemable Preference Shares issued by Palash Securities pursuant to Clause 5.2 above shall not be listed on any stock exchange.
- 5.8 The approval of this Scheme by the shareholders of Palash Securities shall be deemed to be in due compliance of the provisions of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of shares by Palash Securities to the shareholders of Oudh Sugar, as provided in this Scheme.

For Vaishali Sugar & Energy Limited


Director

For Palash Securities Limited


Director

For Magadh Sugar & Energy Limited


Director

For Ganges Securities Limited


Director

For Alakhchand Ginning Limited
Director

For Chinnaiyath Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

5.9 The shares issued to the members of Oudh Sugar by Palash Securities shall be issued in dematerialised form as far as possible except for person holding shares in physical form, and unless otherwise notified in writing by the members of Oudh Sugar to Palash Securities on or before such date as may be determined by the Board of Directors of Palash Securities or a committee thereof. In the event that such notice has not been received by Palash Securities in respect of any of the members of Oudh Sugar, the shares shall be issued to such members in dematerialised form provided that the members of Oudh Sugar shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that Palash Securities shall issue and directly credit the dematerialised shares to the account of such member with the shares of Palash Securities. In the event that Palash Securities has received notice from any member that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required, then Palash Securities shall issue shares in physical form to such member.

5.10 In the event of there being any pending share transfers, whether lodged or outstanding, of any member of Oudh Sugar, the Board of Directors of Palash Securities shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in Oudh Sugar and in relation to the shares issued by Palash Securities after the effectiveness of the Scheme. The Board of Directors of Palash Securities shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of shareholders in Palash Securities on account of difficulties faced in the transaction period.

5.11 Shares to be issued by Palash Securities pursuant to above clause in respect of such of the shares of Oudh Sugar which are held in abeyance under the provisions of Section 126 of the Companies Act, 2013 or otherwise shall, if any, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by Palash Securities.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

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Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

5.12 For the purpose of issue of shares to the shareholders of Oudh Sugar, Palash Securities shall, if and to the extent required, apply for and obtain the statutory approvals from the concerned regulatory authorities for the issue and allotment by Palash Securities of such shares.

5.13 The holders of the shares of Oudh Sugar shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights including the right to receive dividends from Oudh Sugar till the Scheme coming into effect.

6 ACCOUNTING TREATMENT

6.1 In the Financial Statements of Oudh Sugar

6.1.1 With effect from the Appointed Date but upon the Scheme becoming effective, the book value of assets and liabilities of the FP&I Business Undertaking shall be reduced from the book value of assets and liabilities of Oudh Sugar.

6.1.2 With effect from the Appointed Date but upon the Scheme becoming effective, the number of outstanding preference shares and the value of issued preference share capital of Oudh Sugar shall be reduced to the extent of the number and value of preference shares issued by Palash Securities to the preference shareholders of Oudh Sugar as per Clause 5.2 above.

6.1.3 The book value of the investments of Oudh Sugar in Palash Securities shall stand cancelled.

6.1.4 Loans, advances and amounts receivable or payable inter-se between Palash Securities and Oudh Sugar pertaining to the FP&I Business Undertaking, appearing in the books of accounts of the Palash Securities and Oudh Sugar, if any, shall stand cancelled.

6.1.5 The difference between the net book value of assets and liabilities of the FP&I Business Undertaking transferred to Palash Securities as per Clause 6.1.1 and value of Preference Share Capital reduced as per Clause 6.1.2 above, after adjustment of the cancellation of investments of Oudh Sugar as per Clause 6.1.3 and loans, advances and amounts receivable or payable as per Clause 6.1.4 above shall be adjusted against the Reserves of Oudh Sugar.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Alakshad Company Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

6.2 In the Financial Statements of Palash Securities

- 6.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets and liabilities pertaining to the FP&I Business Undertaking, as appearing in the books of accounts of Oudh Sugar as on the Appointed Date, shall stand transferred to and vested in Palash Securities pursuant to the Scheme and shall be recorded by Palash Securities at their respective book values as appearing in the books of Oudh Sugar;
- 6.2.2 Palash Securities shall credit the aggregate face value of the shares issued by it to the shareholders of Oudh Sugar pursuant to clause 5.1 and 5.2 of this Scheme to the Share Capital Account in its books of accounts.
- 6.2.3 Loans, advances and amounts receivable or payable inter-se between Palash Securities and Oudh Sugar pertaining to the FP&I Business Undertaking, appearing in the books of accounts of the Palash Securities and Oudh Sugar, if any, shall stand cancelled
- 6.2.4 Upon all allotment of fresh equity shares by Palash Securities, as per clause 5.1, the equity shares held by Oudh Sugar in Palash Securities shall stand cancelled.
- 6.2.5 The difference between the net value of assets and liabilities of the FP&I Business Undertaking of Oudh Sugar, recorded as per Clause 6.2.1 above and the amount credited by Palash Securities to the Share Capital Account as per Clause 6.2.2 above and cancellation of loans, advances and amounts receivable or payable as per Clause 6.2.3 above and cancellation of investments as per Clause 6.2.4 above, shall be recorded as Capital Reserve.

7 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 7.1 With effect from the Appointed Date and up to and including the Effective Date:
- 7.1.1 Oudh Sugar undertakes to preserve and carry on the business of its FP&I Business Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell,

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Veishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

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:

- 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 Court(s); or
- b) if the same is expressly permitted by this Scheme; or
- c) if the prior written consent of the Board of Directors of Palash Securities has been obtained.

7.1.2 Oudh Sugar shall carry on and be deemed to have carried on all business and activities of its FP&I Business Undertaking and shall stand possessed of all the assets, rights, title and interest of Oudh Sugar, in relation to its FP&I Business Undertaking for and on account of and in trust for Palash Securities.

7.1.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by Oudh Sugar, in relation to its FP&I Business Undertaking shall for all purposes, be treated as the profits and cash, taxes or losses of Palash Securities.

7.1.4 All accretions and depletions to Oudh Sugar, in relation to its FP&I Business Undertaking, shall be for and on account of Palash Securities.

7.1.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Oudh Sugar, in relation to its FP&I Business Undertaking, shall be deemed to have been exercised by Oudh Sugar for and on behalf of and in trust for and as an agent of Palash Securities. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the FP&I Business Undertaking of Oudh Sugar that have been undertaken or discharged by Oudh Sugar, shall be deemed to have been undertaken for and on behalf of and as an agent for Palash Securities.

7.2 Oudh Sugar shall not vary the terms and conditions of service of its employees in relation to its FP&I Business Undertaking except in the ordinary course of its business

7.3 As and from the Appointed Date and till the Effective Date:

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Chitaval Tea Limited

Director

For Maheshwari Mining Limited

Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

7.3.1 All assets and properties of Oudh Sugar pertaining to its FP&I Business Undertaking as on the date immediately preceding the Appointed Date, and all assets and properties relating thereto, which are acquired by Oudh Sugar for its FP&I Business Undertaking on or after the Appointed Date, in accordance with this Scheme, shall without any further act or deed be deemed to be the assets and properties of Palash Securities.

7.3.2 All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed Date and all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to Oudh Sugar pertaining to its FP&I Business Undertaking, on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of Palash Securities.

8 LEGAL PROCEEDINGS

- 8.1 All legal proceedings of whatsoever nature by or against the Oudh Sugar pending and/or arising before the Appointed Date relating to its FP&I Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme, but shall be continued and enforced by or against Palash Securities, as the case may be, in the same manner and to the same extent as would or might have been continued and enforced by or against Oudh Sugar.
- 8.2 After the Appointed Date, if any proceedings are taken against Oudh Sugar in respect of the matters referred to in Clause 8.1, Oudh Sugar shall defend the same at the cost of Palash Securities, and Palash Securities shall reimburse and indemnify Oudh Sugar against all liabilities and obligations incurred by Oudh Sugar in respect thereof.
- 8.3 Palash Securities undertakes to have all legal or other proceedings initiated by or against Oudh Sugar referred to in Clauses 8.1 or 8.2, transferred to its name and to have the same continued, prosecuted and enforced by or against Palash Securities as the case may be, to the exclusion of Oudh Sugar.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

For Vaishali Sugar & Energy Limited

For Vaishali Sugar & Energy Limited

- 8.4 After the Appointed Date, in case the proceedings referred to in Clause 8.1 or Clause 8.2 above cannot be transferred for any reason, Oudh Sugar shall defend the same at the cost of Palash Securities, and Palash Securities shall reimburse, indemnify and hold harmless Oudh Sugar against all liabilities and obligations incurred by Oudh Sugar in respect thereof.

9 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

- 9.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and relating to the FP&I Business Undertaking of Oudh Sugar, shall continue in full force and effect against or in favour of Palash Securities, and may be enforced effectively by or against Palash Securities as fully and effectually as if, instead of Oudh Sugar, Palash Securities had been a party thereto.

- 9.2 Palash Securities may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Oudh Sugar is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Palash Securities shall be deemed to be authorized to execute any such writings on behalf of Oudh Sugar and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Oudh Sugar.

- 9.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the FP&I Business Undertaking to which Oudh Sugar is a party to, cannot be transferred to Palash Securities for any reason whatsoever, Oudh Sugar shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Palash Securities insofar as it is permissible so to do, till such time as the transfer is effected.

- 9.4 With effect from the Appointed Date and upon the Scheme becoming effective, the past track record of Oudh Sugar relating to the FP&I Business Undertaking, including without limitation, the profitability, production

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Attached Canning Limited

Director

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

40

For The Oudh Sugar Mills Ltd.

Company Secretary

For Alakhya Canning Limited
Director

For Chintalash Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

volumes, experience, credentials and market share, shall be deemed to be the track record of Palash Securities for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of Palash Securities in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

- 9.5 Palash Securities shall be entitled to the benefit of all insurance policies which have been issued in respect of the FP&I Business Undertaking of Oudh Sugar and the name of Palash Securities shall be substituted as "Insured" in the policies as if Palash Securities was initially a party.

10 STAFF, WORKMEN & EMPLOYEES

- 10.1 Upon coming into effect of this Scheme, all staff, workmen and employees of the Oudh Sugar, engaged in or in relation to its FP&I Business Undertaking and who are in such employment on the Effective Date shall become staff, workmen and employees of Palash Securities without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Palash Securities shall not be less favorable than those applicable to them with reference to Oudh Sugar on the Effective Date.
- 10.2 In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts ("Fund/s") created by Oudh Sugar for its employees are concerned, the part of the Funds pertaining to the transferred employees of the FP&I Business Undertaking shall be continued for the benefit of the transferred employees pursuant to this Scheme in the manner provided hereinafter. In the event that Palash Securities has set up its own Funds in respect of any of the Funds of Oudh Sugar referred to above, the amounts in such Funds in respect of contributions pertaining to the transferred employees shall, subject to the necessary approvals and permissions, if any, be transferred to and vested in the relevant Funds of Palash Securities. Until such time that the Palash Securities creates its own Fund, Palash Securities may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the transferred employees to the relevant Funds of Oudh Sugar and at the time that Palash Securities create its own Fund, the contributions pertaining to the transferred employees shall be transferred to and vested in the Funds created by Palash Securities. It is clarified that the services of the

For Vaishali Sugar & Energy Limited
Director

For Avedh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited

For Magadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited

transferred employees will be treated as having been continuous for the purpose of the said Fund or Funds. This Scheme shall enable the trustees of provident fund trusts, gratuity fund and pension and/or superannuation fund trusts to amend their respective trust deeds so as to be in conformity with the requirements of both the labour laws and the income tax laws, as applicable, consequent upon the vesting and transfer of employees to Palash Securities as provided herein, on a continuity of employment basis and on same and/or similar terms and conditions of service.

- 10.3 The services of the transferred employees with Oudh Sugar prior to the transfer and vesting, as aforesaid, shall be taken into account for the purposes of all benefits to which the transferred employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Oudh Sugar.

- 10.4 Upon the Scheme becoming effective, Oudh Sugar shall communicate to the aforesaid Employees a notice in a form to be mutually agreed between the Palash Securities and Oudh Sugar.

11 TAX TREATMENT

- 11.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Oudh Sugar in relation to its FP&I Business Undertaking from the Appointed Date onwards shall be treated as the tax liability of Palash Securities. Similarly all credits for tax deduction at source on income of Oudh Sugar shall be given to Palash Securities; or obligation for deduction of tax at source on any payment made by or to be made by Palash Securities shall be made or deemed to have been made and duly complied with if so made by Oudh Sugar. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Oudh Sugar.

- 11.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by Oudh Sugar in relation to its FP&I Business Undertaking to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any

For Palash Securities Limited

For Palash Securities Limited
Director

For Ganges Securities Limited

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited

For Cinnatollah Tea Limited
Director

For Alakhya Farming Limited

For Alakhya Farming Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by Palash Securities and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Palash Securities upon the passing of the orders on this Scheme by the High Court and upon relevant proof and documents being provided to the said authorities.

- 11.3 Upon the Scheme becoming effective, Palash Securities is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. Palash Securities shall be entitled to refund and/or set off all amounts paid by either of Oudh Sugar in relation to its FP&I Business Undertaking or Palash Securities under Income Tax, Value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective..

12 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of properties and liabilities and the continuance of proceedings by or against Palash Securities shall not affect any transaction or proceedings already concluded by Oudh Sugar on or after the Appointed Date till the Effective Date in relation to the FP&I Business Undertaking, to the end and intent that Palash Securities accepts and adopts all acts, deeds and things done and executed by Oudh Sugar in respect thereto as done and executed on behalf of Palash Securities.

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited

Director

For Cinnatolia Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

PART - III

**TRANSFER OF FOOD PROCESSING BUSINESS UNDERTAKING OF
PALASH SECURITIES TO ALLAHABAD CANNING**

**13 TRANSFER AND VESTING OF FOOD PROCESSING BUSINESS
UNDERTAKING OF PALASH SECURITIES**

With effect from the Appointed Date or such other date as may be fixed or approved by the Court and upon the Scheme becoming effective, the Food Processing Business Undertaking of Palash Securities shall be transferred and vested in Allahabad Canning in the following manner:

- 13.1 The whole of the Food Processing Business Undertaking of Palash Securities as defined in Clause 1.10, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, and pursuant to the order of the Court or any other appropriate authority sanctioning the Scheme and without any further act or deed, be transferred to and vested in and/or deemed to be transferred to and vested in Allahabad Canning, as a going concern, so as to become the properties and liabilities of Allahabad Canning.

- 13.2 Without prejudice to the generality of the above said Clause:

- 13.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets, rights and properties of Palash Securities pertaining to the Food Processing Business Undertaking (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to data processing equipments, computers and servers, computer software, leasehold rights and improvements, plant and machinery, vehicles, furniture and fixtures, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, brand, trade mark, trade-name or copyright or any other intellectual property of Palash Securities pertaining to the Food Processing Business Undertaking, registrations, permits, quotas, approvals, actionable claims, all rights/ title or interest in property(ies) by virtue of any Court Order/ Decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Allahabad Canning Limited

Director

contracts, permissions, incentives, registrations, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situate 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 Palash Securities pertaining to its Food Processing Business Undertaking, licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever of Palash Securities pertaining to its Food Processing Business Undertaking, shall under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act and pursuant to the orders of the Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and/ or deemed to be transferred to and vested in Allahabad Canning so as to become the properties and assets of Allahabad Canning. The benefit of all copyrights, trademarks or any other intellectual property actionable claims, all rights/ title or interest in properties by virtue of any court Order/ Decree, contractual arrangement, registrations with statutory authorities, allotment, lease, grant, possession or otherwise, statutory and regulatory permissions, service tax registrations or other licenses and consents of Palash Securities pertaining to its Food Processing Business Undertaking shall vest in and become available to Allahabad Canning pursuant to this Scheme.

13.2.2 In respect of all the movable assets of the Food Processing Business Undertaking of Palash Securities and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery,

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Allahabad Canning Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

including cash in hand, shall be so transferred to Allahabad Canning and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to Allahabad Canning to the end and intent that the property and benefit therein passes to Allahabad Canning with effect from the Appointed Date.

13.2.3 In respect of the movable assets of Palash Securities pertaining to its Food Processing Business Undertaking, other than those specified in sub-clause 13.2.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with local and other authorities, bodies corporate, customers and other persons, Palash Securities shall give notice in such form as it may deem fit and proper to each person, debtor or deposittee that pursuant to the High Court or NCLT having sanctioned this Scheme, the said debt, loan, advance or deposit pertaining to its Food Processing Business Undertaking shall be paid to or made good to or held on account of Allahabad Canning, as the person entitled thereto, to the end and intent that the right of Palash Securities to recover or realize the same stands transferred to Allahabad Canning and that appropriate entries should be passed in their respective books to record the aforesaid changes.

13.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties, if any, standing in the books of Palash Securities pertaining to its Food Processing Business Undertaking and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and / or be deemed to have been vested in and transferred to Allahabad Canning without any further act, deed, matter or thing and shall belong to Allahabad Canning. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Allahabad Canning. Any inchoate title or possessory title of

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Allahabad Canning Limited

Director

For Allahabad Canning Limited
Director

For Chinnataliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

Palash Securities in relation to the Food Processing Business Undertaking shall be deemed to be the title of Allahabad Canning.

13.2.5 It is clarified that if any assets (estate, claims, rights, title, interest and authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in which Palash Securities owns or Palash Securities is a party in relation to the Food Processing Business Undertaking and which cannot be transferred to Allahabad Canning for any reason whatsoever, Palash Securities shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Allahabad Canning, insofar as it is permissible so to do, till such time as the transfer is effected.

13.2.6 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme on the Appointed Date, all consents, permissions, licenses, approvals, certificates, clearances and authorities including the Licenses, given by, issued to or executed in favour of Palash Securities in relation to its Food Processing Business Undertaking as on the Appointed Date and after the Appointed Date but prior to the Effective Date, shall stand transferred to Allahabad Canning as if the same were originally given by, issued to or executed in favour of Allahabad Canning, and the rights and benefits under the same shall be available to Allahabad Canning. Any registration fees, charges etc paid by Palash Securities in relation to the aforementioned consents, permissions, licenses, approvals, certificates, clearances and authorities, shall deemed to have been paid by Allahabad Canning.

13.2.7 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Palash Securities or to the benefit of which Palash Securities may be eligible/entitled in relation to the Food

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Processing Business Undertaking, and which are subsisting or having effect on the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting orders of the Courts sanctioning the Scheme shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Allahabad Canning and shall be in full force and effect in favour of Allahabad Canning, subject to Palash Securities maintaining all prior undertakings and commitments pursuant to any administrative or judicial proceedings and may be enforced as fully and effectually as if, instead of Palash Securities, Allahabad Canning had been a party or beneficiary or obligor thereto. Any third party or authority required to give effect to the provisions of this Clause shall take on record the orders of the Court sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of Allahabad Canning as successor in interest, pursuant to the sanction of this Scheme by the Courts in accordance with the terms provided hereof. For this purpose, Allahabad Canning shall file certified copies of such sanction orders and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

- 13.2.8 All loans raised and used and all liabilities and obligations incurred by Palash Securities pertaining to its Food Processing Business Undertaking prior to the Appointed Date shall be deemed to have been raised, used or incurred for and on behalf of Allahabad Canning and to

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

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For The Oudh Sugar Mills Ltd.

Company Secretary

For Valsad Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tee Limited
Director

For Allahabad Canning Limited
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Allahabad Canning and shall become the liabilities and obligations of Allahabad Canning which shall meet / discharge and satisfy the same to the exclusion of Palash Securities.

13.2.9 Where any of the debt, liabilities, duties and obligations of Palash Securities relating to its Food Processing Business Undertaking as on the Appointed Date, deemed to be transferred to Allahabad Canning have been discharged by Palash Securities after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Allahabad Canning and all loans raised and used and all liabilities and obligations incurred by Palash Securities for the operations of its Food Processing Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Allahabad Canning and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to Allahabad Canning and shall become the liabilities and obligations of Allahabad Canning which shall undertake to meet, discharge and satisfy the same and in order to give effect to the provisions of this Clause, 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 loans and liabilities have arisen.

13.2.10 All cheques and other negotiable instruments, payment orders received in the name of Palash Securities pertaining to the Food Processing Business Undertaking after the Effective Date shall be accepted by the bankers of Allahabad Canning and credited to the account of Allahabad Canning. Similarly, the banker of Palash Securities shall honour cheques issued by Palash Securities pertaining to the Food Processing Business Undertaking and presented for payment after the Effective Date.

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Megadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

13.2.11 All patents, trademarks, copyrights, or any kind of intellectual property, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by Palash Securities pertaining to the Food Processing Business Undertaking shall stand transferred and vested in the name of Allahabad Canning without any further act or deed. Allahabad Canning, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies).

13.2.12 The existing security or charge in favour of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the Food Processing Business Undertaking from Palash Securities to Allahabad Canning. Restructuring of all such security or charge and reallocation of existing credit facilities granted by the secured creditors shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of Palash Securities and Allahabad Canning.

It is clarified that-

- (a) Existing security, if any, in respect of abovementioned liabilities shall extend to and operate only over the assets comprised in the Food Processing Business Undertaking which have been charged and secured in respect of the abovementioned liabilities. If any of the assets comprised in the Food Processing Business Undertaking have not been charged or secured in respect of the abovementioned liabilities, such assets shall remain unencumbered.
- (b) If any existing security in respect of any part of the abovementioned liabilities extends wholly or partly over the assets of the Remaining Business of Palash Securities, then Allahabad Canning shall create adequate security in respect of such part of the abovementioned liabilities over the assets of the Food Processing Business Undertaking to the satisfaction of the respective lenders and upon creation of such security, the assets of

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

the Remaining Business of Palash Securities shall be released and discharged from such encumbrance.

- (c) If any security or charge exists on the assets comprising the Food Processing Business Undertaking in respect of any loans or liabilities which have not been transferred to Allahabad Canning pursuant to this Scheme, Palash Securities shall create adequate security over the assets of its Remaining Business to the satisfaction of the respective lenders and upon creation of such security, the assets of the Food Processing Business Undertaking, as above, shall be released and discharged from such encumbrance.

14 DISCHARGE OF CONSIDERATION

- 14.1 Upon the Scheme becoming effective and in consideration for the transfer and vesting of the Food Processing Business Undertaking of Palash Securities with Allahabad Canning, Allahabad Canning shall discharge the consideration of Rs. 10,93,45,878(Rupees Ten Crores Ninety Three Lacs Forty Five Thousand Eight Hundred and Seventy Eightonly).
- 14.2 Upon sanction of the Scheme by the Court, Palash Securities and Allahabad Canning shall take necessary steps to discharge the consideration as mentioned in Clause 14.1 at the earliest, and in such mode and manner as may be agreed by the Board of Palash Securities and Allahabad Canning.
- 14.3 It is clarified that nothing contained in the Scheme shall be construed to imply that the transfer and vesting of the Food Processing Business Undertaking shall remain or deemed to have remained suspended or in abeyance till the process of discharge of consideration amount in terms of Clause 14.2 is completed.

15 ACCOUNTING TREATMENT

15.1 In the Financial Statements of Palash Securities

- 15.1.1 The book values of the assets and liabilities pertaining to the Food Processing Business Undertaking, shall be reduced from the respective value of assets and liabilities of Palash Securities and the difference, if any, as adjusted by the consideration as per Clause 14.1 shall be recorded in the Profit & Loss account.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

For The Oudh Sugar Mills Ltd.
Company Secretary

For Vaishali Sugar & Energy Limited
Director

15.2 In the Financial Statements of Allahabad Canning

15.2.1 Allahabad Canning shall record the assets and liabilities of the Food Processing Business Undertaking by apportioning the consideration stated in Clause 14.1 to the respective assets and liabilities based upon the book values.

15.2.2 In case of any excess / deficiency of the consideration paid over the aggregate book values of the assets and liabilities taken over shall be recorded as 'Goodwill' or 'Capital Reserve' as the case may be.

16 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

16.1 Palash Securities undertakes to preserve and carry on the Food Processing 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:

- 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 Court(s); or
- b) if the same is expressly permitted by this Scheme; or
- c) if the prior written consent of the Board of Directors of Allahabad Canning has been obtained.

16.2 Palash Securities shall carry on and be deemed to have carried on all business and activities of its Food Processing Business Undertaking and shall stand possessed of all the assets, rights, title and interest of Palash Securities, in relation to its Food Processing Business Undertaking for and on account of and in trust for Allahabad Canning.

16.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by Palash Securities, in relation to its Food Processing Business Undertaking shall for all purposes, be treated as the profits and cash, taxes or losses of Allahabad Canning.

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

For Allahabad Canning Limited

For Chintoffish Tea Limited

For Ganges Securities Limited

For Palash Securities Limited

- 16.4 All accretions and depletions to Palash Securities, in relation to its Food Processing Business Undertaking shall be for and on account of Allahabad Canning.
- 16.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Palash Securities, in relation to its Food Processing Business Undertaking shall be deemed to have been exercised by Palash Securities for and on behalf of and in trust for and as an agent of Allahabad Canning. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Food Processing Business Undertaking of Palash Securities that have been undertaken or discharged by Palash Securities, shall be deemed to have been undertaken for and on behalf of and as an agent for Allahabad Canning.
- 16.6 Palash Securities shall not vary the terms and conditions of service of its employees in relation to the Food Processing Business Undertaking except in the ordinary course of its business

17 LEGAL PROCEEDINGS

- 17.1 All legal proceedings of whatsoever nature by or against Palash Securities pending and/or arising before the Appointed Date and relating to the Food Processing Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Allahabad Canning, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against Palash Securities.
- 17.2 After the Appointed Date, if any proceedings are taken against Palash Securities in respect of the matters referred to in Clause 17.1, Palash Securities shall defend the same at the cost of Allahabad Canning, and Allahabad Canning shall reimburse and indemnify Palash Securities against all liabilities and obligations incurred by Palash Securities in respect thereof.
- 17.3 Allahabad Canning undertakes to have all legal or other proceedings initiated by or against Palash Securities referred to in Clauses 17.1 or 17.2 above, transferred to its name and to have the same continued, prosecuted and

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director
Nedex

For Varanasi Sugar & Energy Limited

Director
5-3-21

For Avadh Sugar & Energy Limited

Director
For Meghath Sugar & Energy Limited

enforced by or against Allahabad Canning as the case may be, to the exclusion of Palash Securities.

- 17.4 After the Appointed Date, in case the proceedings referred to in Clause 17.1 or Clause 17.2 above cannot be transferred for any reason, Palash Securities shall defend the same at the cost of Allahabad Canning, and Allahabad Canning shall reimburse, indemnify and hold harmless Palash Securities against all liabilities and obligations incurred by Palash Securities in respect thereof.

18 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS ETC.

- 18.1 Upon the coming into effect the Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and relating to the Food Processing Business Undertaking of Palash Securities, shall continue in full force and effect against or in favour of Allahabad Canning, and may be enforced effectively by or against Allahabad Canning as fully and effectually as if, instead of Palash Securities, Allahabad Canning had been a party thereto.
- 18.2 Allahabad Canning may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Palash Securities is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Allahabad Canning shall be deemed to be authorized to execute any such writings on behalf of Palash Securities and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Palash Securities.
- 18.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Food Processing Business Undertaking to which Palash Securities is a party to, cannot be transferred to Allahabad Canning for any reason whatsoever, Palash Securities shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit

For Palash Securities Limited
Director
B. B. B. B.

For Ganges Securities Limited
Director
S. S. S. S.

For Cinnatollah Tea Limited
Director
S. S. S. S.

For Allahabad Canning Limited
Director
B. B. B. B.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

of Allahabad Canning insofar as it is permissible so to do, till such time as the transfer is effected.

18.4 Upon coming into effect of this Scheme, the past track record of Palash Securities relating to the Food Processing Business Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of Allahabad Canning for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of Allahabad Canning in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

18.5 Allahabad Canning shall be entitled to the benefit of all insurance policies which have been issued in respect of the Food Processing Business Undertaking of Palash Securities and the name of Allahabad Canning shall be substituted as "Insured" in the policies as if Allahabad Canning was initially a party.

19 STAFF, WORKMEN & EMPLOYEES

19.1 Upon coming into effect of this Scheme, all staff, workmen and employees of Palash Securities, engaged in or in relation to its Food Processing Business Undertaking and who are in such employment on the Effective Date shall become staff, workmen and employees of Allahabad Canning without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Allahabad Canning shall not be less favorable than those applicable to them with reference to Palash Securities, in relation to the Food Processing Business Undertaking on the Effective Date.

19.2 In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts ("Fund/s") created by Palash Securities for its employees of the Food Processing Business Undertaking are concerned, the part of the Funds referable to the transferred employees shall be continued for the benefit of the transferred employees pursuant to this Scheme in the manner provided hereinafter. In the event that Allahabad Canning has set up its own Funds in respect of any of the Funds of Palash Securities referred to above, the amounts in such Funds in respect of contributions pertaining to the transferred employees shall, subject to the necessary approvals and permissions, if any, be

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

transferred to and vested in the relevant Funds of Allahabad Canning. Until such time that Allahabad Canning creates its own Fund, Allahabad Canning may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the transferred employees to the relevant Funds of Palash Securities and at the time that Allahabad Canning create its own Fund, the contributions pertaining to the transferred employees shall be transferred to and vested in the Funds created by Allahabad Canning. It is clarified that the services of the transferred employees will be treated as having been continuous for the purpose of the said Fund or Funds. This Scheme shall enable the trustees of provident fund trusts, gratuity fund and pension and/or superannuation fund trusts to amend their respective trust deeds so as to be in conformity with the requirements of both the labour laws and the income tax laws, as applicable, consequent upon the vesting and transfer of employees to Allahabad Canning as provided herein, on a continuity of employment basis and on same and/or similar terms and conditions of service.

- 19.3 The services of the transferred employees with Palash Securities prior to the transfer and vesting, as aforesaid, shall be taken into account for the purposes of all benefits to which the transferred employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Palash Securities.
- 19.4 Upon the Scheme becoming effective, Palash Securities shall communicate to the aforesaid Employees a notice in a form to be mutually agreed between Allahabad Canning and Palash Securities.

20 TREATMENT OF TAXES

- 20.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Palash Securities in relation to its Food Processing Business Undertaking from the Appointed Date onwards shall be treated as the tax liability of Allahabad Canning. Similarly all credits for tax deduction at source on income of Palash Securities shall be given to Allahabad Canning; or obligation for deduction of tax at source on any payment made by or to be

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Varshali Sugar & Energy Limited
Director

Director

For Avadh Sugar & Energy Limited

For Magadh Sugar & Energy Limited
Director

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Ghatatollah Tea Limited

Director

For Allahabad Canning Limited

Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

made by Allahabad Canning shall be made or deemed to have been made and duly complied with if so made by Palash Securities. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Palash Securities.

20.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by Palash Securities in relation to its Food Processing Business Undertaking to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by Allahabad Canning and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Allahabad Canning upon the passing of the orders on this Scheme by the High Court and upon relevant proof and documents being provided to the said authorities.

20.3 Upon the Scheme becoming effective, Allahabad Canning is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. Allahabad Canning shall be entitled to refund and/or set off all amounts paid by either of Palash Securities in relation to its Food Processing Business Undertaking or Allahabad Canning under Income Tax, value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective.

21 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of properties and liabilities and the continuance of proceedings by or against Allahabad Canning shall not affect any transaction or proceedings already concluded by Palash Securities on or after the Appointed Date till the Effective Date in relation to the Food Processing Business Undertaking, to the end and intent that Allahabad Canning accepts and adopts all acts, deeds and things done and executed by Palash Securities in respect thereto as done and executed on behalf of itself.

For Veishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

For Vaishali Sugar & Energy Limited

For Vaishali Sugar & Energy Limited

For Avesth Sugar & Energy Limited

Director

For Avesth Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

22 REMAINING BUSINESS OF PALASH SECURITIES

- 22.1 The Remaining Business of Palash Securities i.e. entire business other than the Food Processing Business Undertaking and all the assets, liabilities, obligations and employees pertaining thereto, shall continue to belong to and be vested in and be managed by Palash Securities.
- 22.2 All legal, taxation or other proceedings by or against Palash Securities under any statute, relating to the Remaining Business of Palash Securities (including those relating to any property, right, power, liability, obligation or duties of Palash Securities in respect of the Remaining Business) shall be continued and enforced by or against Palash Securities.
- 22.3 All statutory licenses, permissions, approvals, quotas or consents held by Palash Securities relating to the Remaining Business, shall continue to vest with Palash Securities.
- 22.4 All trademarks, patents, designs, copyrights and other intellectual property rights or consents held, registered or owned by Palash Securities in respect of Remaining Business, shall continue to vest with Palash Securities.
- 22.5 All staff, workmen and employees of Palash Securities, in relation to the Remaining Business will continue to be employees of Palash Securities.
- 22.6 All assets and properties acquired by Palash Securities in relation to the Remaining Business shall belong to and continue to remain vested in Palash Securities.

For Palash Securities Limited

Director

For Ganges Securities Limited

For Cinnatollah Tea Limited

Director

For Anahad Canning Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

PART - IV

DEMERGER OF TEA BUSINESS AND INVESTMENTS BUSINESS
UNDERTAKING OF UPPER GANGES TO GANGES SECURITIES

23 TRANSFER AND VESTING OF TEA BUSINESS AND INVESTMENTS BUSINESS UNDERTAKING OF UPPER GANGES

With effect from the Appointed Date or such other date as may be fixed or approved by the Court and upon the Scheme becoming effective, the Tea Business and Investments Business Undertaking ('T&I Business Undertaking') of Upper Ganges shall be transferred and vested in Ganges Securities in the following manner:

- 23.1 The whole of the T&I Business Undertaking of Upper Ganges as defined in Clause 1.21, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, and pursuant to the order of the Court or any other appropriate authority sanctioning the Scheme and without any further act or deed, be transferred to and vested in and/or deemed to be transferred to and vested in Ganges Securities, as a going concern, so as to become the properties and liabilities of Ganges Securities within the meaning of Section 2(19AA) of the Income Tax Act, 1961 with effect from the Appointed Date.

- 23.2 Without prejudice to the generality of the above said Clause:

23.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets, rights and properties of Upper Ganges pertaining to its T&I Business Undertaking (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to data processing equipments, computers and servers, computer software, leasehold rights and improvements, plant and machinery, vehicles, furniture and fixtures, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, brand, trade mark, trade-name or copyright or any other intellectual property of Upper Ganges, registrations, permits, quotas, approvals, actionable claims, all rights/ title or interest in property(ies) by virtue of any Court Order/ Decree, contractual arrangement,

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Alakhneshwari Sugarcane Limited
Director

For Chinnatoli Tea Limited
Director

For Ganges Securities Limited
Director

For Palach Securities Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, registrations, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situate 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 Upper Ganges pertaining to its T&I Business Undertaking, licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever of Upper Ganges pertaining to T&I Business Undertaking, shall under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act and pursuant to the orders of the Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in Ganges Securities so as to become the properties and assets of Ganges Securities. The benefit of all copyrights, trademarks or any other intellectual property actionable claims, all rights/ title or interest in properties by virtue of any court Order/ Decree, contractual arrangement, registrations with statutory authorities, allotment, lease, grant, possession or otherwise, statutory and regulatory permissions, service tax registrations or other licenses and consents of Upper Ganges pertaining to its T&I Business Undertaking shall vest in and become available to Ganges Securities pursuant to this Scheme.

23.2.2 In respect of all the movable assets of Upper Ganges pertaining to its T&I Business Undertaking which are capable of transfer by physical

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Chinatollah Tea Limited

Director

For Anand Chandel Limited

Director

For Allahabad Canning Limited
Director

For Cimatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

delivery or endorsement and delivery, including cash in hand, shall be so transferred to Ganges Securities and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to Ganges Securities to the end and intent that the property and benefit therein passes to Ganges Securities with effect from the Appointed Date.

23.2.3 In respect of movable assets of Upper Ganges pertaining to its T&I Business Undertaking, other than those specified in sub-clause 23.2.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with local and other authorities, bodies corporate, customers and other persons, Upper Ganges shall give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court or NCLT having sanctioned this Scheme, the said debt, loan, advance or deposit pertaining to its T&I Business Undertaking shall be paid to or made good to or held on account of Ganges Securities, as the person entitled thereto, to the end and intent that the right of Upper Ganges to recover or realize the same stands transferred to Ganges Securities and that appropriate entries should be passed in their respective books to record the aforesaid changes.

23.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties, if any, standing in the books of Upper Ganges pertaining to its T&I Business Undertaking and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and / or be deemed to have been vested in and transferred to Ganges Securities without any further act, deed, matter or thing and shall belong to Ganges Securities. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Ganges Securities. Any inchoate title or possessory title of the Upper Ganges shall be deemed to be the title of Ganges Securities.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Wazirpur Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

23.2.5 It is clarified that if any assets (estate, claims, rights, title, interest and authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to T&I Business Undertaking, and to which Upper Ganges is a party or is owned by Upper Ganges and which cannot be transferred to Ganges Securities for any reason whatsoever, Upper Ganges shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Ganges Securities insofar as it is permissible so to do, till such time the transfer is effected

23.2.6 All assets and liabilities of Upper Ganges pertaining to its T&I Business Undertaking as on the Appointed Date, and all assets and properties which are acquired by Upper Ganges for its T&I Business Undertaking on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of Ganges Securities and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in Ganges Securities upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by Upper Ganges for its T&I Business Undertaking after the Appointed Date without the prior written consent of Ganges Securities.

23.2.7 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature in relation to T&I Business Undertaking, or to the benefit of which T&I Business Undertaking may be eligible/entitled, and which are subsisting or having effect on the Effective Date shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting orders of the Courts sanctioning the Scheme, be deemed to be

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Allahabad Canning Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Ganges Securities, and shall be in full force and effect in favour of Palash Securities, subject to Ganges Securities maintaining all prior undertakings and commitments pursuant to any administrative or judicial proceedings, concerning T&I Business Undertaking, and may be enforced as fully and effectually as if, instead of Upper Ganges, Ganges Securities had been a party or beneficiary or obligor thereto. Any third party or authority required to give effect to the provisions of this Clause shall take on record the order of the Court sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of Ganges Securities as successor in interest, pursuant to the sanction of this Scheme by the Courts, and upon this Part becoming effective in accordance with the terms provided hereof. For this purpose, Ganges Securities shall file certified copies of such sanction orders and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

23.2.8 All loans raised and used and all liabilities and obligations incurred by Upper Ganges pertaining to its T&I Business Undertaking prior to the Appointed Date shall be deemed to have been raised, used or incurred for and on behalf of Ganges Securities; and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Ganges Securities and shall become

For Alakhnand Canning Limited

Director

For Chinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

63

For Vaishali Sugar & Industries Ltd.

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Vaishali Sugar & Energy Limited
Nalini K.
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

the liabilities and obligations of Ganges Securities which shall meet, discharge and satisfy the same to the exclusion of Upper Ganges.

23.2.9 Where any of the debt, liabilities, duties and obligations of Upper Ganges pertaining to its T&I Business Undertaking as on the Appointed Date, deemed to be transferred to Ganges Securities have been discharged by Upper Ganges after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Ganges Securities and all loans raised and used and all liabilities and obligations incurred by Upper Ganges for the operations of the T&I Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Ganges Securities and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to Ganges Securities and shall become the liabilities and obligations of Ganges Securities which shall undertake to meet, discharge and satisfy the same and in order to give effect to the provisions of this Clause, 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 loans and liabilities have arisen.

23.2.10 All cheques and other negotiable instruments, payment orders received in the name of Upper Ganges pertaining to its T&I Business Undertaking after the Effective Date shall be accepted by the bankers of Ganges Securities and credited to the account of Ganges Securities. Similarly, the banker of Ganges Securities shall honour cheques issued by Upper Ganges pertaining to its T&I Business Undertaking and presented for payment after the Effective Date.

23.2.11 Upon the coming into effect of this Scheme, the resolutions, if any, of Upper Ganges pertaining to its T&I Business Undertaking, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of Ganges Securities and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Anand Canning Limited
Director

provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in Ganges Securities.

23.2.12 All patents, trademarks, copyrights, or any kind of intellectual property, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by Upper Ganges pertaining to the T&I Business Undertaking shall stand transferred and vested in the name of Ganges Securities without any further act or deed. Ganges Securities, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies).

23.2.13 The existing security or charge in favour of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the T&I Business Undertaking from Upper Ganges to Ganges Securities. Restructuring of all such security or charge shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of Upper Ganges and Ganges Securities.

It is clarified that-

- (d) Existing security, if any, in respect of the liabilities of T&I Business Undertaking shall extend to and operate only over the assets comprised in the T&I Business Undertaking which have been charged and secured in respect of the said liabilities. If any of the assets comprised in the T&I Business Undertaking have not been charged or secured in respect of the said liabilities, such assets shall remain unencumbered.
- (e) If any existing security in respect of any part of the liabilities of T&I Business Undertaking extends wholly or partly over the assets of the Remaining Business of Upper Ganges, then Ganges Securities shall create adequate security, as may be required, in respect of such part of the liabilities over the assets of the T&I Business Undertaking to the satisfaction of the respective lenders and upon creation of such security, the assets of the other businesses of Upper Ganges shall be released and discharged from such encumbrance.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Maheshwari Consulting Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Vaishali Sugar & Energy Limited
Director

- (f) If any security or charge exists on the assets comprising the T&I Business Undertaking in respect of any loans or liabilities which have not been transferred to Ganges Securities pursuant to this Scheme, Upper Ganges shall create adequate security over the assets of its other relevant business to the satisfaction of the respective lenders and upon creation of such security, the assets of the T&I Business Undertaking, as above, shall be released and discharged from such encumbrance.

24 DISCHARGE OF CONSIDERATION

- 24.1 Upon the Scheme becoming effective and in consideration for the transfer and vesting of the T&I Business Undertaking of Upper Ganges with Ganges Securities, Ganges Securities shall issue and allot Equity Shares in its share capital at par, credited as fully paid up to the extent indicated below, to the members of Upper Ganges (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Upper Ganges and approved by them) whose names appear in the Register of Members on the Record Date in the following ratio:

77 Equity Shares of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in the share capital of Ganges Securities for every 89 fully paid up equity share(s) of the face value of Rs. 10/- (Rupees Ten) each held in Upper Ganges.

The paid-up equity share capital of Ganges Securities partly held by Upper Ganges, directly or indirectly ipso facto, shall without any further act or deed stand cancelled on the Effective Date and no shares of Ganges Securities will be issued or allotted with respect to the Equity shares held by Upper Ganges directly or indirectly in Ganges Securities in consideration for the demerger.

- 24.2 Further, upon this Scheme coming into effect, Ganges Securities shall issue and allot 1,50,000 (One Lakh and Fifty Thousand) fully paid up 12% Non-Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 100/- (Rupees Hundred) each credited as fully paid up in its share capital to the preference shareholders of Upper Ganges. The terms and conditions of 12% Non-Convertible Cumulative Redeemable Preference Shares, so allotted

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Chinnatollah Tea Limited
Director

For Allahabad Cement Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited

For Avadh Sugar & Energy Limited

For Cinnatollah Tea Limited

Director

Director

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

- by Ganges Securities, shall be subject to the same terms and conditions which are applicable to the existing 12% Non-Convertible Cumulative Redeemable Preference Shares of Upper Ganges.
- 24.3 The fractional entitlement, if any, to which shareholders of Upper Ganges may become entitled to upon issue of Equity Shares pursuant to Clause 24.1 above, would be rounded off by Ganges Securities to the next integer.
- 24.4 With effect from the Appointed Date but upon the Scheme becoming effective, the number of outstanding preference shares and the value of issued preference share capital of Upper Ganges shall stand reduced to the extent of the number and value of preference shares issued by Ganges Securities to the preference shareholders of Upper Ganges as per Clause 24.2 above.
- 24.5 With respect to the shares in Ganges Securities to be issued to the members of Upper Ganges pursuant to Clause 24.1 and 24.2 above shall be subject to the Memorandum and Articles of Association of Ganges Securities and Ganges Securities shall issue and dispatch the new share certificates.
- 24.6 All equity shares allotted by Ganges Securities to the shareholders of Upper Ganges pursuant to Clause 24.1 shall be listed for trading on the BSE, NSE and CSE and shall be subject to applicable regulations. Ganges Securities shall enter into such arrangement and issue such confirmations and/or undertakings as may be necessary in accordance with the applicable law or regulation for the above purpose.
- 24.7 12% Non-Convertible Cumulative Redeemable Preference Shares of Upper Ganges are not listed on any stock exchange and therefore 12% Non-Convertible Cumulative Redeemable Preference Shares issued by Ganges Securities pursuant to Clause 24.2 above shall not be listed on any stock exchange.
- 24.8 The approval of this Scheme by the shareholders of Ganges Securities shall be deemed to be in due compliance with the provisions of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of shares by Ganges Securities to the shareholders of Upper Ganges, as provided in this Scheme.
- 24.9 The shares issued to the members of Upper Ganges by Ganges Securities shall be issued in dematerialised form as far as possible except for person holding shares in physical form, and unless otherwise notified in writing by the

For Ganges Securities Limited

Director

For Magadh Sugar & Energy Limited

Director

For Palash Securities Limited

Director

For Vaishali Sugar & Energy Limited

Director

For Cinnatollah Tea Limited


Director

For Avadh Sugar & Energy Limited


Director

For Allahabad Canning Limited


Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.


Company Secretary

members of Upper Ganges to Ganges Securities on or before such date as may be determined by the Board of Directors of Ganges Securities or a committee thereof. In the event that such notice has not been received by Ganges Securities in respect of any of the members of Upper Ganges, the shares shall be issued to such members in dematerialised form provided that the members of Upper Ganges shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that Ganges Securities shall issue and directly credit the dematerialised shares to the account of such member with the shares of Ganges Securities. In the event that Ganges Securities has received notice from any member that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required, then Ganges Securities shall issue shares in physical form to such member.

24.10 In the event of there being any pending share transfers, whether lodged or outstanding, of any member of Upper Ganges, the Board of Directors of Ganges Securities shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in Upper Ganges and in relation to the shares issued by Ganges Securities after the effectiveness of the Scheme. The Board of Directors of Ganges Securities shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of shareholders in Ganges Securities on account of difficulties faced in the transaction period.

24.11 Shares to be issued by Ganges Securities pursuant to above clause in respect of such of the shares of Upper Ganges which are held in abeyance under the provisions of Section 126 of the Companies Act, 2013 or otherwise shall, if any, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by Ganges Securities.

24.12 For the purpose of issue of shares to the shareholders of Upper Ganges, Ganges Securities shall, if and to the extent required, apply for and obtain the

For Vaishali Sugar & Energy Limited


Director

For Palash Securities Limited


Director

For Ganges Securities Limited For Magadh Sugar & Energy Limited


Director

Director

For Alakhnand Canning Limited
Director

statutory approvals from the concerned regulatory authorities for the issue and allotment by Ganges Securities of such equity shares.

- 24.13 The holders of the shares of Upper Ganges shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights including the right to receive dividends from Upper Ganges till the Scheme coming into effect.

25 ACCOUNTING TREATMENT

25.1 In the Financial Statements of Upper Ganges

25.1.1 With effect from the Appointed Date but upon the Scheme becoming effective, the book value of assets and liabilities of the T&I Business Undertaking shall be reduced from the book value of assets and liabilities of Upper Ganges.

25.1.2 With effect from the Appointed Date but upon the Scheme becoming effective, the number of outstanding preference shares and the value of issued preference share capital of Upper Ganges shall be reduced to the extent of the number and value of preference shares issued by Ganges Securities to the preference shareholders of Upper Ganges as per Clause 24.2 above.

25.1.3 The book value of the investments of Upper Ganges in Ganges Securities shall stand cancelled.

25.1.4 Loans, advances and amounts receivable or payable inter-se between Ganges Securities and Upper Ganges pertaining to the T&I Business Undertaking, appearing in the books of accounts of the Ganges Securities and Upper Ganges, if any, shall stand cancelled.

25.1.5 The difference between the net book value of assets and liabilities of the T&I Business Undertaking transferred to Ganges Securities as per Clause 25.1.1 and the value of Preference Share Capital reduced as per Clause 25.1.2 above, after adjustment of the cancellation of investments of Upper Ganges as per Clause 25.1.3 and loans, advances and amounts receivable or payable as per Clause 25.1.4 above shall be adjusted against the Reserves of Upper Ganges.

For Vaishali Sugar & Energy Limited
Director

For Cinnatolia Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Avadh Sugar & Energy Limited
Director

For Mahesh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director
For Vaishali Sugar & Energy Limited

25.2 In the Financial Statements of Ganges Securities

25.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets and liabilities pertaining to the T&I Business Undertaking, as appearing in the books of accounts of Upper Ganges as on the Appointed Date, shall stand transferred to and vested in Ganges Securities pursuant to the Scheme and shall be recorded by Ganges Securities at their respective book values as appearing in the books of Upper Ganges;

25.2.2 Ganges Securities shall credit the aggregate face value of the shares issued by it to the shareholders of Upper Ganges pursuant to clause 24.1 and 24.2 of this Scheme to the Share Capital Account in its books of accounts.

25.2.3 Loans, advances and amounts receivable or payable inter-se between Ganges Securities and Upper Ganges pertaining to the T&I Business Undertaking, appearing in the books of accounts of the Ganges Securities and Upper Ganges, if any, shall stand cancelled

25.2.4 Upon all allotment of fresh equity shares by Ganges Securities, as per clause 24.1, the equity shares held by Upper Ganges in Palash Securities shall stand cancelled.

25.2.5 The difference between the net value of assets and liabilities of the T&I Business Undertaking of Upper Ganges, recorded as per Clause 25.2.1 above and the amount credited by Ganges Securities to the Share Capital Account as per Clause 25.2.2 above and cancellation of loans, advances and amounts receivable or payable as per Clause 25.2.3 above cancellation of investments as per Clause 25.2.4 above, shall be recorded as Capital Reserve.

26 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

26.1.1 Upper Ganges undertakes to preserve and carry on the business of its T&I Business Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Mahabadi Canning Limited
Director

For Avadh Sugar & Energy Limited

Director

Director

For Mahesh Sugar & Energy Limited

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

with or dispose of any 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 Court(s); or
- b) if the same is expressly permitted by this Scheme; or
- c) if the prior written consent of the Board of Directors of Ganges Securities has been obtained.

26.1.2 Upper Ganges shall carry on and be deemed to have carried on all business and activities of its T&I Business Undertaking and shall stand possessed of all the assets, rights, title and interest of Upper Ganges, in relation to its T&I Business Undertaking for and on account of and in trust for Ganges Securities.

26.1.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by Upper Ganges, in relation to its T&I Business Undertaking shall for all purposes, be treated as the profits and cash, taxes or losses of Ganges Securities.

26.1.4 All accretions and depletions to Upper Ganges, in relation to its T&I Business Undertaking, shall be for and on account of Ganges Securities.

26.1.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Upper Ganges, in relation to its T&I Business Undertaking, shall be deemed to have been exercised by Upper Ganges for and on behalf of and in trust for and as an agent of Ganges Securities. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the T&I Business Undertaking of Upper Ganges that have been undertaken or discharged by Upper Ganges, shall be deemed to have been undertaken for and on behalf of and as an agent for Ganges Securities.

26.2 Upper Ganges shall not vary the terms and conditions of service of its employees in relation to its T&I Business Undertaking except in the ordinary course of its business

26.3 As and from the Appointed Date and till the Effective Date:

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

26.3.1 All assets and properties of Upper Ganges pertaining to its T&I Business Undertaking as on the date immediately preceding the Appointed Date, and all assets and properties relating thereto, which are acquired by Upper Ganges for its T&I Business Undertaking on or after the Appointed Date, in accordance with this Scheme, shall without any further act or deed be deemed to be the assets and properties of Ganges Securities.

26.3.2 All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed Date and all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to Upper Ganges pertaining to its T&I Business Undertaking, on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of Ganges Securities.

27 LEGAL PROCEEDINGS

27.1 All legal proceedings of whatsoever nature by or against the Upper Ganges pending and/or arising before the Appointed Date relating to its T&I Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme, but shall be continued and enforced by or against Ganges Securities, as the case may be, in the same manner and to the same extent as would or might have been continued and enforced by or against Upper Ganges.

27.2 After the Appointed Date, if any proceedings are taken against Upper Ganges in respect of the matters referred to in Clause 27.1, Upper Ganges shall defend the same at the cost of Ganges Securities, and Ganges Securities shall reimburse and indemnify Upper Ganges against all liabilities and obligations incurred by Upper Ganges in respect thereof.

27.3 Ganges Securities undertakes to have all legal or other proceedings initiated by or against Upper Ganges referred to in Clauses 27.1 or 27.2, transferred to its name and to have the same continued, prosecuted and enforced by or against Ganges Securities as the case may be, to the exclusion of Upper Ganges.

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Gomati Tea Limited
Director

For Gomati Tea Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary


For The Oudh Sugar Mills Ltd.

Company Secretary


For Allahabad Canning Limited
Director


For Cinnatollah Tea Limited
Director


For Ganges Securities Limited
Director


For Palash Securities Limited
Director

27.4 After the Appointed Date, in case the proceedings referred to in Clause 27.1 or Clause 27.2 above cannot be transferred for any reason, Upper Ganges shall defend the same at the cost of Ganges Securities, and Ganges Securities shall reimburse, indemnify and hold harmless Upper Ganges against all liabilities and obligations incurred by Upper Ganges in respect thereof.

28 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

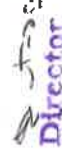
28.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and relating to the FP&I Business Undertaking of Upper Ganges, shall continue in full force and effect against or in favour of Ganges Securities, and may be enforced effectively by or against Ganges Securities as fully and effectually as if, instead of Upper Ganges, Ganges Securities had been a party thereto.


28.2 Ganges Securities may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Upper Ganges is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Ganges Securities shall be deemed to be authorized to execute any such writings on behalf of Upper Ganges and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Upper Ganges.

28.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the FP&I Business Undertaking to which Upper Ganges is a party to, cannot be transferred to Ganges Securities for any reason whatsoever, Upper Ganges shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Ganges Securities insofar as it is permissible so to do, till such time as the transfer is effected.


28.4 With effect from the Appointed Date and upon the Scheme becoming effective, the past track record of Upper Ganges relating to the FP&I Business


For Vaishali Sugar & Energy Limited
Director


For Avadh Sugar & Energy Limited
Director


For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.


Company Secretary

Director

Neliah &

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited

Director

Director

Director

For Magadh Sugar & Energy Limited

Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of Ganges Securities for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of Ganges Securities in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

- 28.5 Ganges Securities shall be entitled to the benefit of all insurance policies which have been issued in respect of the FP&I Business Undertaking of Upper Ganges and the name of Ganges Securities shall be substituted as "Insured" in the policies as if Ganges Securities was initially a party.

29 STAFF, WORKMEN & EMPLOYEES

- 29.1 Upon coming into effect of this Scheme, all staff, workmen and employees of the Upper Ganges, engaged in or in relation to its T&I Business Undertaking and who are in such employment on the Effective Date shall become staff, workmen and employees of Ganges Securities without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Ganges Securities shall not be less favorable than those applicable to them with reference to Upper Ganges on the Effective Date.
- 29.2 In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts ("Fund/s") created by Upper Ganges for its employees are concerned, the part of the Funds pertaining to the transferred employees of the T&I Business Undertaking shall be continued for the benefit of the transferred employees pursuant to this Scheme in the manner provided hereinafter. In the event that Ganges Securities has set up its own Funds in respect of any of the Funds of Upper Ganges referred to above, the amounts in such Funds in respect of contributions pertaining to the transferred employees shall, subject to the necessary approvals and permissions, if any, be transferred to and vested in the relevant Funds of Ganges Securities. Until such time that the Ganges Securities creates its own Fund, Ganges Securities may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the transferred employees to the relevant Funds of Upper Ganges and at the time that Ganges Securities create its own Fund, the contributions pertaining

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Affiliated Canning Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

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For The Oudh Sugar Mills Ltd.

Company Secretary

to the transferred employees shall be transferred to and vested in the Funds created by Ganges Securities. It is clarified that the services of the transferred employees will be treated as having been continuous for the purpose of the said Fund or Funds. This Scheme shall enable the trustees of provident fund trusts, gratuity fund and pension and/or superannuation fund trusts to amend their respective trust deeds so as to be in conformity with the requirements of both the labour laws and the income tax laws, as applicable, consequent upon the vesting and transfer of employees to Ganges Securities as provided herein, on a continuity of employment basis and on same and/or similar terms and conditions of service.

29.3 The services of the transferred employees with Upper Ganges prior to the transfer and vesting, as aforesaid, shall be taken into account for the purposes of all benefits to which the transferred employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Upper Ganges.

29.4 Upon the Scheme becoming effective, Upper Ganges shall communicate to the aforesaid Employees a notice in a form to be mutually agreed between the Ganges Securities and Upper Ganges.

30 TAX TREATMENT

30.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Upper Ganges in relation to its T&I Business Undertaking from the Appointed Date onwards shall be treated as the tax liability of Ganges Securities. Similarly all credits for tax deduction at source on income of Upper Ganges shall be given to Ganges Securities; or obligation for deduction of tax at source on any payment made by or to be made by Ganges Securities shall be made or deemed to have been made and duly complied with if so made by Upper Ganges. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Upper Ganges.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited

For Cinnatollah Tea Limited

For Ganges Securities Limited

For Palash Securities Limited

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited

For Magadh Sugar & Energy Limited

Director

Director

Director

For Varshah Sugar & Energy Limited
Neelust &
Director

For Avadh Sugar & Energy Limited
A. K. Singh
Director

For Magadh Sugar & Energy Limited
Director

30.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by Upper Ganges in relation to its T&I Business Undertaking to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by Ganges Securities and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Ganges Securities upon the passing of the orders on this Scheme by the High Court and upon relevant proof and documents being provided to the said authorities.

30.3 Upon the Scheme becoming effective, Ganges Securities is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. Ganges Securities shall be entitled to refund and/or set off all amounts paid by either of Upper Ganges in relation to its T&I Business Undertaking or Ganges Securities under Income Tax, value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective..

31 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of properties and liabilities and the continuance of proceedings by or against Ganges Securities shall not affect any transaction or proceedings already concluded by Upper Ganges on or after the Appointed Date till the Effective Date in relation to the T&I Business Undertaking, to the end and intent that Ganges Securities accepts and adopts all acts, deeds and things done and executed by Upper Ganges in respect thereto as done and executed on behalf of Ganges Securities.

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Alkhabad Canning Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Nadkarni
Company Secretary

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For The Oudh Sugar Mills Ltd.
Company Secretary

PART - V

**TRANSFER OF TEA BUSINESS UNDERTAKING OF
GANGES SECURITIES TO CINNATOLLIH TEA**

**32 TRANSFER AND VESTING OF TEA BUSINESS UNDERTAKING OF
GANGES SECURITIES**

With effect from the Appointed Date or such other date as may be fixed or approved by the Court and upon the Scheme becoming effective, the Tea Business Undertaking of Ganges Securities shall be transferred and vested in Cinnatolliah Tea in the following manner:

32.1 The whole of the Tea Business Undertaking of Ganges Securities as defined in Clause 1.22, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, and pursuant to the order of the Court or any other appropriate authority sanctioning the Scheme and without any further act or deed, be transferred to and vested in and/or deemed to be transferred to and vested in Cinnatolliah Tea, as a going concern, so as to become the properties and liabilities of Cinnatolliah Tea.

32.2 Without prejudice to the generality of the above said Clause:

32.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets, rights and properties of Ganges Securities pertaining to the Tea Business Undertaking (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to data processing equipments, computers and servers, computer software, leasehold rights and improvements, plant and machinery, vehicles, furniture and fixtures, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, brand, trade mark, trade-name or copyright or any other intellectual property of Ganges Securities pertaining to the Tea Business Undertaking, registrations, permits, quotas, approvals, actionable claims, all rights/ title or interest in property(ies) by virtue of any Court Order/ Decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending

For Allahabad Canning Limited
Director

For Cinnatolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

contracts, permissions, incentives, registrations, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situate 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 Ganges Securities pertaining to its Tea Business Undertaking, licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever of Ganges Securities pertaining to its Tea Business Undertaking, shall under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act and pursuant to the orders of the Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and/ or deemed to be transferred to and vested in Cinnatolliah Tea so as to become the properties and assets of Cinnatolliah Tea. The benefit of all copyrights, trademarks or any other intellectual property actionable claims, all rights/ title or interest in properties by virtue of any court Order/ Decree, contractual arrangement, registrations with statutory authorities, allotment, lease, grant, possession or otherwise, statutory and regulatory permissions, service tax registrations or other licenses and consents of Ganges Securities pertaining to its Tea Business Undertaking shall vest in and become available to Cinnatolliah Tea pursuant to this Scheme.

32.2.2 In respect of all the movable assets of the Tea Business Undertaking of Ganges Securities and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash in hand, shall be so transferred to Cinnatolliah Tea and deemed

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatolliah Tea Limited
Director

For Allahabad Canning Limited
Director

For Allahabad Canning Limited
Director

For Cinnatolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to Cinnatolliah Tea to the end and intent that the property and benefit therein passes to Cinnatolliah Tea with effect from the Appointed Date.

32.2.3 In respect of the movable assets of Ganges Securities pertaining to its Tea Business Undertaking, other than those specified in sub-clause 32.2.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with local and other authorities, bodies corporate, customers and other persons, Ganges Securities shall give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court or NCLT having sanctioned this Scheme, the said debt, loan, advance or deposit pertaining to its Tea Business Undertaking shall be paid to or made good to or held on account of Cinnatolliah Tea, as the person entitled thereto, to the end and intent that the right of Ganges Securities to recover or realize the same stands transferred to Cinnatolliah Tea and that appropriate entries should be passed in their respective books to record the aforesaid changes.

32.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties, if any, standing in the books of Ganges Securities pertaining to its Tea Business Undertaking and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and / or be deemed to have been vested in and transferred to Cinnatolliah Tea without any further act, deed, matter or thing and shall belong to Cinnatolliah Tea. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Cinnatolliah Tea. Any inchoate title or possessory title of Ganges Securities in relation to the Tea Business Undertaking shall be deemed to be the title of Cinnatolliah Tea.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

For Vaishali Sugar & Energy Limited

M. K. Singh

For Avadh Sugar & Energy Limited

Director

P. Singh

For Mahesh Sugar & Energy Limited

Director

S. Singh

32.2.5 It is clarified that if any assets (estate, claims, rights, title, interest and authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in which Ganges Securities owns or Ganges Securities is a party in relation to the Tea Business Undertaking and which cannot be transferred to Cinnatolliah Tea for any reason whatsoever, Ganges Securities shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Cinnatolliah Tea, insofar as it is permissible so to do, till such time as the transfer is effected.

32.2.6 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Ganges Securities or to the benefit of which Ganges Securities may be eligible/entitled in relation to the Tea Business Undertaking, and which are subsisting or having effect on the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting orders of the Courts sanctioning the Scheme shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Cinnatolliah Tea and shall be in full force and effect in favour of Cinnatolliah Tea, subject to Ganges Securities maintaining all prior undertakings and commitments pursuant to any administrative or judicial proceedings and may be enforced as fully and effectually as if, instead of Ganges Securities, Cinnatolliah Tea had been a party or beneficiary or obligor thereto. Any third party or authority required to give effect to the provisions of this Clause shall take on record the orders of the Court

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

M. K. Singh

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For The Oudh Sugar Mills Ltd.

Company Secretary

S. Singh

For Allahabad Canning Limited

Director

S. Singh

For Cinnatolliah Tea Limited

Director

S. Singh

For Ganges Securities Limited

Director

S. Singh

For Palash Securities Limited

Director

S. Singh

sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of Cinnatolliah Tea as successor in interest, pursuant to the sanction of this Scheme by the Courts in accordance with the terms provided hereof. For this purpose, Cinnatolliah Tea shall file certified copies of such sanction orders and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

32.2.7 All loans raised and used and all liabilities and obligations incurred by Ganges Securities pertaining to its Tea Business Undertaking prior to the Appointed Date shall be deemed to have been raised, used or incurred for and on behalf of Cinnatolliah Tea and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Cinnatolliah Tea and shall become the liabilities and obligations of Cinnatolliah Tea which shall meet / discharge and satisfy the same to the exclusion of Ganges Securities.

32.2.8 Where any of the debt, liabilities, duties and obligations of Ganges Securities relating to its Tea Business Undertaking as on the Appointed Date, deemed to be transferred to Cinnatolliah Tea have been discharged by Ganges Securities after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Cinnatolliah Tea and all loans raised and used and all liabilities and obligations incurred by Ganges Securities for the operations of its Tea Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Cinnatolliah Tea and to the extent they are outstanding on the Effective Date, shall

For Alkathad Caming Limited
Director

For Cinnatolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

Director

For Vaishali Sugar & Energy Limited

Director

Director

Director

Director

Director

also without any further act, deed, matter or thing stand transferred to Cinnatolliah Tea and shall become the liabilities and obligations of Cinnatolliah Tea which shall undertake to meet, discharge and satisfy the same and in order to give effect to the provisions of this Clause, 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 loans and liabilities have arisen.

32.2.9 All cheques and other negotiable instruments, payment orders received in the name of Ganges Securities pertaining to the Tea Business Undertaking after the Effective Date shall be accepted by the bankers of Cinnatolliah Tea and credited to the account of Cinnatolliah Tea. Similarly, the banker of Ganges Securities shall honour cheques issued by Ganges Securities pertaining to the Tea Business Undertaking and presented for payment after the Effective Date.

32.2.10 All patents, trademarks, copyrights, or any kind of intellectual property, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by Ganges Securities pertaining to the Tea Business Undertaking shall stand transferred and vested in the name of Cinnatolliah Tea without any further act or deed. Cinnatolliah Tea, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies).

32.2.11 The existing security or charge in favour of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the Tea Business Undertaking from Ganges Securities to Cinnatolliah Tea. Restructuring of all such security or charge and reallocation of existing credit facilities granted by the secured creditors shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of Ganges Securities and Cinnatolliah Tea.

It is clarified that-

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatolliah Tea Limited

Director

For Anandamanning Limited

Director

- (d) Existing security, if any, in respect of abovementioned liabilities shall extend to and operate only over the assets comprised in the Tea Business Undertaking which have been charged and secured in respect of the abovementioned liabilities. If any of the assets comprised in the Tea Business Undertaking have not been charged or secured in respect of the abovementioned liabilities, such assets shall remain unencumbered.
- (e) If any existing security in respect of any part of the abovementioned liabilities extends wholly or partly over the assets of the Remaining Business of Ganges Securities, then Cinnatollah Tea shall create adequate security in respect of such part of the abovementioned liabilities over the assets of the Tea Business Undertaking to the satisfaction of the respective lenders and upon creation of such security, the assets of the Remaining Business of Ganges Securities shall be released and discharged from such encumbrance.
- (f) If any security or charge exists on the assets comprising the Tea Business Undertaking in respect of any loans or liabilities which have not been transferred to Cinnatollah Tea pursuant to this Scheme, Ganges Securities shall create adequate security over the assets of its Remaining Business to the satisfaction of the respective lenders and upon creation of such security, the assets of the Tea Business Undertaking, as above, shall be released and discharged from such encumbrance.

33 DISCHARGE OF CONSIDERATION

- 33.1 Upon the Scheme becoming effective and in consideration for the transfer and vesting of the Tea Business Undertaking of Ganges Securities with Cinnatollah Tea, Cinnatollah Tea shall discharge the consideration of Rs. 26,12,53,958 (Rupees Twenty Six Crores Twelve Lacs Fifty Three Thousand Nine Hundred and Fifty Eight only).
- 33.2 Upon sanction of the Scheme by the Court, Ganges Securities and Cinnatollah Tea shall take necessary steps to discharge the consideration as mentioned in

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Painsel Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Megadh Sugar & Energy Limited
Director

Clause 33.1 at the earliest, and in such mode and manner as may be agreed by the Board of Ganges Securities and Cinnatolliah Tea.

- 33.3 It is clarified that nothing contained in the Scheme shall be construed to imply that the transfer and vesting of the Tea Business Undertaking shall remain or deemed to have remained suspended or in abeyance till the process of discharge of consideration amount in terms of Clause 33.2 is completed.

34 ACCOUNTING TREATMENT

34.1 In the Financial Statements of Ganges Securities

34.1.1 The book values of the assets and liabilities pertaining to the Tea Business Undertaking, shall be reduced from the respective value of assets and liabilities of Ganges Securities and the difference, if any, as adjusted by the consideration as per Clause 33.1 shall be recorded in the Profit & Loss account.

34.2 In the Financial Statements of Cinnatolliah Tea

34.2.1 Cinnatolliah Tea shall record the assets and liabilities of the Tea Business Undertaking by apportioning the consideration stated in Clause 33.1 to the respective assets and liabilities based upon the book values.

34.2.2 In case of any excess / deficiency of the consideration paid over the aggregate book values of the assets and liabilities taken over shall be recorded as 'Goodwill' or 'Capital Reserve' as the case may be.

35 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

- 35.1 Ganges Securities undertakes to preserve and carry on the Tea 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 Court(s); or
- if the same is expressly permitted by this Scheme; or

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

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For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

For Cinnatolliah Tea Limited

For Upper Ganges Sugar & Industries Limited

For Vaishtal Sugar & Energy Limited

For Avadh Sugar & Energy Limited

For Magadh Sugar & Energy Limited

Director

Director

Director

For Vaishali Sugar & Energy Limited
Director

For Cinnatolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

- c) if the prior written consent of the Board of Directors of Cinnatolliah Tea has been obtained.
- 35.2 Ganges Securities shall carry on and be deemed to have carried on all business and activities of its Tea Business Undertaking and shall stand possessed of all the assets, rights, title and interest of Ganges Securities, in relation to its Tea Business Undertaking for and on account of and in trust for Cinnatolliah Tea.
- 35.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by Ganges Securities, in relation to its Tea Business Undertaking shall for all purposes, be treated as the profits and cash, taxes or losses of Cinnatolliah Tea.
- 35.4 All accretions and depletions to Ganges Securities, in relation to its Tea Business Undertaking shall be for and on account of Cinnatolliah Tea.
- 35.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Ganges Securities, in relation to its Tea Business Undertaking shall be deemed to have been exercised by Ganges Securities for and on behalf of and in trust for and as an agent of Cinnatolliah Tea. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Tea Business Undertaking of Ganges Securities that have been undertaken or discharged by Ganges Securities, shall be deemed to have been undertaken for and on behalf of and as an agent for Cinnatolliah Tea.
- 35.6 Ganges Securities shall not vary the terms and conditions of service of its employees in relation to the Tea Business Undertaking except in the ordinary course of its business
- 36 LEGAL PROCEEDINGS**
- 36.1 All legal proceedings of whatsoever nature by or against Ganges Securities pending and/or arising before the Appointed Date and relating to the Tea Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Cinnatolliah Tea, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against Ganges Securities.
- 36.2 After the Appointed Date, if any proceedings are taken against Ganges Securities in respect of the matters referred to in Clause 36.1, Ganges

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

Securities shall defend the same at the cost of Cinnatolliah Tea, and Cinnatolliah Tea shall reimburse and indemnify Ganges Securities against all liabilities and obligations incurred by Ganges Securities in respect thereof.

36.3 Cinnatolliah Tea undertakes to have all legal or other proceedings initiated by or against Ganges Securities referred to in Clauses 36.1 or 36.2 above, transferred to its name and to have the same continued, prosecuted and enforced by or against Cinnatolliah Tea as the case may be, to the exclusion of Ganges Securities.

36.4 After the Appointed Date, in case the proceedings referred to in Clause 36.1 or Clause 36.2 above cannot be transferred for any reason, Ganges Securities shall defend the same at the cost of Cinnatolliah Tea, and Cinnatolliah Tea shall reimburse, indemnify and hold harmless Ganges Securities against all liabilities and obligations incurred by Ganges Securities in respect thereof.

37 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS ETC.

37.1 Upon the coming into effect the Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and relating to the Tea Business Undertaking of Ganges Securities, shall continue in full force and effect against or in favour of Cinnatolliah Tea, and may be enforced effectively by or against Cinnatolliah Tea as fully and effectually as if, instead of Ganges Securities, Cinnatolliah Tea had been a party thereto.

37.2 Cinnatolliah Tea may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Ganges Securities is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Cinnatolliah Tea shall be deemed to be authorized to execute any such writings on behalf of Ganges Securities and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Ganges Securities.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

For Vaisali Sugar & Energy Limited

For Avadh Sugar & Energy Limited

Director

Director

For Magadh Sugar & Energy Limited

For Palash Securities Limited

For Ganges Securities Limited

For Cinnatolliah Tea Limited

For Anand Sugar Mills Limited

Director

Director

Director

For Anahad Canning Limited
Director

For Cinnatolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

37.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Tea Business Undertaking to which Ganges Securities is a party to, cannot be transferred to Cinnatolliah Tea for any reason whatsoever, Ganges Securities shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Cinnatolliah Tea insofar as it is permissible so to do, till such time as the transfer is effected.

37.4 Upon coming into effect of this Scheme, the past track record of Ganges Securities relating to the Tea Business Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of Cinnatolliah Tea for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of Cinnatolliah Tea in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

37.5 Cinnatolliah Tea shall be entitled to the benefit of all insurance policies which have been issued in respect of the Tea Business Undertaking of Ganges Securities and the name of Cinnatolliah Tea shall be substituted as "Insured" in the policies as if Cinnatolliah Tea was initially a party.

38 STAFF, WORKMEN & EMPLOYEES

38.1 Upon coming into effect of this Scheme, all staff, workmen and employees of Ganges Securities, engaged in or in relation to its Tea Business Undertaking and who are in such employment on the Effective Date shall become staff, workmen and employees of Cinnatolliah Tea without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Cinnatolliah Tea shall not be less favorable than those applicable to them with reference to Ganges Securities, in relation to the Tea Business Undertaking on the Effective Date.

38.2 In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts ("Fund/s") created by Ganges Securities for its employees of the Tea Business Undertaking are concerned, the part of the Funds referable to the transferred employees shall be continued for the benefit of the transferred employees pursuant to this Scheme in the manner provided

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

hereinafter. In the event that Cinnatolliah Tea has set up its own Funds in respect of any of the Funds of Ganges Securities referred to above, the amounts in such Funds in respect of contributions pertaining to the transferred employees shall, subject to the necessary approvals and permissions, if any, be transferred to and vested in the relevant Funds of Cinnatolliah Tea. Until such time that Cinnatolliah Tea creates its own Fund, Cinnatolliah Tea may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the transferred employees to the relevant Funds of Ganges Securities and at the time that Cinnatolliah Tea create its own Fund, the contributions pertaining to the transferred employees shall be transferred to and vested in the Funds created by Cinnatolliah Tea. It is clarified that the services of the transferred employees will be treated as having been continuous for the purpose of the said Fund or Funds. This Scheme shall enable the trustees of provident fund trusts, gratuity fund and pension and/or superannuation fund trusts to amend their respective trust deeds so as to be in conformity with the requirements of both the labour laws and the income tax laws, as applicable, consequent upon the vesting and transfer of employees to Cinnatolliah Tea as provided herein, on a continuity of employment basis and on same and/or similar terms and conditions of service.

38.3 The services of the transferred employees with Ganges Securities prior to the transfer and vesting, as aforesaid, shall be taken into account for the purposes of all benefits to which the transferred employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Ganges Securities.

38.4 Upon the Scheme becoming effective, Ganges Securities shall communicate to the aforesaid Employees a notice in a form to be mutually agreed between Cinnatolliah Tea and Ganges Securities.

39 TREATMENT OF TAXES

39.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Ganges Securities in relation to its Tea Business Undertaking from

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Ganges Securities Limited

Director

For Cinnatolliah Tea Limited

Director

For Allahabad Canning Limited

Director

the Appointed Date onwards shall be treated as the tax liability of Cinnatolliah Tea. Similarly all credits for tax deduction at source on income of Ganges Securities shall be given to Cinnatolliah Tea; or obligation for deduction of tax at source on any payment made by or to be made by Cinnatolliah Tea shall be made or deemed to have been made and duly complied with if so made by Ganges Securities. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Ganges Securities.

39.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by Ganges Securities in relation to its Tea Business Undertaking to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by Cinnatolliah Tea and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Cinnatolliah Tea upon the passing of the orders on this Scheme by the High Court and upon relevant proof and documents being provided to the said authorities.

39.3 Upon the Scheme becoming effective, Cinnatolliah Tea is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. Cinnatolliah Tea shall be entitled to refund and/or set off all amounts paid by either of Ganges Securities in relation to its Tea Business Undertaking or Cinnatolliah Tea under Income Tax, value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective.

40 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of properties and liabilities and the continuance of proceedings by or against Cinnatolliah Tea shall not affect any transaction or proceedings already concluded by Ganges Securities on or after the Appointed Date till the Effective Date in relation to the Tea Business Undertaking, to the end and intent that Cinnatolliah Tea accepts and adopts all acts, deeds and

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited
Director

For Cinnatolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

Director

Neelam

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited

Director

Director

For Magadh Sugar & Energy Limited

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

things done and executed by Ganges Securities in respect thereto as done and executed on behalf of itself.

41 REMAINING BUSINESS OF GANGES SECURITIES

- 41.1 The Remaining Business of Ganges Securities i.e. entire business other than the Tea Business Undertaking and all the assets, liabilities, obligations and employees pertaining thereto, shall continue to belong to and be vested in and be managed by Ganges Securities.
- 41.2 All legal, taxation or other proceedings by or against Ganges Securities under any statute, relating to the Remaining Business of Ganges Securities (including those relating to any property, right, power, liability, obligation or duties of Ganges Securities in respect of the Remaining Business) shall be continued and enforced by or against Ganges Securities.
- 41.3 All statutory licenses, permissions, approvals, quotas or consents held by Ganges Securities relating to the Remaining Business, shall continue to vest with Ganges Securities.
- 41.4 All trademarks, patents, designs, copyrights and other intellectual property rights or consents held, registered or owned by Ganges Securities in respect of Remaining Business, shall continue to vest with Ganges Securities.
- 41.5 All staff, workmen and employees of Ganges Securities, in relation to the Remaining Business will continue to be employees of Ganges Securities.
- 41.6 All assets and properties acquired by Ganges Securities in relation to the Remaining Business shall belong to and continue to remain vested in Ganges Securities.

For Palashi Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Spinning Limited
Director

PART – VI

TRANSFER OF BIHAR SUGAR BUSINESS UNDERTAKING OF
ODUH SUGAR TO VAISHALI SUGAR

42 TRANSFER AND VESTING OF BIHAR SUGAR BUSINESS UNDERTAKING OF OUDH SUGAR

With effect from the Appointed Date or such other date as may be fixed or approved by the Court and upon the Scheme becoming effective, the Bihar Sugar Business Undertaking of Oudh Sugar shall be transferred and vested in Vaishali Sugar in the following manner:

- 42.1 The whole of the Bihar Sugar Business Undertaking of Oudh Sugar as defined in Clause 1.5, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, and pursuant to the order of the Court or any other appropriate authority sanctioning the Scheme and without any further act or deed, be transferred to and vested in and/or deemed to be transferred to and vested in Vaishali Sugar, as a going concern, so as to become the properties and liabilities of Vaishali Sugar.

- 42.2 Without prejudice to the generality of the above said Clause:

42.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets, rights and properties of Oudh Sugar pertaining to the Bihar Sugar Business Undertaking (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to data processing equipments, computers and servers, computer software, leasehold rights and improvements, plant and machinery, vehicles, furniture and fixtures, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, brand, trade mark, trade-name or copyright or any other intellectual property of Oudh Sugar pertaining to the Bihar Sugar Business Undertaking, registrations, permits, quotas, approvals, actionable claims, all rights/ title or interest in property(ies) by virtue of any Court Order/ Decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Megadh Sugar & Energy Limited

Director

contracts, permissions, incentives, registrations, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situate 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 Oudh Sugar pertaining to its Bihar Sugar Business Undertaking, licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever of Oudh Sugar pertaining to its Bihar Sugar Business Undertaking, shall under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act and pursuant to the orders of the Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and/ or deemed to be transferred to and vested in Vaishali Sugar so as to become the properties and assets of Vaishali Sugar. The benefit of all copyrights, trademarks or any other intellectual property actionable claims, all rights/ title or interest in properties by virtue of any court Order/ Decree, contractual arrangement, registrations with statutory authorities, allotment, lease, grant, possession or otherwise, statutory and regulatory permissions, service tax registrations or other licenses and consents of Oudh Sugar pertaining to its Bihar Sugar Business Undertaking shall vest in and become available to Vaishali Sugar pursuant to this Scheme.

- 42.2.2 In respect of all the movable assets of the Bihar Sugar Business Undertaking of Oudh Sugar and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash in hand, shall be so transferred to Vaishali Sugar and

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

For Vaishali Sugar & Energy Limited

Director

Director

For Avadh Sugar & Energy Limited

For Magadh Sugar & Energy Limited

Director

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Alkatchad Canning Limited

Director

deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to Vaishali Sugar to the end and intent that the property and benefit therein passes to Vaishali Sugar with effect from the Appointed Date.

42.2.3 In respect of the movable assets of Oudh Sugar pertaining to its Bihar Sugar Business Undertaking, other than those specified in sub-clause 42.2.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with local and other authorities, bodies corporate, customers and other persons, Oudh Sugar shall give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court or NCLT having sanctioned this Scheme, the said debt, loan, advance or deposit pertaining to its Bihar Sugar Business Undertaking shall be paid to or made good to or held on account of Vaishali Sugar, as the person entitled thereto, to the end and intent that the right of Oudh Sugar to recover or realize the same stands transferred to Vaishali Sugar and that appropriate entries should be passed in their respective books to record the aforesaid changes.

42.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties, if any, standing in the books of Oudh Sugar pertaining to its Bihar Sugar Business Undertaking and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and / or be deemed to have been vested in and transferred to Vaishali Sugar without any further act, deed, matter or thing and shall belong to Vaishali Sugar. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Vaishali Sugar. Any inchoate title or possessory title of Oudh Sugar in relation to the Bihar Sugar Business Undertaking shall be deemed to be the title of Vaishali Sugar.

For Allahabad Canning Limited
Director

For Chinnakollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited
Director

42.2.5 It is clarified that if any assets (estate, claims, rights, title, interest and authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in which Oudh Sugar owns or Oudh Sugar is a party in relation to the Bihar Sugar Business Undertaking and which cannot be transferred to Vaishali Sugar for any reason whatsoever, Oudh Sugar shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Vaishali Sugar, insofar as it is permissible so to do, till such time as the transfer is effected.

For Palash Securities Limited
Director

42.2.6 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Oudh Sugar or to the benefit of which Oudh Sugar may be eligible/entitled in relation to the Bihar Sugar Business Undertaking, and which are subsisting or having effect on the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting orders of the Courts sanctioning the Scheme shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Vaishali Sugar and shall be in full force and effect in favour of Vaishali Sugar, subject to Oudh Sugar maintaining all prior undertakings and commitments pursuant to any administrative or judicial proceedings and may be enforced as fully and effectually as if, instead of Oudh Sugar, Vaishali Sugar had been a party or beneficiary or obligor thereto. Any third party or authority required to give effect to the provisions of this Clause shall take on record the orders of the Court sanctioning the Scheme on its file and make and duly record the necessary

For Ganges Securities Limited
Director

For Chintamani Tea Limited
Director

For Anand Chandra Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

substitution or endorsement in the name of Vaishali Sugar as successor in interest, pursuant to the sanction of this Scheme by the Courts in accordance with the terms provided hereof. For this purpose, Vaishali Sugar shall file certified copies of such sanction orders and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

- 42.2.7 All loans raised and used and all liabilities and obligations incurred by Oudh Sugar pertaining to its Bihar Sugar Business Undertaking prior to the Appointed Date shall be deemed to have been raised, used or incurred for and on behalf of Vaishali Sugar and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Vaishali Sugar and shall become the liabilities and obligations of Vaishali Sugar which shall meet / discharge and satisfy the same to the exclusion of Oudh Sugar.
- 42.2.8 Where any of the debt, liabilities, duties and obligations of Oudh Sugar relating to its Bihar Sugar Business Undertaking as on the Appointed Date, deemed to be transferred to Vaishali Sugar have been discharged by Oudh Sugar after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Vaishali Sugar and all loans raised and used and all liabilities and obligations incurred by Oudh Sugar for the operations of its Bihar Sugar Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Vaishali Sugar and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to Vaishali Sugar and shall become the liabilities and obligations of Vaishali Sugar which shall

For Vaishali Sugar & Energy Limited
Neelesh Kumar
Director

For Avedh Sugar & Energy Limited
Himanshu
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited

For Cinnatollah Tea Limited

For Ganges Securities Limited

For Patna Securities Limited

For Vaishali Sugar & Energy Limited

Neelam

Director

For Avadh Sugar & Energy Limited

P. S. S.

Director

For Magadh Sugar & Energy Limited

[Signature]

Director

undertake to meet, discharge and satisfy the same and in order to give effect to the provisions of this Clause, 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 loans and liabilities have arisen.

42.2.9 All cheques and other negotiable instruments, payment orders received in the name of Oudh Sugar pertaining to the Bihar Sugar Business Undertaking after the Effective Date shall be accepted by the bankers of Vaishali Sugar and credited to the account of Vaishali Sugar. Similarly, the banker of Oudh Sugar shall honour cheques issued by Oudh Sugar pertaining to the Bihar Sugar Business Undertaking and presented for payment after the Effective Date.

42.2.10 All patents, trademarks, copyrights, or any kind of intellectual property, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by Oudh Sugar pertaining to the Bihar Sugar Business Undertaking shall stand transferred and vested in the name of Vaishali Sugar without any further act or deed. Vaishali Sugar, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies).

42.2.11 The existing security or charge in favour of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the Bihar Sugar Business Undertaking from Oudh Sugar to Vaishali Sugar. Restructuring of all such security or charge and reallocation of existing credit facilities granted by the secured creditors shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of Oudh Sugar and Vaishali Sugar.

It is clarified that-

(a) Existing security, if any, in respect of abovementioned liabilities shall extend to and operate only over the assets comprised in the Bihar Sugar Business Undertaking which have been charged and secured in respect of the abovementioned liabilities. If any of the

For Polash Securities Limited
[Signature]
Director

For Ganges Securities Limited

[Signature]
Director

For Cinnatollah Tea Limited

[Signature]
Director

For Alakhnagar Camping Limited

[Signature]
Director

For Upper Ganges Sugar & Industries Ltd.

[Signature]
Company Secretary

For The Oudh Sugar Mills Ltd.

[Signature]
Company Secretary

For Allahabad Canning Limited
Director

assets comprised in the Bihar Sugar Business Undertaking have not been charged or secured in respect of the abovementioned liabilities, such assets shall remain unencumbered.

- (b) If any existing security in respect of any part of the abovementioned liabilities extends wholly or partly over the assets of the Remaining Business of Oudh Sugar, then Vaishali Sugar shall create adequate security in respect of such part of the abovementioned liabilities over the assets of the Bihar Sugar Business Undertaking to the satisfaction of the respective lenders and upon creation of such security, the assets of the Remaining Business of Oudh Sugar shall be released and discharged from such encumbrance.
- (c) If any security or charge exists on the assets comprising the Bihar Sugar Business Undertaking in respect of any loans or liabilities which have not been transferred to Vaishali Sugar pursuant to this Scheme, Oudh Sugar shall create adequate security over the assets of its Remaining Business to the satisfaction of the respective lenders and upon creation of such security, the assets of the Bihar Sugar Business Undertaking, as above, shall be released and discharged from such encumbrance.

43 DISCHARGE OF CONSIDERATION

- 43.1 Upon the Scheme becoming effective and in consideration for the transfer and vesting of the Bihar Sugar Business Undertaking of Oudh Sugar with Vaishali Sugar, Vaishali Sugar shall discharge the consideration of Rs. 5,00,000(Rupees Five Lacs only).
- 43.2 Upon sanction of the Scheme by the Court, Oudh Sugar and Vaishali Sugar shall take necessary steps to discharge the consideration as mentioned in Clause 43.1 at the earliest, and in such mode and manner as may be agreed by the Board of Oudh Sugar and Vaishali Sugar.
- 43.3 It is clarified that nothing contained in the Scheme shall be construed to imply that the transfer and vesting of the Bihar Sugar Business Undertaking of Oudh Sugar shall remain or deemed to have remained suspended or in abeyance till

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Megadth Sugar & Energy Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

the process of discharge of consideration amount in terms of Clause 43.2 is completed.

44 ACCOUNTING TREATMENT

44.1 In the Financial Statements of Oudh Sugar

44.1.1 The book values of the assets and liabilities pertaining to the Bihar Sugar Business Undertaking of Oudh Sugar, shall be reduced from the respective value of assets and liabilities of Oudh Sugar and the difference, if any, as adjusted by the consideration as per Clause 43.1 shall be recorded in the Profit & Loss account.

44.2 In the Financial Statements of Vaishali Sugar

44.2.1 Vaishali Sugar shall record the assets and liabilities of the Bihar Sugar Business Undertaking of Oudh Sugar by apportioning the consideration stated in Clause 43.1 to the respective assets and liabilities based upon the book values.

44.2.2 In case of any excess / deficiency of the consideration paid over the aggregate book values of the assets and liabilities taken over shall be recorded as 'Goodwill' or 'Capital Reserve' as the case may be.

45 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

45.1 Oudh Sugar undertakes to preserve and carry on the Bihar Sugar 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:

- 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 Court(s); or
- b) if the same is expressly permitted by this Scheme; or
- c) if the prior written consent of the Board of Directors of Vaishali Sugar has been obtained.

45.2 Oudh Sugar shall carry on and be deemed to have carried on all business and activities of its Bihar Sugar Business Undertaking and shall stand possessed of

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Oudh Sugar & Energy Limited

Director

For Cinnatollah Tea Limited

Director

For Allahabad Canning Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Allahabad Canning Limited
Director

For Chinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

all the assets, rights, title and interest of Oudh Sugar, in relation to its Bihar Sugar Business Undertaking for and on account of and in trust for Vaishali Sugar.

- 45.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by Oudh Sugar, in relation to its Bihar Sugar Business Undertaking shall for all purposes, be treated as the profits and cash, taxes or losses of Vaishali Sugar.
- 45.4 All accretions and depletions to Oudh Sugar, in relation to its Bihar Sugar Business Undertaking shall be for and on account of Vaishali Sugar.
- 45.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Oudh Sugar, in relation to its Bihar Sugar Business Undertaking shall be deemed to have been exercised by Oudh Sugar for and on behalf of and in trust for and as an agent of Vaishali Sugar. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Bihar Sugar Business Undertaking of Oudh Sugar that have been undertaken or discharged by Oudh Sugar, shall be deemed to have been undertaken for and on behalf of and as an agent for Vaishali Sugar.
- 45.6 Oudh Sugar shall not vary the terms and conditions of service of its employees in relation to the Bihar Sugar Business Undertaking except in the ordinary course of its business

46 LEGAL PROCEEDINGS

- 46.1 All legal proceedings of whatsoever nature by or against Oudh Sugar pending and/or arising before the Appointed Date and relating to the Bihar Sugar Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Vaishali Sugar, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against Oudh Sugar.
- 46.2 After the Appointed Date, if any proceedings are taken against Oudh Sugar in respect of the matters referred to in Clause 46.1, Oudh Sugar shall defend the same at the cost of Vaishali Sugar, and Vaishali Sugar shall reimburse and indemnify Oudh Sugar against all liabilities and obligations incurred by Oudh Sugar in respect thereof.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

Director

For Avadh Sugar & Energy Limited
Director

Director

For Magadh Sugar & Energy Limited
Director

Director

46.3 Vaishali Sugar undertakes to have all legal or other proceedings initiated by or against Oudh Sugar referred to in Clauses 46.1 or 46.2 above, transferred to its name and to have the same continued, prosecuted and enforced by or against Vaishali Sugar as the case may be, to the exclusion of Oudh Sugar.

46.4 After the Appointed Date, in case the proceedings referred to in Clause 46.1 or Clause 46.2 above cannot be transferred for any reason, Oudh Sugar shall defend the same at the cost of Vaishali Sugar, and Vaishali Sugar shall reimburse, indemnify and hold harmless Oudh Sugar against all liabilities and obligations incurred by Oudh Sugar in respect thereof.

47 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS ETC.

47.1 Upon the coming into effect the Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and relating to the Bihar Sugar Business Undertaking of Oudh Sugar, shall continue in full force and effect against or in favour of Vaishali Sugar, and may be enforced effectively by or against Vaishali Sugar as fully and effectually as if, instead of Oudh Sugar, Vaishali Sugar had been a party thereto.

47.2 Vaishali Sugar may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Oudh Sugar is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Vaishali Sugar shall be deemed to be authorized to execute any such writings on behalf of Oudh Sugar and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Oudh Sugar.

47.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Bihar Sugar Business Undertaking to which Oudh Sugar is a party to, cannot be transferred to Vaishali Sugar for any reason whatsoever, Oudh Sugar shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Chintamani Tea Limited
Director

For Anandh Canning Limited
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

instruments of whatsoever nature in trust for the benefit of Vaishali Sugar insofar as it is permissible so to do, till such time as the transfer is effected.

47.4 Upon coming into effect of this Scheme, the past track record of Oudh Sugar relating to the Bihar Sugar Business Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of Vaishali Sugar for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of Vaishali Sugar in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

47.5 Vaishali Sugar shall be entitled to the benefit of all insurance policies which have been issued in respect of the Bihar Sugar Business Undertaking of Oudh Sugar and the name of Vaishali Sugar shall be substituted as "Insured" in the policies as if Vaishali Sugar was initially a party.

48 STAFF, WORKMEN & EMPLOYEES

48.1 Upon coming into effect of this Scheme, all staff, workmen and employees of Oudh Sugar, engaged in or in relation to its Bihar Sugar Business Undertaking and who are in such employment on the Effective Date shall become staff, workmen and employees of Vaishali Sugar without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Vaishali Sugar shall not be less favorable than those applicable to them with reference to Oudh Sugar, in relation to the Bihar Sugar Business Undertaking on the Effective Date.

48.2 In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts ("Fund/s") created by Oudh Sugar for its employees of the Bihar Sugar Business Undertaking are concerned, the part of the Funds referable to the transferred employees shall be continued for the benefit of the transferred employees pursuant to this Scheme in the manner provided hereinafter. In the event that Vaishali Sugar has set up its own Funds in respect of any of the Funds of Oudh Sugar referred to above, the amounts in such Funds in respect of contributions pertaining to the transferred employees shall, subject to the necessary approvals and permissions, if any, be transferred to and vested in the relevant Funds of Vaishali Sugar. Until such time that Vaishali Sugar creates its own Fund, Vaishali Sugar may, subject to necessary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
N. S. S. S.
Director

For Avadh Sugar & Energy Limited
A. S. S. S.
Director

For Magadh Sugar & Energy Limited
M. S. S. S.
Director

approvals and permissions, if any, continue to contribute in respect of the transferred employees to the relevant Funds of Oudh Sugar and at the time that Vaishali Sugar create its own Fund, the contributions pertaining to the transferred employees shall be transferred to and vested in the Funds created by Vaishali Sugar. It is clarified that the services of the transferred employees will be treated as having been continuous for the purpose of the said Fund or Funds. This Scheme shall enable the trustees of provident fund trusts, gratuity fund and pension and/or superannuation fund trusts to amend their respective trust deeds so as to be in conformity with the requirements of both the labour laws and the income tax laws, as applicable, consequent upon the vesting and transfer of employees to Vaishali Sugar as provided herein, on a continuity of employment basis and on same and/or similar terms and conditions of service.

48.3 The services of the transferred employees with Oudh Sugar prior to the transfer and vesting, as aforesaid, shall be taken into account for the purposes of all benefits to which the transferred employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Oudh Sugar.

48.4 Upon the Scheme becoming effective, Oudh Sugar shall communicate to the aforesaid Employees a notice in a form to be mutually agreed between Vaishali Sugar and Oudh Sugar.

49 TREATMENT OF TAXES

49.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Oudh Sugar in relation to its Bihar Sugar Business Undertaking from the Appointed Date onwards shall be treated as the tax liability of Vaishali Sugar. Similarly all credits for tax deduction at source on income of Oudh Sugar shall be given to Vaishali Sugar; or obligation for deduction of tax at source on any payment made by or to be made by Vaishali Sugar shall be made or deemed to have been made and duly complied with if so made by Oudh Sugar. Similarly any advance tax payment required to be made by

For Palash Securities Limited
P. S. S. S.
Director

For Ganges Securities Limited
G. S. S. S.
Director

For Cinnatollah Tea Limited
C. S. S. S.
Director

For Allahabad Canning Limited
A. S. S. S.
Director

For Upper Ganges Sugar & Industries Ltd.
U. S. S. S.
Company Secretary

For The Oudh Sugar Mills Ltd.
O. S. S. S.
Company Secretary

specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Oudh Sugar.

- 49.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by Oudh Sugar in relation to its Bihar Sugar Business Undertaking to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by Vaishali Sugar and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Vaishali Sugar upon the passing of the orders on this Scheme by the High Court and upon relevant proof and documents being provided to the said authorities.

- 49.3 Upon the Scheme becoming effective, Vaishali Sugar is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. Vaishali Sugar shall be entitled to refund and/or set off all amounts paid by either of Oudh Sugar in relation to its Bihar Sugar Business Undertaking or Vaishali Sugar under Income Tax, value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective.

50 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of properties and liabilities and the continuance of proceedings by or against Vaishali Sugar shall not affect any transaction or proceedings already concluded by Oudh Sugar on or after the Appointed Date till the Effective Date in relation to the Bihar Sugar Business Undertaking, to the end and intent that Vaishali Sugar accepts and adopts all acts, deeds and things done and executed by Oudh Sugar in respect thereto as done and executed on behalf of itself.

51 REMAINING BUSINESS OF OUDH SUGAR

- 51.1 The Remaining Business of Oudh Sugar i.e. entire business other than the Bihar Sugar Business Undertaking and all the assets, liabilities, obligations

For Upper Ganges Sugar & Industries Ltd.

Company Secretary₁₀₃

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Aradh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Allahabad Canning Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

and employees pertaining thereto, shall continue to belong to and be vested in and be managed by Oudh Sugar.

- 51.2 All legal, taxation or other proceedings by or against Oudh Sugar under any statute, relating to the Remaining Business of Oudh Sugar (including those relating to any property, right, power, liability, obligation or duties of Oudh Sugar in respect of the Remaining Business) shall be continued and enforced by or against Oudh Sugar.
- 51.3 All statutory licenses, permissions, approvals, quotas or consents held by Oudh Sugar relating to the Remaining Business, shall continue to vest with Oudh Sugar.
- 51.4 All trademarks, patents, designs, copyrights and other intellectual property rights or consents held, registered or owned by Oudh Sugar in respect of Remaining Business, shall continue to vest with Oudh Sugar.
- 51.5 All staff, workmen and employees of Oudh Sugar, in relation to the Remaining Business will continue to be employees of Oudh Sugar.
- 51.6 All assets and properties acquired by Oudh Sugar in relation to the Remaining Business shall belong to and continue to remain vested in Oudh Sugar.

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Alakhnad Canning Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

PART – VII

**DEMERGER OF BIHAR SUGAR BUSINESS UNDERTAKING OF
UPPER GANGES TO MAGADH SUGAR**

**52 TRANSFER AND VESTING OF BIHAR SUGAR BUSINESS
UNDERTAKING OF UPPER GANGES**

With effect from the Appointed Date or such other date as may be fixed or approved by the Court and upon the Scheme becoming effective, the Bihar Sugar Business Undertaking of Upper Ganges shall be transferred and vested in Magadh Sugar in the following manner:

- 52.1 The whole of the Bihar Sugar Business Undertaking of Upper Ganges as defined in Clause 1.6, shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, and pursuant to the order of the Court or any other appropriate authority sanctioning the Scheme and without any further act or deed, be transferred to and vested in and/or deemed to be transferred to and vested in Magadh Sugar, as a going concern, so as to become the properties and liabilities of Magadh Sugar within the meaning of Section 2(19AA) of the Income Tax Act, 1961 with effect from the Appointed Date.

- 52.2 Without prejudice to the generality of the above said Clause:

- 52.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets, rights and properties of Upper Ganges pertaining to its Bihar Sugar Business Undertaking (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to data processing equipments, computers and servers, computer software, leasehold rights and improvements, plant and machinery, vehicles, furniture and fixtures, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, brand, trade mark, trade-name or copyright or any other intellectual property of Upper Ganges, registrations, permits, quotas, approvals, actionable claims, all rights/ title or interest in property(ies) by virtue of any Court Order/ Decree, contractual arrangement, allotment, grant, lease, possession or

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Altabahat Canning Limited
Director

For Cinnabolliah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

Director

For Vaishali Sugar & Energy Limited

[Signature]

Director

For Avadh Sugar & Energy Limited

[Signature]

Director

For Magadh Sugar & Energy Limited

[Signature]

otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, registrations, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situate 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 Upper Ganges pertaining to its Bihar Sugar Business Undertaking, licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever of Upper Ganges pertaining to Bihar Sugar Business Undertaking, shall under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act and pursuant to the orders of the Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and/ or deemed to be transferred to and vested in Magadh Sugar so as to become the properties and assets of Magadh Sugar. The benefit of all copyrights, trademarks or any other intellectual property actionable claims, all rights/ title or interest in properties by virtue of any court Order/ Decree, contractual arrangement, registrations with statutory authorities, allotment, lease, grant, possession or otherwise, statutory and regulatory permissions, service tax registrations or other licenses and consents of Upper Ganges pertaining to its Bihar Sugar Business Undertaking shall vest in and become available to Magadh Sugar pursuant to this Scheme.

52.2.2 In respect of all the movable assets of Upper Ganges pertaining to its Bihar Sugar Business Undertaking which are capable of transfer by

For Upper Ganges Sugar & Industries Ltd.

[Signature]
Company Secretary

For The Oudh Sugar Mills Ltd.

[Signature]
Company Secretary

For Palash Securities Limited

[Signature]
Director

For Ganges Securities Limited

For Cinnatollah Tea Limited

[Signature]
Director

For Alankar Cementing Limited

[Signature]
Director

physical delivery or endorsement and delivery, including cash in hand, shall be so transferred to Magadh Sugar and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to Magadh Sugar to the end and intent that the property and benefit therein passes to Magadh Sugar with effect from the Appointed Date.

52.2.3 In respect of movable assets of Upper Ganges pertaining to its Bihar Sugar Business Undertaking, other than those specified in sub-clause 52.2.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with local and other authorities, bodies corporate, customers and other persons, Upper Ganges shall give notice in such form as it may deem fit and proper to each person, debtor or deposittee that pursuant to the High Court or NCLT having sanctioned this Scheme, the said debt, loan, advance or deposit pertaining to its Bihar Sugar Business Undertaking shall be paid to or made good to or held on account of Magadh Sugar, as the person entitled thereto, to the end and intent that the right of Upper Ganges to recover or realize the same stands transferred to Magadh Sugar and that appropriate entries should be passed in their respective books to record the aforesaid changes.

52.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties, if any, standing in the books of Upper Ganges pertaining to its Bihar Sugar Business Undertaking and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and / or be deemed to have been vested in and transferred to Magadh Sugar without any further act, deed, matter or thing and shall belong to Magadh Sugar. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Magadh Sugar. Any inchoate title or possessory

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Alakhnandam Limited
Director

For Cinnatolli Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Aradh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

title of the Upper Ganges shall be deemed to be the title of Magadh Sugar.

- 52.2.5 It is clarified that if any assets (estate, claims, rights, title, interest and authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to Bihar Sugar Business Undertaking, and to which Upper Ganges is a party or is owned by Upper Ganges and which cannot be transferred to Magadh Sugar for any reason whatsoever, Upper Ganges shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Magadh Sugar insofar as it is permissible so to do, till such time the transfer is effected
- 52.2.6 All assets and liabilities of Upper Ganges pertaining to its Bihar Sugar Business Undertaking as on the Appointed Date, and all assets and properties which are acquired by Upper Ganges for its Bihar Sugar Business Undertaking on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of Magadh Sugar and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in Magadh Sugar upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by Upper Ganges for its Bihar Sugar Business Undertaking after the Appointed Date without the prior written consent of Magadh Sugar.
- 52.2.7 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature in relation to Bihar Sugar Business Undertaking of Upper Ganges, or to the benefit of which Bihar Sugar Business

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Cement Limited
Director

Undertaking may be eligible/entitled, and which are subsisting or having effect on the Effective Date shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting orders of the Courts sanctioning the Scheme, be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Magadh Sugar, and shall be in full force and effect in favour of Magadh Sugar, subject to Magadh Sugar maintaining all prior undertakings and commitments pursuant to any administrative or judicial proceedings, concerning Bihar Sugar Business Undertaking, and may be enforced as fully and effectually as if, instead of Upper Ganges, Magadh Sugar had been a party or beneficiary or obligor thereto. Any third party or authority required to give effect to the provisions of this Clause shall take on record the order of the Court sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of Magadh Sugar as successor in interest, pursuant to the sanction of this Scheme by the Courts, and upon this Part becoming effective in accordance with the terms provided hereof. For this purpose, Magadh Sugar shall file certified copies of such sanction orders and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

52.2.8 All loans raised and used and all liabilities and obligations incurred by Upper Ganges pertaining to its Bihar Sugar Business Undertaking prior to the Appointed Date shall be deemed to have been raised, used

For Magadh Sugar & Energy Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Noddy
Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

or incurred for and on behalf of Magadh Sugar; and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Magadh Sugar and shall become the liabilities and obligations of Magadh Sugar which shall meet, discharge and satisfy the same to the exclusion of Upper Ganges.

52.2.9 Where any of the debt, liabilities, duties and obligations of Upper Ganges pertaining to its Bihar Sugar Business Undertaking as on the Appointed Date, deemed to be transferred to Magadh Sugar have been discharged by Upper Ganges after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Magadh Sugar and all loans raised and used and all liabilities and obligations incurred by Upper Ganges for the operations of the Bihar Sugar Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Magadh Sugar and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to Magadh Sugar and shall become the liabilities and obligations of Magadh Sugar which shall undertake to meet, discharge and satisfy the same and in order to give effect to the provisions of this Clause, 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 loans and liabilities have arisen.

52.2.10 All cheques and other negotiable instruments, payment orders received in the name of Upper Ganges pertaining to its Bihar Sugar Business Undertaking after the Effective Date shall be accepted by the bankers of Magadh Sugar and credited to the account of Magadh Sugar. Similarly, the banker of Magadh Sugar shall honour cheques issued by Upper Ganges pertaining to its Bihar Sugar Business Undertaking and presented for payment after the Effective Date.

52.2.11 Upon the coming into effect of this Scheme, the resolutions, if any, of Upper Ganges pertaining to its Bihar Sugar Business Undertaking,

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Conning Limited
Director

which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of Magadh Sugar and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in Magadh Sugar.

52.2.12 All patents, trademarks, copyrights, or any kind of intellectual property, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by Upper Ganges pertaining to the Bihar Sugar Business Undertaking shall stand transferred and vested in the name of Magadh Sugar without any further act or deed. Magadh Sugar, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies).

52.2.13 The existing security or charge in favour of the secured creditors shall remain unaffected and shall continue to remain valid and in full force and effect even after the transfer of the Bihar Sugar Business Undertaking from Upper Ganges to Magadh Sugar. Restructuring of all such security or charge shall be given effect to only with the mutual consent of the concerned secured creditors and the Board of Directors of Upper Ganges and Magadh Sugar.

It is clarified that-

- (a) Existing security, if any, in respect of the liabilities of Bihar Sugar Business Undertaking shall extend to and operate only over the assets comprised in the Bihar Sugar Business Undertaking which have been charged and secured in respect of the said liabilities. If any of the assets comprised in the Bihar Sugar Business Undertaking have not been charged or secured in respect of the said liabilities, such assets shall remain unencumbered.
- (b) If any existing security in respect of any part of the liabilities of Bihar Sugar Business Undertaking extends wholly or partly over the assets of the Remaining Business of Upper Ganges, then Magadh Sugar shall create adequate security, as may be required,

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Chinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Member

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

in respect of such part of the liabilities over the assets of the Bihar Sugar Business Undertaking to the satisfaction of the respective lenders and upon creation of such security, the assets of the other businesses of Upper Ganges shall be released and discharged from such encumbrance.

- (c) If any security or charge exists on the assets comprising the Bihar Sugar Business Undertaking in respect of any loans or liabilities which have not been transferred to Magadh Sugar pursuant to this Scheme, Upper Ganges shall create adequate security over the assets of its other relevant business to the satisfaction of the respective lenders and upon creation of such security, the assets of the Bihar Sugar Business Undertaking, as above, shall be released and discharged from such encumbrance.

53 DISCHARGE OF CONSIDERATION

- 53.1 Upon the Scheme becoming effective and in consideration for the transfer and vesting of the Bihar Sugar Business Undertaking of Upper Ganges with Magadh Sugar, Magadh Sugar shall issue and allot Equity Shares in its share capital at par, credited as fully paid up to the extent indicated below, to the members of Upper Ganges (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Upper Ganges and approved by them) whose names appear in the Register of Members on the Record Date in the following ratio:

88 Equity Shares of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in the share capital of Magadh Sugar for every 113 fully paid up equity share(s) of the face value of Rs. 10/- (Rupees Ten) each held in Upper Ganges.

The paid-up equity share capital of Magadh Sugar partly held by Upper Ganges, directly or indirectly ipso facto, shall without any further act or deed stand cancelled on the Effective Date and no shares of Magadh Sugar will be issued or allotted with respect to the Equity shares held by Upper Ganges directly or indirectly in Magadh Sugar in consideration for the demerger.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Chhatrapati Tea Limited

Director

For Allahabad Canning Limited

Director

For Cinnatollah Tea Limited


Director

For Avadh Sugar & Energy Limited


Director

For Allahabad Canning Limited


Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.


Company Secretary

- 53.2 Further, upon this Scheme coming into effect, Magadh Sugar shall issue and allot 11,50,000 (Eleven Lakh and Fifty Thousand) fully paid up 12% Non-Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 100/- (Rupees Hundred) each credited as fully paid up in its share capital to the preference shareholders of Upper Ganges. The terms and conditions of 12% Non-Convertible Cumulative Redeemable Preference Shares, so allotted by Magadh Sugar, shall be subject to the same terms and conditions which are applicable to the existing 12% Non-Convertible Cumulative Redeemable Preference Shares of Upper Ganges.
- 53.3 The fractional entitlement, if any, to which shareholders of Upper Ganges may become entitled to upon issue of Equity Shares pursuant to Clause 53.1 above, would be rounded off by Magadh Sugar to the next integer.
- 53.4 With effect from the Appointed Date but upon the Scheme becoming effective, the number of outstanding preference shares and the value of issued preference share capital of Upper Ganges shall stand reduced to the extent of the number and value of preference shares issued by Magadh Sugar to the preference shareholders of Upper Ganges as per Clause 53.2 above.
- 53.5 With respect to the shares in Magadh Sugar to be issued to the members of Upper Ganges pursuant to Clause 53.1 and 53.2 above shall be subject to the Memorandum and Articles of Association of Magadh Sugar and Magadh Sugar shall issue and dispatch the new share certificates.
- 53.6 All equity shares allotted by Magadh Sugar to the shareholders of Upper Ganges pursuant to Clause 53.1 above shall be listed for trading on the BSE, NSE and CSE and shall be subject to the applicable regulations. Magadh Sugar shall enter into such arrangement and issue such confirmations and/or undertakings as may be necessary in accordance with the applicable law or regulation for the above purpose.
- 53.7 12% Non-Convertible Cumulative Redeemable Preference Shares of Upper Ganges are not listed on any stock exchange and therefore 12% Non-Convertible Cumulative Redeemable Preference Shares issued by Magadh Sugar pursuant to Clause 53.2 above shall not be listed on any stock exchange.
- 53.8 The approval of this Scheme by the shareholders of Magadh Sugar shall be deemed to be due compliance of the provisions of Section 62 of the

For Vaishali Sugar & Energy Limited


Director

For Palash Securities Limited


Director

For Magadh Sugar & Energy Limited


Director

For Ganges Securities Limited


Director

Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of shares by Magadh Sugar to the shareholders of Upper Ganges, as provided in this Scheme.

- 53.9 The shares issued to the members of Upper Ganges by Magadh Sugar shall be issued in dematerialised form as far as possible except for person holding shares in physical form, and unless otherwise notified in writing by the members of Upper Ganges to Magadh Sugar on or before such date as may be determined by the Board of Directors of Magadh Sugar or a committee thereof. In the event that such notice has not been received by Magadh Sugar in respect of any of the members of Upper Ganges, the shares shall be issued to such members in dematerialised form provided that the members of Upper Ganges shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that Magadh Sugar shall issue and directly credit the dematerialised shares to the account of such member with the shares of Magadh Sugar. In the event that Magadh Sugar has received notice from any member that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required, then Magadh Sugar shall issue shares in physical form to such member.

- 53.10 In the event of there being any pending share transfers, whether lodged or outstanding, of any member of Upper Ganges, the Board of Directors of Magadh Sugar shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in Upper Ganges and in relation to the shares issued by Magadh Sugar after the effectiveness of the Scheme. The Board of Directors of Magadh Sugar shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of shareholders in Magadh Sugar on account of difficulties faced in the transaction period.

- 53.11 Shares to be issued by Magadh Sugar pursuant to above clause in respect of such of the shares of Upper Ganges which are held in abeyance under the

For Cinnatollah Tea Limited


Director

For Avadh Sugar & Energy Limited


Director

For Allahabad Canning Limited


Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.


Company Secretary

For Vaishali Sugar & Energy Limited


Director


For Palash Securities Limited


Director

For Magadh Sugar & Energy Limited


Director

For Ganges Securities Limited


Director

provisions of Section 126 of the Companies Act, 2013 or otherwise shall, if any, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by Magadh Sugar.

53.12 For the purpose of issue of shares to the shareholders of Upper Ganges, Magadh Sugar shall, if and to the extent required, apply for and obtain the statutory approvals from the concerned regulatory authorities for the issue and allotment by Magadh Sugar of such equity shares.

53.13 The holders of the shares of Upper Ganges shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights including the right to receive dividends from Upper Ganges till the Scheme coming into effect.

54 ACCOUNTING TREATMENT

54.1 In the Financial Statements of Upper Ganges

54.1.1 With effect from the Appointed Date but upon the Scheme becoming effective, the book value of assets and liabilities of the Bihar Sugar Business Undertaking of Upper Ganges shall be reduced from the book value of assets and liabilities of Upper Ganges.

54.1.2 With effect from the Appointed Date but upon the Scheme becoming effective, the number of outstanding preference shares and the value of issued preference share capital of Upper Ganges shall be reduced to the extent of the number and value of preference shares issued by Magadh Sugar to the preference shareholders of Upper Ganges as per Clause 53.2 above.

54.1.3 The book value of the investments of Upper Ganges in Magadh Sugar shall stand cancelled.

54.1.4 Loans, advances and amounts receivable or payable inter-se between Magadh Sugar and Upper Ganges pertaining to the Bihar Sugar Business Undertaking of Upper Ganges, appearing in the books of accounts of the Magadh Sugar and Upper Ganges, if any, shall stand cancelled.

54.1.5 The difference between the net book value of assets and liabilities of the Bihar Sugar Business Undertaking of Upper Ganges transferred to

For Alkathana Company Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

For Vaisali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited

For Magadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited

Magadh Sugar as per Clause 54.1.1 and value of Preference Share Capital reduced as per Clause 54.1.2 above, after adjustment of the cancellation of investments of Upper Ganges as per Clause 54.1.3 and loans, advances and amounts receivable or payable as per Clause 54.1.4 above shall be adjusted against the Reserves of Upper Ganges.

54.2 In the Financial Statements of Magadh Sugar

54.2.1 With effect from the Appointed Date but upon the Scheme becoming effective, all the assets and liabilities pertaining to the Bihar Sugar Business Undertaking of Upper Ganges, as appearing in the books of accounts of Upper Ganges as on the Appointed Date, shall stand transferred to and vested in Magadh Sugar pursuant to the Scheme and shall be recorded by Magadh Sugar at their respective book values as appearing in the books of Upper Ganges;

54.2.2 Magadh Sugar shall credit the aggregate face value of the shares issued by it to the shareholders of Upper Ganges pursuant to Clause 53.1 and 53.2 of this Scheme to the Share Capital Account in its books of accounts.

54.2.3 Loans, advances and amounts receivable or payable inter-se between Magadh Sugar and Upper Ganges pertaining to the Bihar Sugar Business Undertaking of Upper Ganges, appearing in the books of accounts of the Magadh Sugar and Upper Ganges, if any, shall stand cancelled

54.2.4 Upon all allotment of fresh equity shares by Magadh Sugar, as per clause 53.1, the equity shares held by Upper Ganges in Magadh Sugar shall stand cancelled.

54.2.5 The difference between the net value of assets and liabilities of the Bihar Sugar Business Undertaking of Upper Ganges, recorded as per Clause 54.2.1 above and the amount credited by Magadh Sugar to the Share Capital Account as per Clause 54.2.2 above and cancellation of loans, advances and amounts receivable or payable as per Clause 54.2.3 above and cancellation of investments as per Clause 54.2.4 above, shall be recorded to the Capital Reserve.

For Upper Ganges Sugar & Industries Ltd.

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.

For The Oudh Sugar Mills Ltd.
Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Alankar Canning Limited
Director

For Allahabad Canning Limited

Director

For Chinnabuliah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

55 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

55.1.1 Upper Ganges undertakes to preserve and carry on the business of its Bihar Sugar Business Undertaking 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:

- 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 Court(s); or
- b) if the same is expressly permitted by this Scheme; or
- c) if the prior written consent of the Board of Directors of Magadh Sugar has been obtained.

55.1.2 Upper Ganges shall carry on and be deemed to have carried on all business and activities of its Bihar Sugar Business Undertaking and shall stand possessed of all the assets, rights, title and interest of Upper Ganges, in relation to its Bihar Sugar Business Undertaking for and on account of and in trust for Magadh Sugar.

55.1.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by Upper Ganges, in relation to its Bihar Sugar Business Undertaking shall for all purposes, be treated as the profits and cash, taxes or losses of Magadh Sugar.

55.1.4 All accretions and depletions to Upper Ganges, in relation to its Bihar Sugar Business Undertaking, shall be for and on account of Magadh Sugar.

55.1.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Upper Ganges, in relation to its Bihar Sugar Business Undertaking, shall be deemed to have been exercised by Upper Ganges for and on behalf of and in trust for and as an agent of Magadh Sugar. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Bihar Sugar Business Undertaking of Upper Ganges that have been undertaken or

For Vatahali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary¹¹⁷

For The Oudh Sugar Mills Ltd.

Company Secretary

For Valsail Sugar & Energy Limited

Neelish &

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

discharged by Upper Ganges, shall be deemed to have been undertaken for and on behalf of and as an agent for Magadh Sugar.

55.2 Upper Ganges shall not vary the terms and conditions of service of its employees in relation to its Bihar Sugar Business Undertaking except in the ordinary course of its business

55.3 As and from the Appointed Date and till the Effective Date:

55.3.1 All assets and properties of Upper Ganges pertaining to its Bihar Sugar Business Undertaking as on the date immediately preceding the Appointed Date, and all assets and properties relating thereto, which are acquired by Upper Ganges for its Bihar Sugar Business Undertaking on or after the Appointed Date, in accordance with this Scheme, shall without any further act or deed be deemed to be the assets and properties of Magadh Sugar.

55.3.2 All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed Date and all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to Upper Ganges pertaining to its Bihar Sugar Business Undertaking, on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of Magadh Sugar.

56 LEGAL PROCEEDINGS

56.1 All legal proceedings of whatsoever nature by or against the Upper Ganges pending and/or arising before the Appointed Date relating to its Bihar Sugar Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme, but shall be continued and enforced by or against Magadh Sugar, as the case may be, in the same manner and to the same extent as would or might have been continued and enforced by or against Upper Ganges.

56.2 After the Appointed Date, if any proceedings are taken against Upper Ganges in respect of the matters referred to in Clause 56.1, Upper Ganges shall defend the same at the cost of Magadh Sugar, and Magadh Sugar shall reimburse and indemnify Upper Ganges against all liabilities and obligations incurred by Upper Ganges in respect thereof.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Chintalish Tea Limited

Director

For Allahabad Canning Limited

Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

56.3 Magadh Sugar undertakes to have all legal or other proceedings initiated by or against Upper Ganges referred to in Clauses 56.1 or 56.2, transferred to its name and to have the same continued, prosecuted and enforced by or against Magadh Sugar as the case may be, to the exclusion of Upper Ganges.

56.4 After the Appointed Date, in case the proceedings referred to in Clause 56.1 or Clause 56.2 above cannot be transferred for any reason, Upper Ganges shall defend the same at the cost of Magadh Sugar, and Magadh Sugar shall reimburse, indemnify and hold harmless Upper Ganges against all liabilities and obligations incurred by Upper Ganges in respect thereof.

57 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

57.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and relating to the Bihar Sugar Business Undertaking of Upper Ganges, shall continue in full force and effect against or in favour of Magadh Sugar, and may be enforced effectively by or against Magadh Sugar as fully and effectually as if, instead of Upper Ganges, Magadh Sugar had been a party thereto.

57.2 Magadh Sugar may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Upper Ganges is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Magadh Sugar shall be deemed to be authorized to execute any such writings on behalf of Upper Ganges and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Upper Ganges.

57.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Bihar Sugar Business Undertaking, to which Upper Ganges is a party to, cannot be transferred to Magadh Sugar for any reason whatsoever, Upper Ganges shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit

For Vaishali Sugar & Energy Limited
Director

For Avedh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
N. K. Singh
Director

For Avadh Sugar & Energy Limited
A. K. Singh
Director

For Magadh Sugar & Energy Limited
S. K. Singh
Director

of Magadh Sugar insofar as it is permissible so to do, till such time as the transfer is effected.

57.4 With effect from the Appointed Date and upon the Scheme becoming effective, the past track record of Upper Ganges relating to the Bihar Sugar Business Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of Magadh Sugar for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of Magadh Sugar in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

57.5 Magadh Sugar shall be entitled to the benefit of all insurance policies which have been issued in respect of the Bihar Sugar Business Undertaking of Upper Ganges and the name of Magadh Sugar shall be substituted as "Insured" in the policies as if Magadh Sugar was initially a party.

58 STAFF, WORKMEN & EMPLOYEES

58.1 Upon coming into effect of this Scheme, all staff, workmen and employees of the Upper Ganges, engaged in or in relation to its Bihar Sugar Business Undertaking and who are in such employment on the Effective Date shall become staff, workmen and employees of Magadh Sugar without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Magadh Sugar shall not be less favorable than those applicable to them with reference to Upper Ganges on the Effective Date.

58.2 In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts ("Fund/s") created by Upper Ganges for its employees are concerned, the part of the Funds pertaining to the transferred employees of the Bihar Sugar Business Undertaking shall be continued for the benefit of the transferred employees pursuant to this Scheme in the manner provided hereinafter. In the event that Magadh Sugar has set up its own Funds in respect of any of the Funds of Upper Ganges referred to above, the amounts in such Funds in respect of contributions pertaining to the transferred employees shall, subject to the necessary approvals and permissions, if any, be transferred to and vested in the relevant Funds of Magadh Sugar. Until such

For Palashi Securities Limited
S. K. Singh
Director

For Ganges Securities Limited
S. K. Singh
Director

For Cinnatollah Tea Limited
S. K. Singh
Director

For Allahabad Banking Limited
S. K. Singh
Director

For Upper Ganges Sugar & Industries Ltd.
N. K. Singh
Company Secretary

For The Oudh Sugar Mills Ltd.
S. K. Singh
Company Secretary

For Alakhya Grouping Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

time that the Magadh Sugar creates its own Fund, Magadh Sugar may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the transferred employees to the relevant Funds of Upper Ganges and at the time that Magadh Sugar create its own Fund, the contributions pertaining to the transferred employees shall be transferred to and vested in the Funds created by Magadh Sugar. It is clarified that the services of the transferred employees will be treated as having been continuous for the purpose of the said Fund or Funds. This Scheme shall enable the trustees of provident fund trusts, gratuity fund and pension and/or superannuation fund trusts to amend their respective trust deeds so as to be in conformity with the requirements of both the labour laws and the income tax laws, as applicable, consequent upon the vesting and transfer of employees to Magadh Sugar as provided herein, on a continuity of employment basis and on same and/or similar terms and conditions of service.

58.3 The services of the transferred employees with Upper Ganges prior to the transfer and vesting, as aforesaid, shall be taken into account for the purposes of all benefits to which the transferred employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in Upper Ganges.

58.4 Upon the Scheme becoming effective, Upper Ganges shall communicate to the aforesaid Employees a notice in a form to be mutually agreed between the Magadh Sugar and Upper Ganges.

59 TAX TREATMENT

59.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Upper Ganges in relation to its Bihar Sugar Business Undertaking from the Appointed Date onwards shall be treated as the tax liability of Magadh Sugar. Similarly all credits for tax deduction at source on income of Upper Ganges shall be given to Magadh Sugar; or obligation for deduction of tax at source on any payment made by or to be made by Magadh Sugar shall be made or deemed to have been made and duly complied with if so made by

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Upper Ganges. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Upper Ganges.

- 59.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by Upper Ganges in relation to its Bihar Sugar Business Undertaking to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by Magadh Sugar and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Magadh Sugar upon the passing of the orders on this Scheme by the High Court and upon relevant proof and documents being provided to the said authorities.
- 59.3 Upon the Scheme becoming effective, Magadh Sugar is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. Magadh Sugar shall be entitled to refund and/or set off all amounts paid by either of Upper Ganges in relation to its Bihar Sugar Business Undertaking or Magadh Sugar under Income Tax, value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective..

60 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of properties and liabilities and the continuance of proceedings by or against Magadh Sugar shall not affect any transaction or proceedings already concluded by Upper Ganges on or after the Appointed Date till the Effective Date in relation to the Bihar Sugar Business Undertaking, to the end and intent that Magadh Sugar accepts and adopts all acts, deeds and things done and executed by Upper Ganges in respect thereto as done and executed on behalf of Magadh Sugar.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

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For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Banking Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

For Valsail Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

PART - VIII

MERGER OF VAISHALI SUGAR WITH MAGADH SUGAR

61 TRANSFER AND VESTING OF BUSINESS AND UNDERTAKINGS OF VAISHALI SUGAR

61.1 With effect from the Appointed Date or such other date as may be fixed or approved by the High Court and upon the Scheme becoming effective, the entire business and whole of Undertaking(s) of Vaishali Sugar shall, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, and pursuant to the order of the High Court sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and / or deemed to be transferred to and vested in Magadh Sugar, as a going concern, so as to become the properties and liabilities of Magadh Sugar within the meaning of Section 2(1B) of the Income Tax Act, 1961.

61.2 Without prejudice to the generality of the above said Clause:

61.2.1 With effect from the Appointed Date, all the assets, rights and properties of Vaishali Sugar (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to computers and servers, computer software, investments, office premises, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, any registrations whether under Central, State or other laws, copyrights, permits, approvals, all rights or title or interest in property by virtue of any court order or decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, tax registrations, subsidies, grants, tax credits (including CENVAT, Service Tax credit, MAT credit), deferred tax asset (if any), advance tax credit, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and where so ever situate belonging to or in the ownership, power or

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited

Director

For Chinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

possession and in the control of or vested in or granted in favour of or enjoyed by Vaishali Sugar, industrial and other licenses, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, computer programs, manuals, data, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever, shall under the provisions of Sections 391 to 394 of the Act and pursuant to the order of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and / or deemed to be transferred to and vested in Magadh Sugar, so as to become the properties and assets of Magadh Sugar.

61.2.2 With respect to such assets and properties of Vaishali Sugar as on the Effective Date, as are movable in nature and are capable of transfer by physical delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to Magadh Sugar and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to Magadh Sugar to the end and intent that the property and benefit therein passes to Magadh Sugar with effect from the Appointed Date.

61.2.3 In respect of the movable assets owned by Vaishali Sugar as on the Effective Date, other than those mentioned in Clause 61.2.2 above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporate(s), customers etc., Vaishali Sugar shall, if so required by Magadh Sugar, and / or Magadh Sugar may, issue notices or intimations in such form as Magadh Sugar may deem fit and proper,

Director

Nalini E

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited

Director

Director

For Magadh Sugar & Energy Limited

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Anandh Canning Limited

Director

For Allahabad Cementing Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

125

Company Secretary

stating that pursuant to the High Court or NCLT having sanctioned this Scheme, the debt, loan, advance or other asset, be paid or made good or held on account of Magadh Sugar, as the person entitled thereto, to the end and intent that the right of Vaishali Sugar to recover or realize the same stands transferred to Magadh Sugar and that appropriate entries should be passed in their respective books to record the aforesaid changes.

61.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties standing in the books of Vaishali Sugar, if any, and any documents of title or rights and easements in relation thereto shall without any further act, deed, matter or thing be vested in and transferred to and / or be deemed to have been vested in and transferred to Magadh Sugar and shall belong to Magadh Sugar. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Magadh Sugar. Any inchoate title or possessory title of Vaishali Sugar shall be deemed to be the title of Magadh Sugar.

61.2.5 It is clarified that if any assets (estate, claims, rights, title, interest and authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in which Vaishali Sugar owns or to Vaishali Sugar is a party and which cannot be transferred to Magadh Sugar for any reason whatsoever, Vaishali Sugar shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Magadh Sugar, insofar as it is permissible so to do, till such time as the transfer is effected.

61.2.6 All assets and liabilities of Vaishali Sugar as on the Appointed Date and all assets and properties which are acquired by Vaishali Sugar on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of Magadh Sugar and shall under the provisions of Sections 391 to 394 and all

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

Director

For Vaishali Sugar & Energy Limited

Director

other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in Magadh Sugar upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by Vaishali Sugar after the Appointed Date without the prior written consent of Magadh Sugar.

61.3 With effect from the Appointed Date, all debts, liabilities (including contingent liabilities), deferred tax liability (if any), duties and obligations of every kind, nature and description of Vaishali Sugar shall be transferred or be deemed to have been transferred to Magadh Sugar, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by Magadh Sugar so as to become, on and from the Appointed Date, the liabilities and obligations of Magadh Sugar on same terms and conditions as were applicable to Vaishali Sugar. Magadh Sugar shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

61.4 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of Vaishali Sugar, as on the Appointed Date, deemed to be transferred to Magadh Sugar, have been discharged by Vaishali Sugar after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Magadh Sugar, and all loans raised and used and all liabilities and obligations incurred by Vaishali Sugar after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Magadh Sugar, and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to Magadh Sugar and shall become the liabilities and obligations of Magadh Sugar on same terms and conditions as were applicable to Vaishali Sugar. Magadh Sugar shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

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For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director


For Alakhnad Canning Limited

Director



For Anshad Canning Limited
Director


For Cinnatollah Tea Limited
Director


For Ganges Securities Limited
Director



For Palash Securities Limited
Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.

127


Company Secretary

the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.

- 61.5 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Vaishali Sugar or to the benefit of which Vaishali Sugar may be eligible/entitled, and which are subsisting or having effect on the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting orders of the Courts sanctioning the Scheme shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Magadh Sugar and shall be in full force and effect in favour of Magadh Sugar, subject to Magadh Sugar maintaining all prior undertakings and commitments pursuant to any administrative or judicial proceedings and may be enforced as fully and effectually as if, instead of Vaisbali Sugar, Magadh Sugar had been a party or beneficiary or obligor thereto. Any third party or authority required to give effect to the provisions of this Clause shall take on record the orders of the Court sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of Magadh Sugar as successor in interest, pursuant to the sanction of this Scheme by the Courts in accordance with the terms provided hereof. For this purpose, Magadh Sugar shall file certified copies of such sanction orders and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory


For Vaishali Sugar & Energy Limited
Director


For Avadh Sugar & Energy Limited
Director


For Magadh Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited
Director

bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

61.6 All patents, trademarks, copyrights, or any kind of intellectual property, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by Vaishali Sugar shall stand transferred and vested in the name of Magadh Sugar without any further act or deed. Magadh Sugar, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies).

61.7 All cheques and other negotiable instruments, payment orders received in the name of Vaishali Sugar after the Effective Date shall be accepted by the bankers of Magadh Sugar and credited to the account of Magadh Sugar. Similarly, the banker of Magadh Sugar shall honour cheques issued by Vaishali Sugar and presented for payment after the Effective Date.

61.8 Upon the coming into effect of this Scheme the resolutions, if any, of Vaishali Sugar, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of Magadh Sugar and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in Magadh Sugar.

62 CONSIDERATION AND ISSUE OF SHARES

62.1 Upon this Scheme becoming effective and in consideration for the transfer and vesting of Vaishali Sugar in Magadh Sugar, Magadh Sugar shall issue and allot equity shares in its share capital at par, credited as fully paid up to the extent indicated below, to the shareholders of Vaishali Sugar except Magadh Sugar or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Vaishali Sugar and approved by them whose names appear in the Register of Members on the Record Date in the following ratio:

276 equity share(s) of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in the share capital of Magadh Sugar for every

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Alakshad Canning Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

13 fully paid up equity share(s) of the face value of Rs. 10/- (Rupees Ten) each held in Vaishali Sugar.

- 62.2 The fractional entitlement, if any, to which shareholders of Vaishali Sugar may become entitled to upon issue of Equity Shares pursuant to Clause 62.1 above, would be rounded off by Magadh Sugar to the next integer.
- 62.3 The new equity shares in Magadh Sugar to be issued to the shareholders of Vaishali Sugar pursuant to Clause 62.1 above shall be subject to the Memorandum and Articles of Association of Magadh Sugar and shall rank pari passu with the existing equity shares of Magadh Sugar.
- 62.4 The shares or the share certificates of the Vaishali Sugar in relation to the shares held by its members shall, without any further application, act, instrument or deed, be deemed to have been automatically extinguished and cancelled and be of no effect on and from the Record Date.
- 62.5 All equity shares allotted by Magadh Sugar to shareholders of Vaishali Sugar shall be listed for trading on the BSE, NSE and CSE and shall be subject to the applicable regulations. Magadh Sugar shall enter into such arrangement and issue such confirmations and/or undertakings as may be necessary in accordance with the applicable law or regulation for the above purpose.
- 62.6 The approval of this Scheme by the shareholders of Magadh Sugar shall be deemed to be due compliance of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by Magadh Sugar to the shareholders of Vaishali Sugar, as provided in this Scheme.
- 62.7 The shares issued to the members of Vaishali Sugar by Magadh Sugar shall be issued in dematerialised form as far as possible except for person holding shares in physical form, and unless otherwise notified in writing by the members of Vaishali Sugar to Magadh Sugar on or before such date as may be determined by the Board of Directors of Magadh Sugar or a committee thereof. In the event that such notice has not been received by Magadh Sugar in respect of any of the members of Vaishali Sugar, the shares shall be issued to such members in dematerialised form provided that the members of Vaishali Sugar shall be required to have an account with a depository

For Allahabad Canning Limited

For Avadh Sugar & Energy Limited

For Cinnatollah Tea Limited

Director

Director

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Ganges Securities Limited

Director

For Magadh Sugar & Energy Limited

Director

For Palash Securities Limited

Director

For Vaishali Sugar & Energy Limited

Director

For Cinnatollah Tea Limited

For Avadh Sugar & Energy Limited

For Allahabad Canning Limited

Director

Director

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that Magadh Sugar shall issue and directly credit the dematerialised shares to the account of such member with the shares of Magadh Sugar. In the event that Magadh Sugar has received notice from any member that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required, then Magadh Sugar shall issue shares in physical form to such member.

- 62.8 In the event of there being any pending share transfers, whether lodged or outstanding, of any member of Vaishali Sugar, the Board of Directors of Magadh Sugar shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in Vaishali Sugar and in relation to the shares issued by Magadh Sugar after the effectiveness of the Scheme. The Board of Directors of Magadh Sugar shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of shareholders in Magadh Sugar on account of difficulties faced in the transaction period.
- 62.9 Equity shares to be issued by Magadh Sugar pursuant to above clause in respect of such of the equity shares of Vaishali Sugar which are held in abeyance under the provisions of Section 126 of the Companies Act, 2013 or otherwise shall, if any, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by Magadh Sugar.
- 62.10 For the purpose of issue of equity shares to the shareholders of Vaishali Sugar, Magadh Sugar shall, if and to the extent required, apply for and obtain the necessary statutory approvals.
- 62.11 The holders of the equity shares of Vaishali Sugar shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights including the right to receive dividends from Vaishali Sugar till the Scheme coming into effect.

For Vaishali Sugar & Energy Limited

For Palash Securities Limited

For Magadh Sugar & Energy Limited

For Ganges Securities Limited

Director

Director

Director

Director

63 ACCOUNTING TREATMENT

Upon the Scheme becoming effective, Magadh Sugar shall account for the amalgamation of Vaishali Sugar in its books of accounts with effect from the Appointed Date as per the 'Purchase Method', as described in Accounting Standard - 14 "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India, such that:

- 63.1 All the assets and liabilities (including intangible not recorded) excluding reserves (other than statutory reserves, if any) of Vaishali Sugar are transferred to and vested in Magadh Sugar, pursuant to the Scheme and shall be recorded by Magadh Sugar, at their respective fair values as on the Appointed Date.
- 63.2 Magadh Sugar shall credit the aggregate face value of the equity shares issued by it to the shareholders of Vaishali Sugar pursuant to Clause 62.1 of this Scheme to the Share Capital Account in its books of accounts.
- 63.3 Loans, advances, amount receivable or payable inter-se between Magadh Sugar and Vaishali Sugar appearing in the books of accounts Magadh Sugar and Vaishali Sugar, if any, shall stand cancelled.
- 63.4 The difference in the fair value of the net assets of Vaishali Sugar to be vested in Magadh Sugar as per Clause 63.1 and the amount credited by Magadh Sugar to the Share Capital Account as per Clause 63.2 above, after adjustment of the cancellation of loans, advances, amount receivable or payable as per Clause 63.3 above would be debited to Goodwill or credited to Capital Reserve as the case may be.
- 63.5 In case of any difference in the accounting policies between Vaishali Sugar and Magadh Sugar, the impact of the same till the Appointed Date will be adjusted in accordance with Accounting Standard - 5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" to ensure that the financial statements of Magadh Sugar reflect the financial position on the basis of consistent accounting policy.

For Allahabad Sugarcane Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

64 **INCREASE IN AUTHORISED SHARE CAPITAL OF MAGADH SUGAR**

Upon the Scheme becoming effective, the authorized share capital of Magadh Sugar, in terms of its Memorandum of Association and Articles of Association, shall automatically stand enhanced without any further act, instrument or deed on the part of Magadh Sugar, by the authorized share capital of Vaishali Sugar and the Memorandum of Association and Articles of Association of Magadh Sugar (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and consent of all the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Section 13, 14 and 61 of the Companies Act, 2013 and Section 394 of the Companies Act, 1956 and other applicable provisions of the Act would be required to be separately passed and for this purpose the stamp duty and fee paid on the authorized share capital of Vaishali Sugar shall be utilized and applied to the increased authorized share capital of Magadh Sugar and no extra stamp duty and / or fee shall be payable by Magadh Sugar for increase in the authorized share capital to that extent.

65 **STAFF, WORKMEN AND EMPLOYEES**

65.1 On the Scheme becoming effective, all staff, workmen and employees of Vaishali Sugar in service on the Effective Date shall be deemed to have become staff, workmen and employees of Magadh Sugar with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Magadh Sugar shall be the same as their existing terms of employment in the Vaishali Sugar on the Effective Date.

65.2 It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of Vaishali Sugar shall be transferred to and shall get consolidated with the corresponding funds or account of Magadh Sugar. Magadh Sugar shall have the obligation to make contributions to the said Fund or account or Funds or accounts in accordance with the provisions thereof or as per the terms provided

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

132

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatolia Tea Limited

Director

For Allotment Canning Limited

Director

Director

Director

Director

For Alkafah Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of Vaishali Sugar in relation to such Fund or account or Funds or accounts shall become those of Magadh Sugar. It is clarified that the services of the staff, workmen and employees of Vaishali Sugar will be treated as having been continuous for the purpose of the said Fund or account or Funds or accounts. Until such time that Magadh Sugar creates or arranges for its own funds or accounts, Magadh Sugar may, subject to necessary approvals and permissions if any, continue to make contributions pertaining to the employees of Vaishali Sugar to the relevant fund or accounts of Vaishali Sugar. Such contributions and other balances pertaining to the employees of Vaishali Sugar shall be transferred to the funds or accounts created by Magadh Sugar on creation of relevant funds or arrangements or accounts by Magadh Sugar.

66 LEGAL PROCEEDINGS

66.1 All legal proceedings of whatsoever nature, by or against Vaishali Sugar, pending and / or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Magadh Sugar as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against Vaishali Sugar.

66.2 Magadh Sugar undertakes to have all legal and / or other proceedings initiated by or against Vaishali Sugar referred to in Clause 66.1 above transferred in its name and to have the same continued, prosecuted and enforced by or against Magadh Sugar, to the exclusion of Vaishali Sugar.

67 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

67.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature, of Vaishali Sugar, shall continue in full force and effect against or in favour of Magadh Sugar, and may be enforced effectively by or against Magadh Sugar as fully and effectually as if, instead of Vaishali Sugar, Magadh Sugar had been a party thereto.

For Vaishali Sugar & Energy Limited

Director

For Aradh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

Director

Nalini

For Vaishali Sugar & Energy Limited

67.2 Magadh Sugar may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Vaishali Sugar is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Magadh Sugar shall be deemed to be authorized to execute any such writings on behalf of Vaishali Sugar and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Vaishali Sugar.

67.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, to which Vaishali Sugar is a party to, cannot be transferred to Magadh Sugar for any reason whatsoever, Vaishali Sugar shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Magadh Sugar insofar as it is permissible so to do, till such time as the transfer is effected.

67.4 With effect from the Appointed Date and upon the Scheme becoming effective, the past track record of Vaishali Sugar, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of Magadh Sugar for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of Magadh Sugar in all existing and future bids, tenders and contracts of all authorities, agencies and clients

67.5 Magadh Sugar shall be entitled to the benefit of all insurance policies which have been issued in respect of Vaishali Sugar and the name of Magadh Sugar shall be substituted as "Insured" in the policies as if Magadh Sugar was initially a party.

68 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

68.1 Vaishali Sugar undertake to preserve and carry on the business with reasonable diligence and business prudence and shall not undertake financial commitments

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Anshad Canning Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Cooping Limited
Director

For Chintamani Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

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:

- (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 High Court; or
- (b) if the same is expressly permitted by this Scheme; or
- (c) if the prior written consent of the Board of Directors of Magadh Sugar has been obtained.

68.2 Vaishali Sugar 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 of Vaishali Sugar for and on account of, and in trust for Magadh Sugar.

68.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any, thereon), by Vaishali Sugar, shall for all purposes, be treated as the profits or cash, taxes or losses, of Magadh Sugar.

68.4 All accretions and depletions to Vaishali Sugar shall be for and on account of Magadh Sugar.

68.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Vaishali Sugar shall be deemed to have been exercised by Vaishali Sugar for and on behalf of, and in trust for and as an agent of Magadh Sugar. Similarly, any of the obligations, duties and commitments attached, related or pertaining to Vaishali Sugar that have been undertaken or discharged by Vaishali Sugar, shall be deemed to have been undertaken for and on behalf of and as an agent for Magadh Sugar.

68.6 As and from the Appointed Date and till the Effective Date:

68.6.1 All assets and properties of Vaishali Sugar as on the date immediately preceding the Appointed Date and all assets and properties relating thereto, which are acquired by Vaishali Sugar on or after the Appointed Date, in accordance with this Scheme, shall be without any further act or deed deemed to be the assets and properties of Magadh Sugar.

68.6.2 All reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed Date and all reserves, debts, liabilities, loans raised and used, liabilities and

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

obligations incurred, duties and obligations relating thereto which arise or accrue to Vaishali Sugar, on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of Magadh Sugar.

68.7 Vaishali Sugar shall not vary the terms and conditions of service of its employees except in the ordinary course of its business.

69 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of Vaishali Sugar, pursuant to this Scheme, and the continuance of the legal proceedings by or against Magadh Sugar shall not affect any transactions or proceedings already completed by Vaishali Sugar, on and after the Appointed Date, to the end and intent that Magadh Sugar accepts all acts, deeds and things done and executed by and / or on behalf of Vaishali Sugar, as acts, deeds and things done and executed by and / or on behalf of Magadh Sugar.

70 COMPLIANCE WITH SECTION 2(1B) OF THE INCOME-TAX ACT, 1961

The provisions of this Scheme as they relate to the amalgamation of Vaishali Sugar into and with Magadh Sugar have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

71 TREATMENT OF TAXES

71.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Vaishali Sugar from the Appointed Date onwards shall be treated as the tax liability of Magadh Sugar. Similarly all credits for tax deduction at

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Ginnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Cinnatolia Tea Limited
Director

For Ganges Securities Limited
Director

For Panch Securities Limited
Director

source on income of Vaishali Sugar shall be given to Magadh Sugar; or obligation for deduction of tax at source on any payment made by or to be made by Magadh Sugar shall be made or deemed to have been made and duly complied with if so made by Vaishali Sugar. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Vaishali Sugar.

71.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by Vaishali Sugar to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by Magadh Sugar and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Magadh Sugar upon the passing of the orders on this Scheme by the High Court and upon relevant proof and documents being provided to the said authorities.

71.3 Upon the Scheme becoming effective, Magadh Sugar is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. Magadh Sugar shall be entitled to refund and/or set off all amounts paid by either of Vaishali Sugar or Magadh Sugar under Income Tax, value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective.

72 DISSOLUTION OF VAISHALI SUGAR

72.1 On the Scheme becoming effective, Vaishali Sugar shall without any further act or deed stand dissolved without being wound up.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

PART - IX

**MERGER OF RESIDUAL OUDH SUGAR AND RESIDUAL UPPER GANGES
WITH AVADH SUGAR**

**73 TRANSFER AND VESTING OF BUSINESS AND UNDERTAKINGS
OF RESIDUAL OUDH SUGAR AND RESIDUAL UPPER GANGES**

73.1 With effect from the Appointed Date or such other date as may be fixed or approved by the High Court and upon the Scheme becoming effective, the entire business and whole of Undertaking(s) of Residual Oudh Sugar and Residual Upper Ganges shall, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, and pursuant to the order of the High Court sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and / or deemed to be transferred to and vested in Avadh Sugar, as a going concern, so as to become the properties and liabilities of Avadh Sugar within the meaning of Section 2(1B) of the Income Tax Act, 1961.

73.2 Without prejudice to the generality of the above said Clause:

73.2.1 With effect from the Appointed Date, all the assets, rights and properties of Residual Oudh Sugar and Residual Upper Ganges (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to computers and servers, computer software, investments, office premises, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, any registrations whether under Central, State or other laws, copyrights, permits, approvals, all rights or title or interest in property by virtue of any court order or decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, tax registrations, subsidies, grants, tax credits (including CENVAT, Service Tax credit, MAT credit), deferred tax asset (if any), advance tax credit, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and

For Vairahall Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palesh Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Alhabab Canning Limited

Director

For Mahabul Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

advantages of whatsoever nature and where so ever situate 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 Residual Oudh Sugar and Residual Upper Ganges, industrial and other licenses, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, computer programs, manuals, data, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever, shall under the provisions of Sections 391 to 394 of the Act and pursuant to the order of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and / or deemed to be transferred to and vested in Avadh Sugar, so as to become the properties and assets of Avadh Sugar.

73.2.2 With respect to such assets and properties of Residual Oudh Sugar and Residual Upper Ganges as on the Effective Date, as are movable in nature and are capable of transfer by physical delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to Avadh Sugar and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to Avadh Sugar to the end and intent that the property and benefit therein passes to Avadh Sugar with effect from the Appointed Date.

73.2.3 In respect of the movable assets owned by Residual Oudh Sugar and Residual Upper Ganges as on the Effective Date, other than those mentioned in Clause 73.2.2 above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporate(s), customers etc., Residual Oudh

For Upper Ganges Sugar & Industries Ltd.
Modday
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

For Vairah Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

Sugar and Residual Upper Ganges shall, if so required by Avadh Sugar, and / or Avadh Sugar may, issue notices or intimations in such form as Avadh Sugar may deem fit and proper, stating that pursuant to the High Court or NCLT having sanctioned this Scheme, the debt, loan, advance or other asset, be paid or made good or held on account of Avadh Sugar, as the person entitled thereto, to the end and intent that the right of Residual Oudh Sugar and Residual Upper Ganges to recover or realize the same stands transferred to Avadh Sugar and that appropriate entries should be passed in their respective books to record the aforesaid changes.

73.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, the immovable properties standing in the books of Residual Oudh Sugar and Residual Upper Ganges, if any, and any documents of title or rights and easements in relation thereto shall without any further act, deed, matter or thing be vested in and transferred to and / or be deemed to have been vested in and transferred to Avadh Sugar and shall belong to Avadh Sugar. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Avadh Sugar. Any inchoate title or possessory title of Residual Oudh Sugar and Residual Upper Ganges shall be deemed to be the title of Avadh Sugar.

73.2.5 It is clarified that if any assets (estate, claims, rights, title, interest and authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in which Residual Oudh Sugar and Residual Upper Ganges owns or to Residual Oudh Sugar and Residual Upper Ganges is a party and which cannot be transferred to Avadh Sugar for any reason whatsoever, Residual Oudh Sugar and Residual Upper Ganges shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the

Director

For Vaishali Sugar & Energy Limited

Director

Director

For Avadh Sugar & Energy Limited

Director

For Magesh Sugar & Energy Limited

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

For Cinnatollah Tea Limited

Director

For Allahabad Canning Limited

Director

benefit of Avadh Sugar, insofar as it is permissible so to do, till such time as the transfer is effected

73.2.6 All assets and liabilities of Residual Oudh Sugar and Residual Upper Ganges as on the Appointed Date and all assets and properties which are acquired by Residual Oudh Sugar and Residual Upper Ganges on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of Avadh Sugar and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in Avadh Sugar upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by Residual Oudh Sugar and Residual Upper Ganges after the Appointed Date without the prior written consent of Avadh Sugar.

73.3 With effect from the Appointed Date, debts, liabilities (including contingent liabilities), deferred tax liability (if any), duties and obligations of every kind, nature and description of Residual Oudh Sugar and Residual Upper Ganges shall be transferred or be deemed to have been transferred to Avadh Sugar, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by Avadh Sugar so as to become, on and from the Appointed Date, the liabilities and obligations of Avadh Sugar on same terms and conditions as were applicable to Residual Oudh Sugar and Residual Upper Ganges. Avadh Sugar shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

73.4 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of Residual Oudh Sugar and Residual Upper Ganges, as on the Appointed Date, deemed to be transferred to Avadh Sugar, have been discharged by Residual Oudh Sugar and Residual Upper Ganges after the

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Allahabad Canning Limited
Director

For Chinnaboli Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Megadh Sugar & Energy Limited
Director

For Vaishali Sugar & Energy Limited
Neelesh Kumar
Director

Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Avadh Sugar, and all loans raised and used and all liabilities and obligations incurred by Residual Oudh Sugar and Residual Upper Ganges after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Avadh Sugar, and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to Avadh Sugar and shall become the liabilities and obligations of Avadh Sugar on same terms and conditions as were applicable to Residual Oudh Sugar and Residual Upper Ganges. Avadh Sugar shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.

For Palash Securities Limited
Palash Kumar
Director

For Ganges Securities Limited
Ganges Securities Limited
Director

For Chinnakrishna Tea Limited
Chinnakrishna Tea Limited
Director

For Alankar Canning Limited
Alankar Canning Limited
Director

- 73.5 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Residual Oudh Sugar and Residual Upper Ganges or to the benefit of which Residual Oudh Sugar and Residual Upper Ganges may be eligible/entitled, and which are subsisting or having effect on the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting orders of the Courts sanctioning the Scheme shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of Avadh Sugar and shall be in full force and effect in favour of Avadh Sugar, subject to Avadh Sugar maintaining all prior undertakings and commitments pursuant to any administrative or judicial proceedings and may be enforced as fully and effectually as if, instead of Residual Oudh Sugar and Residual Upper Ganges, Avadh Sugar had been a party or beneficiary or obligor thereto. Any

For Upper Ganges Sugar & Industries Ltd.
H. K. Sharma
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Company Secretary

For The Oudh Sugar Mills Ltd.
Oudh Sugar Mills Ltd.
Company Secretary

For Avadh Sugar & Energy Limited
Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Magadh Sugar & Energy Limited
Director

For Alakhnand Sugarcane Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

third party or authority required to give effect to the provisions of this Clause shall take on record the orders of the Court sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of Avadh Sugar as successor in interest, pursuant to the sanction of this Scheme by the Courts in accordance with the terms provided hereof. For this purpose, Avadh Sugar shall file certified copies of such sanction orders and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

- 73.6 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme on the Appointed Date, all consents, permissions, licenses, approvals, certificates, clearances and authorities including the Licenses, given by, issued to or executed in favour of Residual Oudh Sugar and Residual Upper Ganges as on the Appointed Date, shall stand transferred to Avadh Sugar as if the same were originally given by, issued to or executed in favour of Avadh Sugar, and the rights and benefits under the same shall be available to Avadh Sugar. Any registration fees, charges etc paid by Residual Oudh Sugar and Residual Upper Ganges in relation to the aforementioned consents, permissions, licenses, approvals, certificates, clearances and authorities, shall deemed to have been paid by Avadh Sugar.
- 73.7 All patents, trademarks, copyrights, or any kind of intellectual property, if any, registered with the authorities concerned or applications submitted at any time on or before the Effective Date or being used by Residual Oudh Sugar and Residual Upper Ganges shall stand transferred and vested in the name of Avadh Sugar without any further act or deed. Avadh Sugar, however, shall after the Scheme becoming effective file the relevant intimation with the concerned statutory authority(ies).
- 73.8 All cheques and other negotiable instruments, payment orders received in the name of Residual Oudh Sugar and Residual Upper Ganges after the Effective

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.
Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

Date shall be accepted by the bankers of Avadh Sugar and credited to the account of Avadh Sugar. Similarly, the banker of Avadh Sugar shall honour cheques issued by Residual Oudh Sugar and Residual Upper Ganges and presented for payment after the Effective Date.

- 73.9 Upon the coming into effect of this Scheme the resolutions, if any, of Residual Oudh Sugar and Residual Upper Ganges, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of Avadh Sugar and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in Avadh Sugar.

74 CONSIDERATION AND ISSUE OF SHARES

- 74.1 Upon this Scheme becoming effective and in consideration for the transfer and vesting of Residual Oudh Sugar and Residual Upper Ganges in Avadh Sugar, Avadh Sugar shall issue and allot equity shares in its share capital at par, credited as fully paid up to the extent indicated below, to the shareholders of Oudh Sugar and Upper Ganges or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Oudh Sugar and Upper Ganges and approved by them whose names appear in the Register of Members on the Record Date in the following ratio:

- I. 2 equity share(s) of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in the share capital of Avadh Sugar for every 9 fully paid up equity share(s) of the face value of Rs. 10/- (Rupees Ten) each held in Oudh Sugar.
- II. 11 equity share(s) of the face value of Rs. 10/- (Rupees Ten) each credited as fully paid up in the share capital of Avadh Sugar for every 30 fully paid up equity share(s) of the face value of Rs. 10/- (Rupees Ten) each held in Upper Ganges.

- 74.2 Further, upon this Scheme coming into effect, Avadh Sugar shall issue and allot 4,87,00,000 (Four Crore and Eighty Seven Lakh) fully paid up 8.5% Non-Convertible Cumulative Redeemable Preference Shares of the face value

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Atitkhat Canning Limited

Director

For Chinnatollah Tea Limited


Director

For Avadh Sugar & Energy Limited


Director

For Allahabad Canning Limited


Director

For Upper Ganges Sugar & Industries Ltd.


Company Secretary

For The Oudh Sugar Mills Ltd.



Company Secretary

- of Rs. 10/- (Rupees Ten) each credited as fully paid up in its share capital to the preference shareholders of Oudh Sugar. The terms and conditions of 8.5% Non-Convertible Cumulative Redeemable Preference Shares, so allotted by Avadh Sugar, shall be subject to the same terms and conditions which are applicable to the existing 8.5% Non-Convertible Cumulative Redeemable Preference Shares of Oudh Sugar.
- 74.3 Further, upon this Scheme coming into effect, Avadh Sugar shall issue and allot 17,00,000 (Seventeen Lakh) fully paid up 12% Non-Convertible Cumulative Redeemable Preference Shares of the face value of Rs. 100/- (Rupees Hundred) each credited as fully paid up in its share capital to the preference shareholders of Upper Ganges. The terms and conditions of 12% Non-Convertible Cumulative Redeemable Preference Shares, so allotted by Avadh Sugar, shall be subject to the same terms and conditions which are applicable to the existing 12% Non-Convertible Cumulative Redeemable Preference Shares of Upper Ganges.
- 74.4 The fractional entitlement, if any, to which shareholders of Oudh Sugar and Upper Ganges may become entitled to upon issue of Equity Shares pursuant to Clause 74.1 above, would be rounded off by Avadh Sugar to the next integer.
- 74.5 The new shares in Avadh Sugar to be issued to the shareholders of Oudh Sugar and Upper Ganges pursuant to Clause 74.1, 74.2 and 74.3 above shall be subject to the Memorandum and Articles of Association of Avadh Sugar and shall rank pari passu with the existing shares of Avadh Sugar.
- 74.6 The shares or the share certificates of the Oudh Sugar and Upper Ganges in relation to the shares held by its members shall, without any further application, act, instrument or deed, be deemed to have been automatically extinguished and cancelled and be of no effect on and from the Record Date.
- 74.7 All equity shares allotted by Avadh Sugar to shareholders of Oudh Sugar and Upper Ganges shall be listed for trading on the BSE, NSE and CSE and shall be subject to the applicable regulations. Avadh Sugar shall enter into such arrangement and issue such confirmations and/or undertakings as may be necessary in accordance with the applicable law or regulation for the above

For Vaishali Sugar & Energy Limited


Director

For Palash Securities Limited


Director

For Magadh Sugar & Energy Limited


Director

For Ganges Securities Limited


Director

For Cinnatollah Tea Limited

Director

For Avadh Sugar & Energy Limited

Director

For Allahabad Canning Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

purpose. However, it is further clarified that the fees and amounts paid by Oudh Sugar and Upper Ganges to the stock exchanges in relation to its listing and other processes under applicable law till the Appointed Date would be deemed to be sufficient consideration and as paid by Avadh Sugar and no separate filing fees would be required to be paid by Avadh Sugar for any new applications or notifications made by it to the stock exchanges from the Appointed Date.

- 74.8 12% Non-Convertible Cumulative Redeemable Preference Shares of Upper Ganges and 8.5% Non-Convertible Cumulative Redeemable Preference Shares of Oudh Sugar are not listed on any stock exchange and therefore 12% Non-Convertible Cumulative Redeemable Preference Shares and 8.5% Non-Convertible Cumulative Redeemable Preference Shares issued by Avadh Sugar pursuant to Clause 74.2 and 74.3, respectively, above shall not be listed on any stock exchange.
- 74.9 The approval of this Scheme by the shareholders of Avadh Sugar shall be deemed to be due compliance of Section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of shares by Avadh Sugar to the shareholders of Oudh Sugar and Upper Ganges, as provided in this Scheme.
- 74.10 The shares issued to the members of Oudh Sugar and Upper Ganges by Avadh Sugar shall be issued in dematerialised form as far as possible except for person holding shares in physical form, and unless otherwise notified in writing by the members of Oudh Sugar and Upper Ganges to Avadh Sugar on or before such date as may be determined by the Board of Directors of Avadh Sugar or a committee thereof. In the event that such notice has not been received by Avadh Sugar in respect of any of the members of Oudh Sugar and Upper Ganges, the shares shall be issued to such members in dematerialised form provided that the members of Oudh Sugar and Upper Ganges shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that Avadh Sugar shall issue and directly credit the dematerialised shares to the account of such member with the shares of Avadh Sugar. In the event that Avadh Sugar has received notice from any member

For Vaishali Sugar & Energy Ltd.

Director

For Palash Securities Limited

Director

For Megadh Sugar & Energy Limited

Director

For Ganges Securities Limited

Director

For Allahabad Canning Limited
Director

For Chintalbah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required, then Avadh Sugar shall issue shares in physical form to such member.

74.11 In the event of there being any pending share transfers, whether lodged or outstanding, of any member of Oudh Sugar and Upper Ganges, the Board of Directors of Avadh Sugar shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in Oudh Sugar and Upper Ganges and in relation to the shares issued by Avadh Sugar after the effectiveness of the Scheme. The Board of Directors of Avadh Sugar shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of shareholders in Avadh Sugar on account of difficulties faced in the transaction period.

74.12 Shares to be issued by Avadh Sugar pursuant to above clause in respect of such of the shares of Oudh Sugar and Upper Ganges which are held in abeyance under the provisions of Section 126 of the Companies Act, 2013 or otherwise shall, if any, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by Avadh Sugar.

74.13 For the purpose of issue of shares to the shareholders of Oudh Sugar and Upper Ganges, Avadh Sugar shall, if and to the extent required, apply for and obtain the necessary statutory approvals.

74.14 The holders of the shares of Oudh Sugar and Upper Ganges shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights including the right to receive dividends from Oudh Sugar and Upper Ganges till the Scheme coming into effect.

75 ACCOUNTING TREATMENT

Upon the Scheme becoming effective, Avadh Sugar shall account for the amalgamation of Residual Oudh Sugar and Residual Upper Ganges in its books of accounts with effect from the Appointed Date as per the 'Purchase Method',

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

For Avadh Sugar & Energy Limited

For Magadh Sugar & Energy Limited

Director

Director

Director

as described in Accounting Standard – 14 "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India, such that:

- 75.1 All the assets and liabilities (including intangible not recorded) excluding reserves (other than statutory reserves, if any) of Residual Oudh Sugar and Residual Upper Ganges are transferred to and vested in Avadh Sugar, pursuant to the Scheme and shall be recorded by Avadh Sugar, at their respective fair values as on the Appointed Date.
- 75.2 Avadh Sugar shall credit the aggregate face value of the shares issued by it to the shareholders of Residual Oudh Sugar and Residual Upper Ganges pursuant to Clause 74.1, 74.2 and 74.3 of this Scheme to the Share Capital Account in its books of accounts.
- 75.3 With effect from the Appointed Date and upon the Scheme becoming effective, the investments of Residual Oudh Sugar and Residual Upper Ganges in Avadh Sugar, if any, shall stand cancelled.
- 75.4 Loans, advances, amount receivable or payable inter-se between Avadh Sugar and Residual Oudh Sugar and Residual Upper Ganges appearing in the books of accounts Avadh Sugar and Residual Oudh Sugar and Residual Upper Ganges, if any, shall stand cancelled.
- 75.5 The difference in the fair value of the net assets of Residual Oudh Sugar and Residual Upper Ganges to be vested in Avadh Sugar as per Clause 75.1 and the amount credited by Avadh Sugar to the Share Capital Account as per Clause 75.2 above, after adjustment of the cancellation of investment in Avadh Sugar as per Clause 75.3 and loans, advances, amount receivable or payable as per Clause 75.4 above would be debited to Goodwill or credited to Capital Reserve as the case may be.
- 75.6 In case of any difference in the accounting policies between Residual Oudh Sugar and Residual Upper Ganges and Avadh Sugar, the impact of the same till the Appointed Date will be adjusted in accordance with Accounting Standard - 5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" to ensure that the financial statements of Avadh Sugar reflect the financial position on the basis of consistent accounting policy.

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Chintalish Tea Limited
Director

For Allahabad Canning Limited
Director

For Valsah Sugar & Energy Limited

For Avadh Sugar & Energy Limited

For Magadh Sugar & Energy Limited

Director

Director

Director

76 **INCREASE IN AUTHORISED SHARE CAPITAL OF AVADH SUGAR**

Upon the Scheme becoming effective, the authorized share capital of Avadh Sugar, in terms of its Memorandum of Association and Articles of Association, shall automatically stand enhanced without any further act, instrument or deed on the part of Avadh Sugar, by the authorized share capital of Residual Oudh Sugar and Residual Upper Ganges and the Memorandum of Association and Articles of Association of Avadh Sugar (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and consent of all the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Section 13, 14 and 61 of the Companies Act, 2013 and Section 394 of the Companies Act, 1956 and other applicable provisions of the Act would be required to be separately passed and for this purpose the stamp duty and fee paid on the authorized share capital of Residual Oudh Sugar and Residual Upper Ganges shall be utilized and applied to the increased authorized share capital of Avadh Sugar and no extra stamp duty and / or fee shall be payable by Avadh Sugar for increase in the authorized share capital to that extent.

77 **STAFF, WORKMEN AND EMPLOYEES**

77.1 On the Scheme becoming effective, all staff, workmen and employees of Residual Oudh Sugar and Residual Upper Ganges in service on the Effective Date shall be deemed to have become staff, workmen and employees of Avadh Sugar with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Avadh Sugar shall be the same as their existing terms of employment in the Residual Oudh Sugar and Residual Upper Ganges on the Effective Date.

77.2 It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of Residual Oudh Sugar and Residual Upper Ganges shall be transferred to and shall get consolidated with the corresponding funds or account of Avadh Sugar. Avadh Sugar shall have the obligation to make contributions to the said Fund or

For Avadh Sugar & Energy Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

For Vaishali Sugar & Energy Limited

Need to be

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited

Meelish &

Director

For Avadh Sugar & Energy Limited

A-2-12

Director

For Magadh Sugar & Energy Limited

[Signature]

Director

account or Funds or accounts in accordance with the provisions thereof or as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of Residual Oudh Sugar and Residual Upper Ganges in relation to such Fund or account or Funds or accounts shall become those of Avadh Sugar. It is clarified that the services of the staff, workmen and employees of Residual Oudh Sugar and Residual Upper Ganges will be treated as having been continuous for the purpose of the said Fund or account or Funds or accounts. Until such time that Avadh Sugar creates or arranges for its own funds or accounts, Avadh Sugar may, subject to necessary approvals and permissions if any, continue to make contributions pertaining to the employees of Residual Oudh Sugar and Residual Upper Ganges to the relevant fund or accounts of Residual Oudh Sugar and Residual Upper Ganges. Such contributions and other balances pertaining to the employees of Residual Oudh Sugar and Residual Upper Ganges shall be transferred to the funds or accounts created by Avadh Sugar on creation of relevant funds or arrangements or accounts by Avadh Sugar.

78 LEGAL PROCEEDINGS

- 78.1 All legal proceedings of whatsoever nature, by or against Residual Oudh Sugar and Residual Upper Ganges, pending and / or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Avadh Sugar as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against Residual Oudh Sugar and Residual Upper Ganges.
- 78.2 Avadh Sugar undertakes to have all legal and / or other proceedings initiated by or against Residual Oudh Sugar and Residual Upper Ganges referred to in Clause 78.1 above transferred in its name and to have the same continued, prosecuted and enforced by or against Avadh Sugar, to the exclusion of Residual Oudh Sugar and Residual Upper Ganges.

79 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 79.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments, if any, of

For Upper Ganges Sugar & Industries Ltd.

[Signature]
Company Secretary

For The Oudh Sugar Mills Ltd.

[Signature]
Company Secretary

For Palash Securities Limited

[Signature]
Director

For Ganges Securities Limited

[Signature]
Director

For Cinnatollah Tea Limited

[Signature]
Director

For Allahabad Banking Limited

[Signature]
Director

For Allahabad Canning Limited
Director

For Cinnatollah Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

whatsoever nature, of Residual Oudh Sugar and Residual Upper Ganges, shall continue in full force and effect against or in favour of Avadh Sugar, and may be enforced effectively by or against Avadh Sugar as fully and effectually as if, instead of Residual Oudh Sugar and Residual Upper Ganges, Avadh Sugar had been a party thereto.

- 79.2 Avadh Sugar may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which Residual Oudh Sugar and Residual Upper Ganges is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Avadh Sugar shall be deemed to be authorized to execute any such writings on behalf of Residual Oudh Sugar and Residual Upper Ganges and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Residual Oudh Sugar and Residual Upper Ganges.
- 79.3 It is hereby clarified that if any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, to which Residual Oudh Sugar and Residual Upper Ganges is a party to, cannot be transferred to Avadh Sugar for any reason whatsoever, Residual Oudh Sugar and Residual Upper Ganges shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Avadh Sugar insofar as it is permissible so to do, till such time as the transfer is effected.
- 79.4 With effect from the Appointed Date and upon the Scheme becoming effective, the past track record of Residual Oudh Sugar and Residual Upper Ganges, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of Avadh Sugar for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of Avadh Sugar in all existing and future bids, tenders and contracts of all authorities, agencies and clients

For Vaishali Sugar & Industries Ltd.
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
N. Lalit
Director

For Avadh Sugar & Energy Limited
A. K. Singh
Director

For Magadh Sugar & Energy Limited
Director

79.5 Avadh Sugar shall be entitled to the benefit of all insurance policies which have been issued in respect of Residual Oudh Sugar and Residual Upper Ganges and the name of Avadh Sugar shall be substituted as "Insured" in the policies as if Avadh Sugar was initially a party.

80 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

80.1 Residual Oudh Sugar and Residual Upper Ganges undertake to preserve and carry on the 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:

- (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 High Court; or
- (b) if the same is expressly permitted by this Scheme; or
- (c) if the prior written consent of the Board of Directors of Avadh Sugar has been obtained.

80.2 Residual Oudh Sugar and Residual Upper Ganges 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 of Residual Oudh Sugar and Residual Upper Ganges for and on account of, and in trust for Avadh Sugar.

80.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any, thereon), by Residual Oudh Sugar and Residual Upper Ganges, shall for all purposes, be treated as the profits or cash, taxes or losses, of Avadh Sugar.

80.4 All accretions and depletions to Residual Oudh Sugar and Residual Upper Ganges shall be for and on account of Avadh Sugar.

80.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Residual Oudh Sugar and Residual Upper Ganges shall be deemed to have been exercised by Residual Oudh Sugar and Residual Upper Ganges for and on behalf of, and in trust for and as an agent of Avadh Sugar. Similarly, any of the obligations, duties and commitments attached, related or

For Palash Securities Limited
Director

For Ganges Securities Limited
Director

For Cinnatollah Tea Limited
Director

For Allahabad Canning Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Alphonso Conning Limited
Director

For Cinnabollan Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

pertaining to Residual Oudh Sugar and Residual Upper Ganges that have been undertaken or discharged by Residual Oudh Sugar and Residual Upper Ganges, shall be deemed to have been undertaken for and on behalf of and as an agent for Avadh Sugar.

80.6 As and from the Appointed Date and till the Effective Date:

80.6.1 All assets and properties of Residual Oudh Sugar and Residual Upper Ganges as on the date immediately preceding the Appointed Date and all assets and properties relating thereto, which are acquired by Residual Oudh Sugar and Residual Upper Ganges on or after the Appointed Date, in accordance with this Scheme, shall be without any further act or deed deemed to be the assets and properties of Avadh Sugar.

80.6.2 All reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed Date and all reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to Residual Oudh Sugar and Residual Upper Ganges, on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the reserves, debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of Avadh Sugar.

80.7 Residual Oudh Sugar and Residual Upper Ganges shall not vary the terms and conditions of service of its employees except in the ordinary course of its business.

81 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of Residual Oudh Sugar and Residual Upper Ganges, pursuant to this Scheme, and the continuance of the legal proceedings by or against Avadh Sugar shall not affect any transactions or proceedings already completed by Residual Oudh Sugar and Residual Upper Ganges, on and after the Appointed Date, to the end and intent that Avadh Sugar accepts all acts, deeds and things done and executed by and /

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.
Company Secretary

or on behalf of Residual Oudh Sugar and Residual Upper Ganges, as acts, deeds and things done and executed by and / or on behalf of Avadh Sugar.

82 COMPLIANCE WITH SECTION 2(1B) OF THE INCOME-TAX ACT, 1961

The provisions of this Scheme as they relate to the amalgamation of Residual Oudh Sugar and Residual Upper Ganges into and with Avadh Sugar have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

83 TREATMENT OF TAXES

83.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Residual Oudh Sugar and Residual Upper Ganges from the Appointed Date onwards shall be treated as the tax liability of Avadh Sugar. Similarly all credits for tax deduction at source on income of Residual Oudh Sugar and Residual Upper Ganges shall be given to Avadh Sugar; or obligation for deduction of tax at source on any payment made by or to be made by Avadh Sugar shall be made or deemed to have been made and duly complied with if so made by Residual Oudh Sugar and Residual Upper Ganges. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Residual Oudh Sugar and Residual Upper Ganges.

83.2 All taxes of any nature, duties, cesses or any other like payment or deductions made by Residual Oudh Sugar and Residual Upper Ganges to any statutory authorities such as Income Tax, Sales Tax, Service Tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Alankhad Canning Limited

Director

For Affiliated Company Limited
Director

For Cinnatolia Tea Limited
Director

For Ganges Securities Limited
Director

For Palash Securities Limited
Director

paid by Avadh Sugar and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Avadh Sugar upon the passing of the orders on this Scheme by the High Court and upon relevant proof and documents being provided to the said authorities.

- 83.3 Upon the Scheme becoming effective, Avadh Sugar is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax/ value added tax, and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. Avadh Sugar shall be entitled to refund and/or set off all amounts paid by either of Residual Oudh Sugar and Residual Upper Ganges or Avadh Sugar under Income Tax, value Added Tax or any other disputed amount under appeal, if any, upon this scheme being effective.

84 DISSOLUTION OF OUDH SUGAR AND UPPER GANGES

- 84.1 On the Scheme becoming effective, Oudh Sugar and Upper Ganges shall without any further act or deed stand dissolved without being wound up.

For Vaishali Sugar & Energy Limited
Director

For Avadh Sugar & Energy Limited
Director

For Magadh Sugar & Energy Limited
Director

For Upper Ganges Sugar & Industries Ltd.

For The Oudh Sugar Mills Ltd.
Company Secretary

Company Secretary

PART - X
GENERAL TERMS AND CONDITIONS

85 APPLICATION TO THE HIGH COURT OR NCLT

Oudh Sugar, Upper Ganges, Palash Securities, Allahabad Canning, Ganges Securities, Cinnatolliah Tea, Vaishali Sugar, Magadh Sugar and Avadh Sugar shall, with all reasonable dispatch, make applications or petitions under Sections 391-394 and other applicable provisions of the Act to the High Court of Allahabad at Allahabad or NCLT or any other appropriate authority, for sanction of this Scheme under the provisions of law.

86 MODIFICATIONS OR AMENDMENTS TO THE SCHEME

Oudb Sugar, Upper Ganges, Palash Securities, Allahabad Canning, Ganges Securities, Cinnatolliah Tea, Vaishali Sugar, Magadh Sugar and Avadh Sugar, by their respective Board of Directors may assent to any modifications / amendments to the Scheme or to any conditions or limitations that the Court and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). Oudh Sugar, Upper Ganges, Palash Securities, Cinnatolliah Tea, Ganges Securities, Allahabad Canning, Vaishali Sugar, Magadh Sugar and Avadh Sugar, by their respective Board of Directors, be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

87 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 87.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of Oudh Sugar, Upper Ganges, Palash Securities, Allahabad Canning, Ganges Securities, Cinnatolliah Tea, Vaishali Sugar, Magadb Sugar and Avadh Sugar, as prescribed under the Act and as may be directed by the High Court or NCLT or any other appropriate authority as may be applicable.

For Vaishali Sugar & Energy Limited
Neelam
Director

For Avadh Sugar & Energy Limited
A. S. S.
Director

For Magadh Sugar & Energy Limited
S. S. S.
Director

For Upper Ganges Sugar & Industries Ltd.


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Company Secretary

For The Oudh Sugar Mills Ltd.


Company Secretary

For Palash Securities Limited


Director

For Ganges Securities Limited

Director

For Cinnatolliah Tea Limited

Director

For Allahabad Canning Limited

Director

For Allahabad Canning Limited

Director

For Cinnatollah Tea Limited

Director

For Ganges Securities Limited

Director

For Palash Securities Limited

Director

87.2 Approval and agreement by the public shareholders of the listed Companies through resolution passed through postal ballot and e-voting (after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution), and the votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it in accordance with the SEBI circular no. CIR/CFD/DIL/5/2013 issued on February 04, 2013 and SEBI circular no. CIR/CFD/DIL/8/2013 issued on May 21, 2013 subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time.

87.3 The sanction of this Scheme by the High Court or NCLT or any other appropriate authority under Sections 391 to 394 and other applicable provisions, if any of the Act in favour of Oudh Sugar, Upper Ganges, Palash Securities, Allahabad Canning, Ganges Securities, Cinnatollah Tea, Vaishali Sugar, Magadh Sugar and Avadh Sugar.

87.4 Certified or authenticated copy of the Order of the High Court or NCLT sanctioning the Scheme being filed with the Registrar of Companies by Oudh Sugar, Upper Ganges, Palash Securities, Allahabad Canning, Ganges Securities, Cinnatollah Tea, Vaishali Sugar, Magadh Sugar and Avadh Sugar respectively.

87.5 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

88 EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 87 not being obtained and / or the Scheme not being sanctioned by the High Court or NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Each party shall bear and pay its

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

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For The Oudh Sugar Mills Ltd.

Company Secretary

respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

89 **COSTS, CHARGES AND EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of Oudh Sugar, Upper Ganges, Palash Securities, Allahabad Canning, Ganges Securities, Cinnatollah Tea, Vaishali Sugar, Magadh Sugar and Avadh Sugar, arising out of or incurred in carrying out and implementing this Scheme (including in relation to issuance of shares) and matters incidental thereto, shall be borne by Magadh Sugar and Avadh Sugar in equal proportion and adjusted against the Capital Reserve Account

On the Scheme becoming effective and with effect from the Appointed Date any application and reduction of the Capital Reserve Account and Share Capital in any Part of the Scheme, shall be effected as an integral part of the Scheme itself in accordance with the provisions of Sections 100, 102 and 103 and other applicable provisions of the Act and as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of Section 101 of the Act are not applicable. However, the order of the High Court or NCLT or any other appropriate authority sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

For Vaishali Sugar & Energy Limited

Director

For Avadh Sugar & Energy Limited

Director

For Magadh Sugar & Energy Limited

Director

For Upper Ganges Sugar & Industries Ltd.

Company Secretary

For The Oudh Sugar Mills Ltd.

Company Secretary

For Palash Securities Limited

Director

For Ganges Securities Limited

Director

For Cinnatollah Tea Limited

Director

For Allahabad Canning Limited

Director