

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH, at MUMBAI

TRANSFERRED COMPANY SCHEME PETITION NO. 182 OF 2017

TRACSTAR INVESTMENT PRIVATE LIMITED ... Transferor Company

AND

TRANSFERRED COMPANY SCHEME PETITION NO. 183 OF 2017

ALLIED BLENDERS & DISTILLERS PRIVATE LIMITED ...

... Transferee Company

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956 (corresponding sections 230 to 232 of the Companies Act 2013);

AND

In the matter of Scheme of Arrangement between Tracstar Investment Private Limited ("Transferor Company" / "Demerged Company") and Allied Blenders & Distillers Private Limited ("Transferee Company"/ "Resulting Company") and their respective Shareholders and creditors.

Called for Hearing

Mr. Hemant Sethi i/b Hemant Sethi & Co., Advocates for the Petitioners.

Mr. S Ramakantha, Joint Director in the office of Regional Director .

Mr. Pushkal Mishra , i/by MV Kini & Co for Andhara Bank

Coram: B.S.V. Prakash Kumar, Member (Judicial)

V. Nallasenapathy, Member (Technical)

Date: 6th April 2017

1. Heard the learned counsel for the Petitioner Companies and the objecting Creditor.

The learned counsel for Andhra Bank (ie. lead Bank representing other member Banks of the consortium) submits that dues of the consortium Banks including Andhra Bank have not been paid and therefore Andhra Bank in their capacity as lead Bank is objecting to the Scheme .



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3. The Counsel for the Petitioner Companies submits that the Transferor Company has already submitted an affidavit dated 4th April 2017 to Andhra Bank recording that the Transferor Company has already deposited a sum of Rs 5 crores with Andhra Bank being the Lead Bank and that the Transferor Company undertakes that it shall submit the final amount payable by way of "Right to Recompensate" (i.e ROR) duly certified by its statutory auditor by 15th April 2017. If any amounts are due and payable to by way of ROR to the consortium Banks including Andhra Bank over and above the deposited amount of Rs. 5 crores, the Transferor Company will undertake to make the payment within 2 working days from the date of email/letter received from Andhra Bank. Andhra Bank has accordingly given their No objection to the Scheme of Arrangement.
4. The sanction of the Tribunal is sought under Sections 230 and 232 of the Companies Act, 2013, to the Scheme of Arrangement between Tracstar Investment Private Limited ("Transferor Company" / "Demerged Company") and Allied Blenders & Distillers Private Limited ("Transferee Company"/ "Resulting Company") and their respective Shareholders and creditors.
5. Learned Counsel for the Petitioner Companies states that the Transferor Company is primarily engaged in the business of bottling, bottle trading and has a grain based distillery.
6. The rationale for the scheme is that in order to achieve synergies and commonality as part of Group restructuring exercise, the Resulting Company has envisaged to acquire the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company. To achieve this end, it is proposed to demerge the Bottle trading, Bottling and Distillery Business Undertaking from Tracstar Investment Private Limited to Allied Blenders & Distillers Private Limited.
7. The Demerged Company and the Resulting Company have approved the said Scheme of Arrangement by passing the Board Resolution which are annexed to the Company Scheme Petition filed by the Petitioner Companies.
8. Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of Hon'ble National Company Law Tribunal Mumbai bench and has filed necessary affidavits of compliance with the National Company Law Tribunal Mumbai bench. Moreover, the Petitioner Companies through its Counsel



undertakes to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and the Rules made there under whichever is applicable. The said undertaking given by the Petitioner Companies is accepted.

9. The Regional Director has filed a Report dated 27th day of March, 2017 stating therein, that the Tribunal may take this report on record and pass such other order or orders as deemed fit and proper in the facts and circumstances of the case post considering the observations made at Sr. No. IV (a) to (d) mentioned in his report.

In paragraphs IV (a) to (d), of the said Report it is stated that:-

- a) *In addition to compliance of AS-14 (IND AS-103) the Resulting Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as (IND AS-8) etc.,*
- b) *As per existing practice, the Petitioner Companies are required to serve Notice for Scheme of Arrangements to the Income Tax Department for their comments. It appears that the company vide letter dated 28.10.2016 has served a copy company petition No.690 & 691 of 2016 (TCSP No. 182 & 183 of 2017) along with relevant orders etc. However, as on date there is no response from Income Tax Department. Further the Regional Director has also issued a reminder on 23.03.2017 to respective IT Department. The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Tribunal may not deter the Income tax Authority to scrutinize the tax return filed by the Resulting Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Company.*
- c) *The Deponent prays that the excess of, or deficit, in value of the assets over the value of the liabilities of the Demerged Company vested in the Resulting Company pursuant to the scheme as recorded in the books of account of the Resulting Company shall be treated as Capital Reserve and in the case of deficit, it should be treated as Goodwill.*
- d) *Petitioner in the Clause No. 13.7 inter alia has mentioned that the Resulting Company shall, if an to the extent required, increase and / or reclassify its Authorized share capital to facilitate the issue of New Equity Shares under this Scheme. Therefore, Deponent prays that the Hon'ble Tribunal may pass orders to comply with the sec 61, r/w sec 13, sec. 64 and other applicable sections of the Companies Act, 2013...."*
10. As far as the observations made in paragraph IV (a) of the RD Report is concerned, Petitioner Companies through its Counsel undertakes that in addition to compliance of AS-14 (IND AS-103) the Resulting Company shall also pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as (IND AS-8) etc as may be applicable.,



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11. As far as the observations made in paragraph IV (b) of the RD Report is concerned, Petitioner Companies through its Counsel submits that the Petitioner Companies undertakes to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
12. With reference to the observation set out in paragraphs IV (c) of the RD Report, Petitioner Company undertakes that that the accounting treatment for the Resulting Company as provided in the scheme is already in compliance with applicable accounting standards as confirmed by the certificate from the statutory auditors of the Resulting Company.
13. With reference to the observation set out in paragraph IV (d) of the RD Report, the Petitioner Companies through its Counsel submits that it undertakes to comply with all relevant and applicable provisions of the Companies Act, 2013 and the rules framed thereunder in respect of the increase in Authorized share capital of the Resulting Company to facilitate the issue of New Equity Shares under the Scheme of Arrangement.
14. The observations made by the Regional Director have been explained by the Petitioner in paragraphs 10 to 13 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted.
15. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
16. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition Nos. 690 & 691 of 2016 (TCSP No. 182 & 183 of 2017) filed by the Petitioner Companies are made absolute in terms of prayer clause (a) of the respective Petitions.
17. Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with E-Form INC-28, in addition to the physical copy within 30 days from the date of issuance of the order by the Registry.
18. The Resulting Company to lodge certified copy of this order and the Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose



of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.

19. The Petitioner Company to pay cost of Rs.25,000/- each to the Regional Director, Western Region, Mumbai.
20. Costs to be paid within four weeks from the date of receipt of order.
21. All authorities concerned to act on a certified copy of this order along with Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench.
22. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

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B.S.V. Prakash Kumar, Member (Judicial)

sd-

V. Nallasenapathy, Member (Technical)



Certified True Copy
 Date of Application 07.04.2017
 Number of Pages 5
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 Copy prepared on 17.04.2017
 Copy issued on 17.04.2017

Deputy Director
 National Company Law Tribunal, Mumbai Bench

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SCHEME OF ARRANGEMENT

BETWEEN

TRACSTAR INVESTMENTS PRIVATE LIMITED

AND

ALLIED BLENTERS AND DISTILLERS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(Under Sections 391 to 394 of the Companies Act, 1956 and the rules made thereunder or any other section for the time being in force)

PREAMBLE

This Scheme of Arrangement (the "Scheme") is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for Demerger of Bottle trading, Bottling and Distillery Business Undertaking (as defined hereinafter) from Tracstar Investments Private Limited ("TIPL") to Allied Blenders and Distillers Private Limited ("ABDPL").

The Scheme has been formulated and presented under section 391 to 394 of the Companies Act, 1956. Upon the relevant sections of the Companies Act, 2013 pertaining to schemes of arrangement, compromise or reconstruction of companies being notified by the Ministry of Corporate Affairs ('MCA'), the Scheme shall be deemed to have been formulated and presented under sections 230 to 240 and relevant applicable provisions of the Companies Act, 2013.

(A) Description of Companies

1. Tracstar Investments Private Limited (hereinafter referred to as "TIPL" or "Demerged Company"), was incorporated as a private limited company under the Companies Act 1956, on the 29th September 1988 (CIN – U67120MH1988PTC159991) – PAN AAAC5220G. Its registered office is situated at 394-C, Lamington Chambers, Lamington road, Mumbai 400 004, Maharashtra, India.

Allied Blenders and Distillers Private Limited (hereinafter referred to as "ABDPL" or "Resulting Company"), was incorporated as a private limited company under the Companies Act 1956, on the 08th October 2008 (U15511MH2008PTC187368) PAN -



AAACY3846K. Its registered office is situated at 394-C, Lamington Chambers, Lamington road, Mumbai 400 004, Maharashtra, India.

(B) Rationale and purpose of the Scheme

1. ABDPL is a leading IMFL company engaged in manufacturing, marketing and sale of alcoholic beverages in India.
2. TIPL is, inter alia, engaged in the business of bottle trading including a wholly owned subsidiary Shasta Bio-fuels Private Limited (hereinafter referred to as "Shasta") which has a grain based distillery. It is proposed to merge Shasta with TIPL with effect from March 01, 2016 through a separate scheme of amalgamation, such that the entire business including Bottle trading, bottling and distillery business is consolidated at TIPL.
3. For achieving synergies and commonality as part of Group restructuring exercise, ABDPL proposes to acquire the Bottle trading, Bottling and Distillery Business Undertaking of TIPL. To achieve this end, it is proposed to demerge the Bottle trading, Bottling and Distillery Business Undertaking from TIPL ("Demerged Company") to ABDPL ("Resulting Company").
4. Therefore, with a view to effect such plan, the Board of Directors of Demerged Company and the Resulting Company propose that the undertaking comprising of the Bottle trading, Bottling and Distillery Business from the Demerged Company be demerged and transferred to and vested in the Resulting Company on a going concern basis, to be undertaken through this Scheme (as defined hereinafter) under the provisions of Sections 391-394 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 or Companies Act, 2013 (as maybe applicable and together defined hereinafter as the "Act"), for such consideration and in such manner as provided for in this Scheme (as defined hereinafter).

Accordingly, this Scheme under Sections 391 to 394 of the Act has been proposed to provide for transfer of Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company by way of demerger to the Resulting Company.



6. Upon the sanction of the Scheme by the High Court (as defined hereinafter) and the Scheme becoming effective on the Effective Date (as defined hereinafter), the Bottling and Distillery Business Undertaking of the Demerged Company shall stand transferred to, and be vested in, the Resulting Company on and from the Appointed Date for all intent and purposes.
7. This Scheme also makes provision for various other matters consequential or related thereto and otherwise integrally connected therewith.
8. The Demerger of the Bottle trading, Bottling and Distillery Business Undertaking (also referred to as "the Demerged Undertaking") from the Demerged Company to the Resulting Company shall comply with the provisions of Section 2(19AA) of the Income Tax Act, 1961, such that:
- (i) all the properties of the Demerged Undertaking, being transferred by the Demerged Company, immediately before the Demerger shall become the properties of the Resulting Company by virtue of such Demerger;
 - (ii) all the liabilities relatable to the Demerged Undertaking, being transferred by the Demerged Company, immediately before the Demerger shall become the liabilities of the Resulting Company by virtue of such Demerger;
 - (iii) the properties and the liabilities relatable to the Demerged Undertaking being transferred by Demerged Company shall be transferred to the Resulting Company at the values appearing in the books of account of the Demerged Company immediately before the Demerger. For this purpose, any change in the value of assets consequent to their revaluation, if any, shall be ignored;
 - (iv) the Resulting Company shall issue, in consideration of the Demerged Undertaking, shares to the shareholders of the Demerged Company on a proportionate basis;
 - (v) Shareholders holding at least 75% value of shares of the Demerged Company shall become the shareholders of the Resulting Company by virtue of the Demerger, otherwise than as a result of the acquisition of the property or assets of the Demerged Company or any undertaking thereof by the Demerged Company; and



(vi) the transfer of the Demerged Undertaking shall be on a going concern basis.

9. This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961. If any term or provisions of the Scheme is found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modification will however not affect other parts of the Scheme.

(C) Parts of the Scheme

The Scheme is divided into the following parts:

1. Part A deals with the definitions, and the share capital of the Demerged Company and Resulting Company;
2. Part B deals with demerger of Bottle trading, Bottling and Distillery Business Undertaking from TIPL and transfer and vesting thereof into ABDPL and matters consequential or related thereto; and
3. Part C deals with other terms and conditions.

PART A – DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the meaning as mentioned herein below:

"Act" or "the Act" means the Companies Act, 1956 and / or Companies Act, 2013 and any amendments made thereunder and shall include any statutory modification or re-enactment or amendment thereof for the time being in force. Any references to the provisions of the



Companies Act, 1956 shall be construed to be references to the corresponding provisions of the said provisions in the Companies Act, 2013.

- 1.2. **"Appointed Date"**: For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1 April 2016 or such other date as the High Court may direct/fix and with effect from such Appointed Date, the scheme shall come into effect.
- 1.3. **"Board of Directors"** in relation to TIPL and ABDPL shall, unless it be repugnant to the context or otherwise, includes a Committee of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.4. **"Bottle trading, Bottling and Distillery Business Undertaking"** means the Bottling and Distillery Business carried out by the Demerged Company and includes business activities and operations (including all assets and liabilities) pertaining to the Bottling and Distillery Business of the Demerged Company, on a going concern basis, and includes without limitation the following:
- all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature and whether or not recorded in the books of accounts) of the Bottling and Distillery Business Undertaking of the Demerged Company as on the Appointed Date.
 - all the secured and unsecured debts, liabilities, duties and obligations of the Demerged Company pertaining to and / or relatable to Bottling and Distillery Business Undertaking as on the Appointed Date.
 - all employees of the Demerged Company substantially engaged in the Bottling and Distillery Business and those employees that are determined by the Board of Directors of the Demerged Company to be substantially engaged in or relatable to Bottling and Distillery Business as on the Appointed Date.
 - Without prejudice to the generality of sub-clause (a) to (c) above, with effect from the Appointed Date the Bottling and Distillery Business Undertaking of the Demerged Company including their assets, all receivables, book debts, notes receivable, deposits, cash balances with bank, contingent rights or benefits; earnest moneys, fixed assets, current assets, sundry debtors, fixed deposits,



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security deposits, accrued income, loans & advances, prepaid expenses, advance paid to customers, advance paid towards rents, and all other advances or deposits paid by the Demerged Company relating to the Bottling and Distillery Business Undertaking, benefit of any security arrangements or under any guarantees, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, software and other licenses, municipal permissions, permits, approvals, authorizations, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, provisions, funds, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, other Intellectual Property Rights, registrations, contracts including contracts with suppliers and client contracts, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, title, interests, other benefits (including tax benefits), leasehold rights, tenancy rights, patents, domain names, trademarks, trade names, copyrights, rights of any nature whatsoever including know-how, investments of any kind, allotments, approvals, consents, licenses (as per Schedule II containing details of the licenses attached with this Scheme), registrations, contracts, engagements, arrangement of all kind, benefits under the agreements/contracts, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated, permits, authorizations, whether applied for or to be applied for after the Appointed Date or, authorities, privileges, electricity, water and other service connections, cash balances, immovable property (as per Schedule I containing details of the Immovable Property attached with this Scheme), security deposits, refunds, outstanding balances, stocks, investments, rights and powers of every kind, nature and description whatsoever, privileges, liberties, benefits of all agreements, incentives, returned/assessed unabsorbed depreciation of Bottling and Distillery Undertaking, tax credits (including but not limited to credits in respect of value added tax, sales tax, CENVAT credits, etc) and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated belonging to or relatable to Bottling Business and Distillery Business Undertaking of the Demerged Company, as on the Appointed Date;

It is intended that the definition of Bottling Business and Distillery Business Undertaking under this clause would enable the transfer of all property, assets,



rights, licenses (more particularly but not limiting to Manufacturing Excise Licenses in respect of Distillery and Bottling issues by State Excise Department) duties, employees and liabilities of TIPL into ABDPL pursuant to this Scheme.

- 1.5. **"Demerger"** means the transfer by way of demerger of Bottling and Distillery Business Undertaking of TIPL to ABDPL as set out in Part B and Part C.
- 1.6. **"Demerged Company"** or **"TIPL"** means Tracstar Investments Private Limited; a company incorporated under the Act on 29th September 1988 (CIN – U67120MH1988PTC159991) – PAN AACT5220G, having its registered office at 394-C, Lamington Chambers, Lamington road, Mumbai 400 004, Maharashtra, India.
- 1.7. **"Effective Date"** means the date or last of the dates on which all the conditions and matters referred to in Clause 18 of this Scheme have been fulfilled. Any references in this Scheme to "upon this Scheme being effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" shall be construed to be a reference to the Effective Date.
- 1.8. **"High Court"** means the Hon'ble High Court of Bombay in Maharashtra having jurisdiction in relation to the TIPL and ABDPL or the National Company Law Tribunal, or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.
- 1.9. **"IT Act"** means the Income Tax Act, 1961, including any statutory modifications, re-enactments or amendments thereof for the time being in force read with the relevant rules, regulations and/or circulars issued thereunder;
- 1.10. **"Registrar of Companies"** or the **"ROC"** means the Registrar of Companies, Mumbai, Maharashtra.

1.11. **"Remaining Business"** means the business, assets and liabilities of the Demerged Company other than the Bottle trading, Bottling and Distillery Business Undertaking and includes all other business units, divisions (including loans to various group companies) and their respective assets, liabilities including portion of general or multipurpose



borrowings, contracts and employees not allocated to the Bottling and Distillery Business Undertaking of the Demerged Company.

- 1.12. **"Resulting Company"** or **"ABDPL"** means Allied Blenders and Distillers Private Limited; a company incorporated under the Act on 8th October 2008 (U15511MH2008PTC187368) PAN - AAACY3846K, having its registered office at 394-C, Lamington Chambers, Lamington road, Mumbai 400 004, Maharashtra, India.
- 1.13. **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Arrangement in accordance with Section 2(19AA) of the IT Act in its present form, together with all the schedules and annexures, which shall form part of this Scheme of Arrangement and shall be submitted to the High Court(s) with or without any modification(s) made under Clause 17 of this Scheme or with such other modification(s) / amendment(s) as the High Court(s) may direct.
- 1.14. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act, IT Act, and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.
- 1.15. References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- 1.16. References to any of the terms taxes, duty, levy, cess in the Scheme shall be construed as reference to all of them whether jointly or severally.
- 1.17. In this Scheme, unless the context otherwise requires:
- (i) references to "persons" shall include individuals, bodies corporate (whether incorporated), unincorporated associations and partnerships;
 - (ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
 - (iii) references to one gender includes all genders; and
 - (iv) words in singular shall include the plural and vice-versa.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE



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

3. SHARE CAPITAL

3.1. The Authorised, issued, subscribed and paid-up share capital of the Demerged Company as on March 31, 2015 is as under:

Particulars	Rupees
Authorised Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
TOTAL	5,00,000
Issued, Subscribed and Paid-up Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
TOTAL	5,00,000

Subsequent to the aforesaid Balance Sheet date, there is no change in the Authorised, issued, subscribed and paid-up share capital of the Demerged Company.

3.2. The Authorised, issued, subscribed and paid-up share capital of the Resulting Company as on March 31, 2015 is as under:

Particulars	Rupees
Authorised Capital	
1,01,10,000 Equity Shares of Rs. 10 each	10,11,00,000
3,50,00,000 Preference Shares of Rs. 10 each	35,00,00,000
TOTAL	45,11,00,000
Issued, Subscribed and Paid-up Capital	
97,80,000 Equity Shares of Rs. 10 each fully paid-up	9,78,00,000
3,50,00,000 Preference Shares of Rs. 10 each fully paid up	35,00,00,000
TOTAL	44,78,00,000





Subsequent to the aforesaid Balance Sheet date, there is no change in the Authorised, issued, subscribed and paid-up share capital of the Resulting Company.

PART B- DEMERGER OF BOTTLE TRADING, BOTTLING AND DISTILLERY BUSINESS UNDERTAKING FROM DEMERGED COMPANY INTO RESULTING COMPANY

4. TRANSFER OF UNDERTAKING

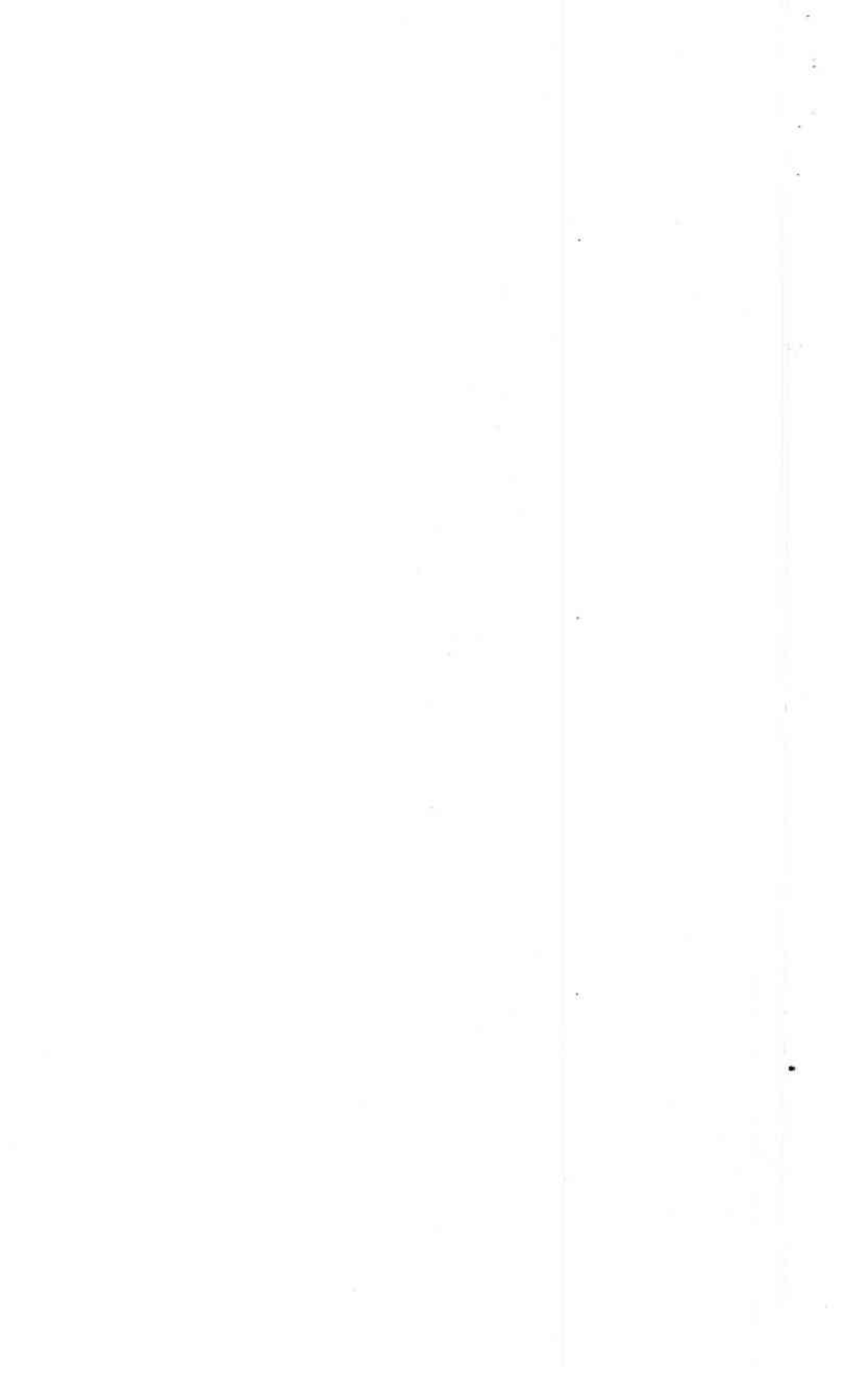
Upon the Scheme coming into effect, and with effect from the Appointed Date:

- 4.1 Subject to the provisions of the Scheme, the Bottle trading, Bottling and Distillery Business Undertaking of Demerged Company, as defined in Clause 1.5, shall subject to the provisions of this Clause in relation to the mode of vesting and pursuant to Section 394(1) of the Act, and without any further act or deed, be transferred to and vested in and is deemed to be transferred to and vested in the Resulting Company, as a going concern.
- 4.2 The whole of the Bottle trading, Bottling and Distillery Business Undertaking, as aforesaid, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of the Act, if any, without any further act or deed, be transferred to and be vested in and be deemed to be transferred to and be vested in Resulting Company, as at the day immediately preceding the Appointed Date, so as to vest in Resulting Company all the rights, title and interest of Demerged Company therein.

Since this Demerger involves transfer of the Bottle trading, Bottling and Distillery Business Undertaking, the approval granted by the shareholders of the Demerged Company to the Scheme shall be deemed to include the approval under section 180(1)(a) of the Companies Act, 2013.

- 4.3 All the movable assets of the Bottling and Distillery Business Undertaking or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, all inventory lying at various locations shall be physically handed over by manual delivery to the Resulting Company to the end and intent that the property therein passes to the Resulting Company on such delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of Resulting





Company accordingly. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Demerged Company and Resulting Company.

4.4 In respect of movable assets, other than those specified in sub-clause 4.3 above, including actionable claims, transfer of sundry debtors, related investments and outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances, deposits with the Electricity, Water, Central Excise, Customs, Sales Tax / VAT / GST and such other departments of the State and / or Central Government if any and Indemnity, Guarantee, undertaking furnished to any department or authority of the State and / or Central Government, the Demerged Company shall give notice in such form as it may deem fit and proper to each party, debtor, depositor or the investee of Demerged Company as the case may be, that pursuant to the Orders of the High Court sanctioning the Scheme, the said debt, loan, advances, etc. to be paid or made good or held on account of the Resulting Company as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realize the same stands extinguished, and that such rights to recover or realize the same shall vest in the Resulting Company. The Resulting Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor or investee that pursuant to the Order of the High Court sanctioning the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to the account of the Resulting Company and that the right of the Resulting Company to recover or realise the same is in substitution of the right of the Demerged Company.

4.5 In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, belonging to the Bottling Business and Distillery Business Undertaking of the Demerged Company, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Resulting Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required.

4.6 All immovable properties relating to the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company, including land (as per Schedule I containing



details of the Immovable Property attached with this Scheme) together with the buildings and structures standing thereon and rights and interests in immovable properties, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Resulting Company, without any further act or deed done or being required to be done by the Demerged Company and/or the Resulting Company. The Demerged Company shall take all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Resulting Company. The Resulting Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Resulting Company by the appropriate authorities pursuant to the sanction of this Scheme by the Court in accordance with the terms hereof.

- 4.7 All debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, relating to Bottle trading, Bottling and Distillery Business Undertaking, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Demerged Company shall also, under the provisions of Section 391 read with Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and the Resulting Company shall, and undertake to meet, discharge and satisfy the same in terms of their respective terms & conditions. It is hereby clarified that it shall not be necessary to obtain the prior consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause 4.

However, the Resulting Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of other party to the contract or arrangement relating to Bottle



trading, Bottling and Distillery Business Undertaking to which the Demerged Company is a party or any writing, as may be necessary, in order to give formal effect to the above provisions.

- 4.9 Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Demerged Company or the Resulting Company, and the Resulting Company shall not be obliged to create any further or additional security therefore after the Effective Date or otherwise.
- 4.10 In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person and availed of by the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company are concerned, the same shall vest with, and be available to, the Resulting Company on the same terms and conditions.
- 4.11 Loans or other obligations, if any, due between or amongst the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company and the Resulting Company shall stand cancelled and there shall be no liability in that behalf.
- 4.12 Where any of the liabilities and obligations/assets attributed to the Bottle trading, Bottling and Distillery Business Undertaking of Demerged Company on the "Appointed Date" has been discharged/ sold by the Demerged Company after the "Appointed Date" and prior to the "Effective Date", such discharge/sale shall be deemed to have been for and on behalf of the Resulting Company.
- 4.13 All permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a beneficiary or obligee thereto.



- 4.14 Any statutory licenses including Distillery and Bottling Licenses (more particularly but not limiting to Manufacturing Excise Licenses in respect of Distillery and Bottling issues by State Excise Department (as per Schedule II containing details of the licenses attached with this Scheme), permissions, approvals and/or consents pertaining to or relating to Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company required to carry on operations shall stand vested in or transferred to the Resulting Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the Resulting Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations attributed to the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company shall vest in, and become available to, the Resulting Company.
- 4.15 The entitlement to various benefits under incentive schemes and policies in relation to the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company shall stand transferred to, and be vested in, and/or be deemed to have been transferred to, and vested in, the Resulting Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) sales tax, value added tax, turnover tax, service tax, CENVAT credit and other incentives in relation to the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company to be claimed by the Resulting Company with effect from the Appointed Date as if the Resulting Company was originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the Resulting Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Demerged Company.
- 4.16 Since each of the permissions, approvals, consents, sanctions, remissions, holidays, incentives, concessions and other authorizations relating to the Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company, shall stand transferred under this Scheme to the Resulting Company, the Resulting Company shall file the relevant intimations, if any, for the record of the statutory authorities who shall take them on file, pursuant to the Scheme coming into effect.



- 4.17 From the "Effective Date" and till such time that the names of the bank accounts of the Demerged Company including but not limited to balances with scheduled banks in current accounts and in deposit accounts are replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company, in its name, in so far as may be necessary.

5. LEGAL PROCEEDINGS AND OTHER PROCEEDINGS

- 5.1 Upon coming into effect of this Scheme, all legal, or other proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted any time thereafter and in each case relating to the Bottle trading, Bottling and Distillery Business Undertaking shall be continued and enforced by or against the Resulting Company with effect from the Appointed Date. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal, or other proceedings against the Resulting Company. The Resulting Company shall be replaced/ added as a party to such proceedings and shall prosecute or defend such proceedings at its own cost, in co-operation with the Demerged Company.
- 5.2 If any proceedings are taken against the Demerged Company in respect of the matters referred to in Clause 5.1 above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- 5.3 The Resulting Company undertakes to have all legal, or other proceedings initiated by or against the Demerged Company referred to in Clause 5.1 above transferred to its name as soon as is reasonably possible after the Appointed Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. Both companies shall make relevant applications in that behalf.
- 5.4 Further, the aforementioned proceedings shall not abate or be discontinued nor be in



any way prejudicially affected by reason of the demerger of Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company into Resulting Company or anything contained in the Scheme.

6. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

6.1 Upon the coming into effect of this scheme and subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, lease agreements, leave and license agreements, licenses, engagements, certificates, permissions, consents, approvals, concessions, and incentives (including but not limited to benefits under the I. T. Act, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws and other incentives), remissions, remedies, subsidies, guarantees and other instruments, if any, of whatsoever nature in relation to the Bottle trading, Bottling and Distillery Business Undertaking, to which the Demerged Company is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Resulting Company, (as the case may be) and may on this Scheme becoming effective, be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto. The Resulting Company may thereupon enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.

7. EMPLOYEES

7.1 All staff, workmen and employees of Bottle trading, Bottling and Distillery Business Undertaking in the Demerged Company, in service on the Effective Date shall be deemed to have become the staff, workmen and employees of the Resulting Company, with effect from the Appointed Date without any interruption of or break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favourable than those



applicable to them with reference to the Demerged Company, on the Appointed Date.

7.2 It is expressly provided that, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts including any employment benefits, terminal benefits etc created or existing for the benefit of the staff, workmen and employees of the Demerged Company, in relation to Bottle trading, Bottling and Distillery Business Undertaking, shall become the trusts/funds of the Resulting Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof 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 the Demerged Company, in connection with Bottle trading, Bottling and Distillery Business Undertaking, relating to such fund or funds shall become those of the Resulting Company. It is clarified that the services of the staff, workmen and employees of the Demerged Company, in relation to Bottle trading, Bottling and Distillery Business Undertaking, will be treated as having been continuous for the purpose of the said fund or funds.

7.3 In so far as the fund or funds created or existing for the benefit of the employees of the Demerged Company, in relation to the Bottle trading, Bottling and Distillery Business Undertaking, upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Demerged Company in relation to Bottle trading, Bottling and Distillery Business Undertaking in the said fund or funds as on the Effective Date shall stand transferred from the respective fund or funds of the Demerged Company, in relation to Bottle trading, Bottling and Distillery Business Undertaking to the corresponding fund or funds set up by the Resulting Company.

8. SAVINGS OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Bottle trading, Bottling and Distillery Business Undertaking of Demerged Company under Part B of this Scheme shall not affect any transactions or proceedings already concluded by Demerged Company on or before the Appointed Date, to the end and intent that Resulting Company accepts and adopts all acts, deeds and things made, done and executed by Demerged Company as acts, deeds and things made, done and executed by or on behalf of Resulting Company.



9. BUSINESS AND PROPERTY IN TRUST FOR RESULTING COMPANY:

9.1 With effect from the Appointed Date upto and including the Effective Date:

(a) The Demerged Company shall carry on and be deemed to have carried on its business and activities relating to the Bottle trading, Bottling and Distillery Business Undertaking and shall stand possessed of whole of its undertaking, in trust for the Resulting Company and shall account for the same to the Resulting Company.

(b) Any income or profit accruing or arising to the Demerged Company from the Bottle trading, Bottling and Distillery Business Undertaking and all costs, charges, expenses and losses or taxes (including but not limited to advance tax, tax deducted at source, tax on book profits credit, taxes withheld/paid in a foreign country, etc), incurred by the Demerged Company relating to the Bottle trading, Bottling and Distillery Business Undertaking shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Resulting Company and shall be available to the Resulting Company for being disposed off in any manner as it thinks fit.

9.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations relating to Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Demerged Company, and all liabilities debts, duties, obligations related to Bottle trading, Bottling and Distillery Business Undertaking of the Demerged Company which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Resulting Company.

10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

(a) The Demerged Company shall carry on its Bottling and Distillery Business with reasonable diligence and in the same manner as it has been doing hitherto, and the Demerged Company shall not alter or substantially expand its Bottling and Distillery Business except with the written concurrence of the Resulting Company.



- (b) The Demerged Company shall not, without the written concurrence of the Resulting Company, alienate, charge or encumber its Bottling Business and Distillery Business Undertaking or part of its Bottling Business and Distillery Business Undertaking, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Resulting Company.
- 10.2 On and after the Appointed Date and until the Effective Date, the Demerged Company shall not without the prior written approval of the Board of Directors of the Resulting Company except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.
- 10.3 With effect from the Effective Date, the Resulting Company shall commence and carry on and shall be authorised to carry on the Bottling and Distillery Business carried on by the Demerged Company.
- 10.4 The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require to own and carry on the Bottling and Distillery Business of the Demerged Company.

11. COMPLIANCE WITH TAX LAWS

- 11.1 This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act and other relevant provisions of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act and other relevant provisions of the IT Act.



On or after the Effective Date, the Demerged Company and the Resulting Company are expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the IT Act, Wealth-tax Act, 1957 (including for the purpose of re-computing tax on book profits, fringe benefit tax, wealth tax purposes and

claiming other tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid, and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme from the Appointed Date.

- 11.3 Any refund under the Customs Act 1962, Service Tax laws, applicable State Value Added Tax laws or other applicable laws/ regulations dealing with indirect taxes/ duties/ levies allocable or related to the Bottle trading, Bottling and Distillery Business Undertaking of Demerged Company and due to Demerged Company consequent to the assessment made on Demerged Company for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company.
- 11.4 Obligation for deduction of tax at source on any payment relating to Bottle trading, Bottling and Distillery Business Undertaking made by or to be made by the Demerged Company under the IT Act, Wealth-tax Act, 1957, service tax laws, customs law, state value added tax or other applicable laws / regulations dealing with taxes/ duties / levies on or after appointed date but before effective date shall be made or deemed to have been made and duly complied with by the Resulting Company.
- 11.5 Without prejudice to the generality of the above, all benefits, incentives, losses, book unabsorbed depreciation, tax unabsorbed depreciation, credits (including, without limitation service tax, applicable state value added tax etc.) relating to Bottling and Distillery Business (Undertaking to which the Demerged Company is entitled to in terms of applicable laws) shall be available to and vest in the Resulting Company.

12. REMAINING BUSINESS

The Remaining Business of the Demerged Company shall continue to belong to and be vested in and be managed by the Demerged Company.



12.2 All legal and other proceedings by or against the Demerged Company under any statute, pending on the Appointed Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and be enforced by or against the Demerged Company.

13. DISCHARGE OF CONSIDERATION

13.1 Upon coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Bottle trading, Bottling and Distillery Business Undertaking in the Resulting Company in terms of this Scheme, the Resulting Company, shall without any further application or deed, for every 3 (Three) fully paid-up equity share(s) of Rs. 10 each of the Demerged Company, issue and allot 20 (Twenty) fully paid-up equity shares of Rs. 10/- each ("New Equity Shares") of the Resulting Company to the shareholders of the Demerged Company holding fully paid-up equity shares and whose names appear in the Register of Members of the Demerged Company on the Effective Date or to such of their respective heirs, executors, administrators, assignees, or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Demerging Company in the proportion of their existing shareholding.

13.2 In case any shareholder's holding in the Demerged Company is such that the shareholder becomes entitled to a fraction of New Equity Shares on Demerger, the number of Equity shares to be issued to such shareholder shall be rounded up to next immediate whole number.

13.3 Subject to the provisions of this Scheme, the New Equity Shares to be issued and allotted to the shareholders of the Demerged Company pursuant to Clause 13.1 above, shall in all respects, rank pari passu with the existing equity shares of the Resulting Company in respect of dividend, bonus, right shares, voting rights and other corporate benefits.

The New Equity Shares to be issued and allotted by Resulting Company in terms hereof will be subject to the Memorandum and Articles of Association of Resulting Company.



- 13.5 The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares to the members of the Demerged Company under the Scheme.
- 13.6 The New Equity Shares of Resulting Company will be issued in physical form to all the equity shareholders who hold shares of the Demerged Company.
- 13.7 The Resulting Company shall, if and to the extent required, increase and / or reclassify its Authorized share capital to facilitate issue of New Equity Shares under this Scheme.
- 13.8 The approval of this Scheme by the shareholders of Resulting Company shall be deemed to be due compliance of the provisions of Section 62 of Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares by the Resulting Company to the shareholders of the Demerged Company as provided in this Scheme.
- 13.9 The issue and allotment of New Equity Shares in Resulting Company to the shareholders of the Demerged Company as provided in the Scheme as an integral part thereof, shall be deemed to have been carried out as if the procedure laid down under Section 62 of Companies Act, 2013 and any other applicable provisions of the Act were duly complied with.

14. ACCOUNTING TREATMENT IN BOOKS

In the books of the Demerged Company:

- 14.1 The accounts representing the assets and liabilities of the Demerged Undertaking, shall stand closed on transfer to the Resulting Company, including the corporate loans, term loans, advances and borrowings relatable or pertaining to the Demerged Undertaking which will be transferred in entirety to the Resulting Company in accordance with the provisions of this Scheme. The Demerged Company will reduce the book value of assets and liabilities pertaining to the Demerged Undertaking transferred to the Resulting Company.



- 14.2 The assets and the liabilities of the Demerged Undertaking being transferred to the Resulting Company shall be at values appearing in books of account of Demerged Company on the Appointed Date.
- 14.3 The difference between the values of assets and liabilities transferred pursuant to the Scheme shall be appropriated and adjusted against the Reserves and Surplus of the Demerged Company.

In the books of the Resulting Company:

- 14.4 The Resulting Company shall record the assets and liabilities comprised in the Demerged Undertaking transferred to and vested in it pursuant to this Scheme, at the same value appearing in the books of the Demerged Company at the close of business of the day immediately preceding the Appointed Date.
- 14.5 The Resulting Company shall appropriately record the consideration issued pursuant to Clause 13 of this Scheme to the shareholder's funds.
- 14.6 The difference arising between the values of the net assets transferred pursuant to this Scheme and the amount of Consideration issued pursuant to Clause 13 of the Scheme shall be adjusted against Reserves and Surplus of the Resulting Company.
- 14.7 In case of any differences in accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company will prevail and the difference till the Appointed Date will be quantified and adjusted against Reserves and Surplus.

PART C - OTHER TERMS AND CONDITIONS

15. APPLICATION TO THE HIGH COURT

- 15.1 The Demerged Company and the Resulting Company shall, if required shall, with all reasonable dispatch, make applications / petitions to the High Courts or such other appropriate authority under Sections 391 to 394 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of the Demerged company and the Resulting Company as may be directed by the respective High Courts or such other appropriate authority.

- 15.2 On the Scheme being agreed to by the requisite majorities of the classes of the members of the Demerged Company and the Resulting Company, whether at a meeting



or otherwise, as directed by the High Court(s) or such other appropriate authority, the Demerged Company and the Resulting Company shall, with all reasonable dispatch, apply to the High Court or such other appropriate authority for sanctioning the Scheme under Sections 391 to 394 of the Act, and for such other order or orders, as the said High Court or such other appropriate authority may deem fit for carrying this Scheme into effect.

- 15.3 Any dispute arising out of this Scheme shall be subject to the jurisdiction of the High Court of Bombay.

16. RATIFICATION

- 16.1 The Resulting Company shall accept all acts, deeds and things relating to the Bottle trading, Bottling and Distillery Business Undertaking and executed by and/or on behalf of Demerged Company on and after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of the Resulting Company.

17. MODIFICATION/AMENDMENT TO THE SCHEME

- 17.1 The Demerged Company and the Resulting Company, through their Directors or Committee of Directors or through any Director(s) or Company Secretary authorized in that regard, may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions which the High Courts and/or any other Authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in carrying out this Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect.
- 17.2 For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Directors of the *Resulting* Company are authorized to give such directions and/or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise. Such power is always subject to the approval of the Hon'ble High Court.

- 17.3 All amendments/ modifications to the Scheme shall be subject to the approval of High Court.

18. CONDITIONALITY AND EFFECTIVENESS OF THE SCHEME

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



18.1. The Scheme being sanctioned by the High Court or any other authority under Sections 391 to 394 of the Act and to the necessary orders of the High Court.

18.2. The certified copies of the Order of the High Court under Section 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies at Mumbai.

18.3. The scheme of Amalgamation of Shasta with TIPL has come into effect.

19. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

19.1. In the event of any of the approvals or conditions required to be obtained or fulfilled are not obtained or complied with within such period or periods as may be agreed upon by and between the Demerged Company and the Resulting Company (through their respective Board of Directors) the Scheme shall become null and void and in that event no rights or liabilities whatsoever shall accrue to or be incurred inter se between the Demerged Company and the Resulting Company.

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

19.3. The Board of Directors of the Demerged Company and the Resulting Company shall be entitled to withdraw this Scheme prior to the Effective Date.

19.4. Further, the Board of Directors of the Demerged Company and the Resulting Company shall be entitled to revoke, cancel and declare the Scheme of no effect if such boards are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on either or both of the companies.

19.5. The Demerged Company and the Resulting Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.



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20.1 Upon the scheme coming into effect, the name of the Resulting Company shall automatically be mutated in place of the name of Demerged Company with respect to the immovable properties as described under schedule-I of the Scheme in records of the Office of Sub- Registrar at Wanaparthy, Mahabub Nagar District.

21. COSTS, CHARGES & EXPENSES

Respective costs, charges and expenses, in relation to or in connection with negotiations leading up to this Scheme and of carrying out and implementing the terms and provisions of this Scheme shall be borne and paid by the Resulting Company.



SCHEDULE I

(The Schedule forms an Integral Part of the Scheme of Arrangement between Tracstar Investments Private Limited ("TiPL") and Allied Blenders and Distillers Private Limited and their Respective Shareholders and Creditors)

List of Immovable properties to be transferred pursuant to demerger:

S.NO.	SURVEY NO	ACRE.GUNTAS	DOCUMENT NO	REGISTERED AT OFFICE OF THE SUB REGISTRAR OFFICE	AT BOUNDED BY	
1	692	11.12	6329 / 2010	Sub-Registrar Office at Wanaparthy, Mahabub Nagar Dist.	East	Telugu Arella son's Agricultural Land
	692	4.04			West	SC. Balaya Agricultural Land
					North	Mr.Koteshwar Reddy Agricultural Land
					South	Road
2	690 / A	4.31	6330 / 2010	Sub-Registrar Office at Wanaparthy, Mahabub Nagar Dist.	East	Buyer's Land
	691 / A / 2	2.17			West	Mr.Subbalah Agricultural Land
	691 / A / 2	3.13			North	N.Sudhakar Reddy Agricultural Land
					South	N.Chandra Reddy Agricultural Land
3	688	0.22	8949 / 2011	Sub-Registrar Office at Wanaparthy, Mahabub Nagar Dist.	East	Shasta Bio-Fuels Land & Mr.Sudhakar ReddyLand
	689 / A	0.37				
	691 / A	0.27				
	688	0.20				
	689 / A	0.13			West	Road
	691 / A	0.26				
	688	0.22				
	689 / A	0.13				
	691 / A	0.27			North	Wagu (Knnel)
	688	0.22				
	689 / A	0.15				
	691 / A	0.26				
	688	0.23			South	M.V.Subbalah Land
	689 / A	0.13				
	691 / A	0.27				



4	661 / A	1.26	8950 / 2011	Sub-Registrar Office at Wanaparthy, Mahabub Nagar Dist.	East	M.V. Subbalah Land
	699 / 1	3.18			West	Krishna Rivulet
	700 / 2	6.23			North	P.Shaker Reddy Land
	699 / 3	3.18			South	M.V. Subbalah Land
	700 / 1	6.23				
5	691 / A 3	0.22	8604 / 2013	Sub-Registrar Office at Wanaparthy, Mahabub Nagar Dist.	East	Buyer's Land
					West	M.V. Subbaiah Land
					North	Buyer's Land
					South	Road
6	661 / A	1.27	8605 / 2013	Sub-Registrar Office at Wanaparthy, Mahabub Nagar Dist.	East	M.V. Subbalah Land Balance Land
	689	1.07			West	Krishna Rivulet
					North	G.N.S.Bharath Land
					South	M.V. Subbalah Land Balance Land
7	635 / A	3.20	6325 / 2010	Sub-Registrar Office at Wanaparthy, Mahabub Nagar Dist.	East	SC. Kondappa Agricultural Land & Rivulet
					West	Ramakrishna Agricultural Land
					North	M.V.Subbaidh Agricultural Land & Road
					South	M.V.Subbaidh Agricultural Land
8	689 / A	0.36	7067 / 2015	Sub-Registrar Office at Wanaparthy, Mahabub Nagar Dist.	East	Pathway
	690 / A	1.26			West	Land belongs to M/s.Shasta Bio-Fuels Pvt.Ltd
	691	0.32				North
	689	0.36			South	Land belongs to M/s.Shasta Bio-Fuels Pvt.Ltd
	690	1.26				
	691	0.32				
	689 / A	0.37				
	690	1.18				
	691 / A	0.32				
9	691/AA/3/2	2.30	Sale deed	Sub-Registrar Office	East	Land of Shasta Bio-Fuels



			registered with Sub- Registrar on 7 th December 15.	at Wanaparthi, Mahabub Nagar Dist.		Pvt Ltd
					West	Land of Shasta Bol Fuels Pvt Ltd
					North	Land of Shasta Bol Fuels Pvt Ltd
					South	Agriculture Land of Krishna Sagar
10	Shed D-28, D-29, D-36, D-37 and D- 60 (Part)	Aprox 12440.48 Sq Yard	Sale deed registered with Joint Sub- Registrar on 23 rd December 15	Joint Sub-Register office at Quthbullapur	North South East West	Road no 6 Road no 7 East : Road no 15 Shed No D-27and D-35.
11	Part of Shed D-60	Aprox 1072.40 Sq yard	Sale deed registered with Joint Sub- Registrar on 23 rd December 15	Joint Sub-Register office at Quthbullapur	North South East West	Road no 6 Road no 7 East : Road no 15 Nivee Industrial Ltd. Land .



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SCHEDULE II

(The Schedule forms an Integral Part of the Scheme of Arrangement of between Tracstar Investments Private Limited ("TIPL") and Allied Blenders and Distillers Private Limited ("ABDPL") and their Respective Shareholders and Creditors)

Details of licenses to be transferred pursuant to demerger:

List of Approvals & Sanctions			
S.NO	NAME OF THE AUTHORITY	REGISTRATION NUMBER	ISSUING AUTHORITY
1	LEM FROM MINISTRY OF INDUSTRY	2573/SIA/IMO/2008 DT.14.07.2008	MINISTRY OF TRADE AND BUSINESS
2	LOI FROM GOVT OF AP	LETTER NO. 43754/EX.III.1/2008-1 DATE: 11.02.2009	REVENUE (EXCISE III) DEPT. TELANGANA
3	APPROVALS OF BUILDING PLANS & PERMISSIONS	10432/09/P DATED 07.01.2010	JOINT DIRECTOR OF TOWN & COUNTRY PLANNING, TELANGANA.
4	CERTIFICATE ISSUED BY GRAMPANCHAYAT	7.2.2009 NOC	GRAMPANCHAYAT
5	FACTORIES DEPARTMENT	LICENSE NO.43829	DUPUTY CHIEF INSPECTOR OF FACTORIES, NALGONDA REGION.
6	TS TRANSCO	LR.NO.SE/OP/MBNR/COMML-II(T.KY-100)/D.NO.2357/10, DT.23.10.2010	SE, OPERATION, MAHBLIBNAGAR, CENTRAL POWER AND DISTRUBUTION COMPANY TELANGA STATE. (TSCPDCI)
7	IRRIGATION DEPARTMENT(KRISHNA WATER)	G.O.MS.NO.90, DT. 03.09.2010	IRRIGATION & CAD DEPT - SECRETARY TO GOVT. TELANGANA STATE.
8	GROUND WATER DEPARTMENT	LR. NO.1058/TECH/200/797, DT.02.12.2009	WATER DEPARTMENT, TELANGANA
9	TELANGANA STATE POLLUTION CONTROL BOARD	ORDER NO.APPPCB/HYD/MBH/HQ/CFO/2012-1891, DT.09.08.2012	OFFICE OF STATE POLLUTION CONTROL BOARD
10	FIRE SERVICE DEPARTMENT	RC NO. 151/A2/2015, DT. 07-09-2015	ASST. DISTRICT FIRE OFFICE, MAHABUBNAGAR.
11	PROHIBITION AND EXCISE DEPARTMENT	CR.NO: 1554/2015/CPE/G1	COMMISSIONER OF PROHIBITION AND EXCISE, TELANGANA STATE.
12	CENTRAL BOARD OF EXCISE AND CUSTOMS	AAMCS2055GEM001, DT.18.08.2010	ASST.COMMISSIONER, CUSTOMES AND CENTRAL EXCISE HYD TELANGANA.
13	BOILER LICENSE	AP-5123, DT. 04-02-2010	DY.CHIEF INSPECTOR OF BOILERS (HYD-REGION) TELANGANA
14	PROVIDENT FUND	AP/HY/73447/ENF/CI/T3/2012/482, DT. 05.09.2012	ASST.PROVIDENT.FUND COMESSIONER-HYD
15	LABOUR LICENSE	ALO10/HYD/27/2012	THE INSPECTOR AND ASSISTANT LABOUR OFFICER CIRCLE -10 HYD, TELANGANA



16	FACTORY LICENSE	A/14/2010, DT.19.01.2010	ASST.COMMISSIONER OF LABOUR, MAHABUBNAGAR
17	CERTIFICATE OF IMPORTER-EXPORTER CODE	IEC NO. 0912002387, DT.02.05.2012	FOREIGN TRADE DEVELOPMENT OFFICER, OFFICE OF JOINT DIRECTOR GENERAL OF FOREIGN TRADE, GOVE. OF INDIA
18	FACTORIES DEPARTMENT APPROVED LAYOUT	LR.NO D DIS.C2/MBNR/3398/2014, DT: 29-10-2014	DIRECTOR OF FACTORIES, FACTORIES DEPT GOVT. TELANGANA
18	BOILER PRDS (ADDITIONAL SREAM LINE EXTENTION)	LR. NO. B1/2303/2014, DT. 27.08.2014	DIRECTOR OF BOILERS (FAC) HYD- TELANGANA
20	Excise Bottling License	transfer letter dated 16/12/15 vide -Cr No.6345/2015/CPE/G1	OFFICE of commissioner of prohibition & Excise , Telangana , Hyderabad



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Deputy Director

National Company Law Tribunal, Mumbai Bench





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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

TRANSFERRED COMPANY SCHEME PETITION NO 182 OF 2017

In the matter of the Companies Act,
2013;

AND

In the matter of Sections 391 to 394 of
the Companies Act, 1956 (corresponding
sections 230 to 232 of the Companies Act
2013);

AND

In the matter of Scheme of Arrangement
between Tracstar Investments Private
Limited ("the Transferor Company"/
"Demerged Company") and Allied
Blenders and Distillers Private Limited
("the Transferee Company"/ "Resulting
Company") and their respective
Shareholders and creditors



Tracstar Investments Private Limited

.....Petitioner Company

CERTIFIED COPY OF ORDER DATED 06th DAY OF
APRIL 2017 AND THE SCHEME ANNEXED TO THE
PETITION

HS

HEMANT SETHI & CO
ADVOCATES FOR PETITIONER