

**COMPOSITE SCHEME OF ARRANGEMENT**

**AMONGST**

**DELTA CORP LIMITED**

**AND**

**DELTIN HOTEL & RESORTS PRIVATE LIMITED**

**AND**

**DELTA PENLAND LIMITED**

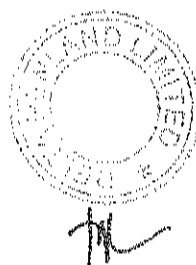
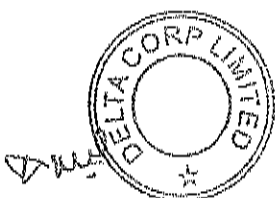
**AND**

**DELTIN CRUISES AND ENTERTAINMENT PRIVATE LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE  
COMPANIES ACT, 2013**



**(A) DESCRIPTION OF COMPANIES**

1. **Delta Corp Limited ("Demerged Company" or "Transferee Company" or "DCL")**, is a company incorporated under the provisions of the Companies Act, 1956. DCL is, *inter alia*, engaged in the business of (i) gaming; and (ii) hospitality and real estate. The equity shares of DCL are listed on the Stock Exchanges (*as defined hereinafter*).
2. **Deltin Hotel & Resorts Private Limited ("DHRPL")** is a company incorporated under the provisions of the Act (*as defined hereinafter*). DHRPL is a company engaged in the hospitality segment. DHRPL is a wholly owned subsidiary of DPL.
3. **Delta Penland Limited ("DPL")** is a company incorporated under the provisions of the Act. DPL is a newly incorporated company and shall carry on the Hospitality and Real Estate Business (*as defined hereinafter*), pursuant to the Scheme (*as defined hereinafter*). DPL is a wholly owned subsidiary of DCL.
4. **Deltin Cruises and Entertainment Private Limited ("Transferor Company" or "DCEPL")** is a company incorporated under the provisions of the Act. DCEPL is a company engaged in the gaming segment, designing, consulting, developing, marketing, hosting online computer and mobile games and other cell phone and internet application and any other media. DCEPL is a step-down wholly owned subsidiary of DCL.

**(B) OVERVIEW OF THE SCHEME**

1. This Scheme is pursuant to the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Act and provides for the following:
  - (i) demerger, transfer and vesting of the Demerged Undertaking 1 (*as defined hereinafter*) from DCL into DHRPL on a *going concern* basis in accordance with the provisions of Section 2(19AA) of the Income Tax Act (*as defined hereinafter*);
  - (ii) demerger, transfer and vesting of the Demerged Undertaking 2 (*as defined hereinafter*) from DCL into DPL on a *going concern* basis in accordance with the provisions of Section 2(19AA) of the Income Tax Act;
  - (iii) reduction and cancellation of the entire pre-scheme share capital of DPL; and
  - (iv) amalgamation of DCEPL with DCL in accordance with the provisions of Section 2(1B) of the Income Tax Act.
2. This Scheme also provides for various other matters consequent and incidental thereto.

**(C) RATIONALE**

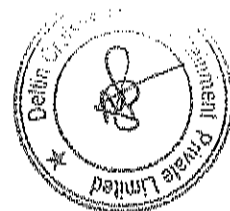
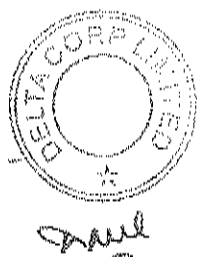
- (i) As part of an overall strategy for the optimum running, growth and development of the businesses of DCL, it is considered desirable and expedient to reorganise and reconstruct DCL by segregating its gaming business from hospitality and real estate vertical. This will result in the creation of two separate robust listed entities viz., DPL focussing exclusively on the hospitality and real estate vertical and DCL shall continue to be in the gaming business.
- (ii) These listed entities will be subject to public, media, analysts and regulatory review. A clean corporate structure with no cross holdings will ensure transparency, accountability, highest standards of corporate governance and compliance. It also enhances operational flexibility and helps quick response to competitive or environmental challenges.

- (iii) The proposed reorganisation pursuant to this Scheme is expected, *inter alia*, to result in the following benefits:
- a) unlocking of value and create enhanced value for shareholders and allow a focused strategy in operations;
  - b) provide better flexibility in accessing capital and attract business specific partners and investors;
  - c) focused management approach for pursuing revenue growth and expansion opportunities in the respective business verticals;
  - d) de-risking the businesses for the stakeholders of DCL through an independent market driven valuation of their shares in DPL which will be listed pursuant to the Scheme;
  - e) streamlining of the corporate structure by elimination of legal entities; and
  - f) reduction of legal and regulatory compliances and cost savings through legal entity rationalisation.
- (iv) The Scheme is in the interest of all stakeholders of DCL, DPL, DHRPL and DCEPL.

**(D) PARTS OF THE SCHEME**

The Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions, share capital of the Parties (*as defined hereinafter*), date of taking effect and implementation of this Scheme;
- (ii) **PART II A** deals with the demerger, transfer and vesting of the Demerged Undertaking 1 from DCL into DHRPL on a *going concern* basis;
- (iii) **PART II B** deals with: (i) the demerger, transfer and vesting of the Demerged Undertaking 2 from DCL into DPL on a *going concern* basis; and (ii) reduction and cancellation of the entire pre-scheme share capital of DPL;
- (iv) **PART II C** deals with issue of equity shares by DPL to the shareholders of DCL as consideration for the demerger of the Demerged Undertaking 1 from DCL into DHRPL and the demerger of the Demerged Undertaking 2 from DCL to DPL;
- (v) **PART III** deals with amalgamation of DCEPL with DCL; and
- (vi) **PART IV** deals with the general terms and conditions applicable to this Scheme.



## PART I

### DEFINITIONS, SHARE CAPITAL OF THE PARTIES, DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

#### 1. DEFINITIONS

- 1.1 In this Scheme: (a) capitalised terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed; and (b) the following expressions shall have the meanings ascribed hereunder:

**"Act"** means the Companies Act, 2013;

**"Applicable Law"** or **"Law"** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), bye-laws, codes, notifications, rules, regulations, policies, guidelines, circulars, press notes, clearances, approvals, directions, directives, ordinances or orders of any Appropriate Authority; (b) Permits; and (c) orders, decisions, writs, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties, in each case having the force of law and that is binding or applicable to a person, as may be in force from time to time;

**"Appointed Date"** means 01 April 2025 or such other date as may be approved by the Board of the Parties;

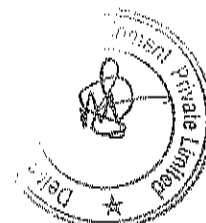
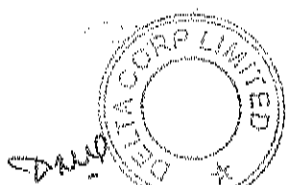
**"Appropriate Authority"** means:

- (i) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, Tribunal, central bank, commission or other authority thereof;
- (ii) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, SEBI and the Tribunal; and
- (iii) any Stock Exchange.

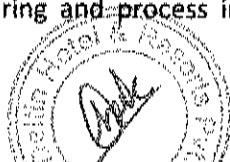
**"Board"** in relation to a Party, means the board of directors of such Party, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors;

**"Demerged Company"** or **"Transferee Company"** or **"DCL"** means Delta Corp Limited, a public company incorporated under the Companies Act, 1956, under the corporate identity number L65493PN1990PLC058817 and having its registered office at Delta House, Plot No. 12, Hornby Vellard Estate, Dr. Annie Besant Road, Next to Copper Chimney, Worli, Mumbai 400 018, Maharashtra;

**"Demerged Undertaking 1"** means the undertaking of DCL pertaining to the Hospitality and Real Estate Business located on the Dhargal Land as on the Appointed Date and shall include (without limitation):



- a) all the properties and assets, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent, deposits, investments of all kinds (including shares, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates), all cash balances with the banks, money at call and short notice, loans, advances, contingent rights or benefits, lease and hire purchase contracts and assets, receivables, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, association of person, body of individuals, partnership firms, whether registered or not, benefit of any security arrangements, authorities, allotments, approvals, buildings and structures, office and other premises, tenancies, leases, licenses, rights arising out of contracts, fixed and other assets, powers, consents, authorities, registrations, agreements, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits, leasehold rights, other benefits, advance tax payments under the Income Tax Act, easements, privileges, liberties, grants and advantages of whatsoever nature including pending projects wheresoever situated, belonging to and/ or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed, including but without being limited to licenses in respect thereof, privileges, liberties, concessions in terms of duties, subsidies, incentives, and including easements, advantages, benefits, rights, grants and exemptions granted under any law, or other enactment, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telex, facsimile, e-mail, web-connections, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, bank and cash balances, security deposit refunds, outstanding balances, stocks/ investments provisions, funds, benefits of all agreements, sales/ purchase order, licenses, all records, files, papers, computer programs, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customers credit information, customer and supplier pricing information and other records and all other interests and including but without being limited to land and building, Floor Space Index (FSI), additional FSI, fungible FSI, densification FSI, all fixed and movable plant and machinery, construction equipment, leasehold or freehold, tangible or intangible assets, computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in progress, vehicles, furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipment, electricals, appliances, accessories and investments relatable to the Demerged Undertaking 1;
- b) all debts, liabilities, duties and obligations, past, present and future of DCL relatable to the Demerged Undertaking 1, including the contingent liabilities;
- c) all Permits, quotas, incentives, powers, authorities, allotments, rights, benefits, advantages, pertaining to the Demerged Undertaking 1, or any power of attorney issued in favour of above mentioned DCL pertaining to the Demerged Undertaking 1, or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority to which the above mentioned Demerged Undertaking 1 was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of provisions, funds, utilities, benefits, duties and obligations of all agreements, contracts and arrangements and all other interests;
- d) contracts, agreements, schemes, arrangements, Know Your Customer (KYC) details and any other instruments pertaining to the Demerged Undertaking 1;
- e) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames and trademarks of DCL pertaining to the Demerged Undertaking 1 (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, computer programs, domain names, software licenses



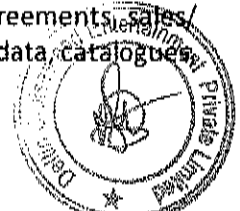
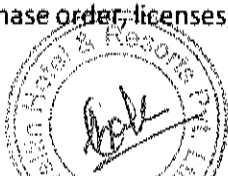
(whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, investor credit information, pricing information, and other records whether in physical or electronic form pertaining to Demerged Undertaking 1;

- f) all refunds, reimbursements, claims, concessions, exemptions, benefits including sales tax deferrals, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Demerged Undertaking 1;
- g) entire experience, credentials, past record and market share of DCL pertaining to the Demerged Undertaking 1;
- h) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and back-up copies, drawings, designs, structural layout plans/ drawings, other manuals, data catalogues, quotations, sales and advertising materials and other papers, documents, data and records whether in physical or electronic form, directly or indirectly, in connection with or relating to the business of the Demerged Undertaking 1; and
- i) all employees engaged in the Demerged Undertaking 1.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Demerged Undertaking 1 shall be decided mutually by the Boards of the Parties;

**"Demerged Undertaking 2"** means the undertaking of DCL pertaining to the Hospitality and Real Estate Business other than Demerged Undertaking 1 as on the Appointed Date and shall include (without limitation):

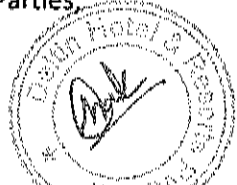
- a) all the properties and assets, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent, deposits, investments of all kinds (including shares, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates), all cash balances with the banks, money at call and short notice, loans, advances, contingent rights or benefits, lease and hire purchase contracts and assets, receivables, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, association of person, body of individuals, partnership firms, whether registered or not, benefit of any security arrangements, authorities, allotments, approvals, buildings and structures, office and other premises, tenancies, leases, licenses, rights arising out of contracts, fixed and other assets, powers, consents, authorities, registrations, agreements, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits, leasehold rights, other benefits, advance tax payments under the Income Tax Act, easements, privileges, liberties, grants and advantages of whatsoever nature including pending projects wheresoever situated, belonging to and/ or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed, including but without being limited to licenses in respect thereof, privileges, liberties, concessions in terms of duties, subsidies, incentives, and including easements, advantages, benefits, rights, grants and exemptions granted under any law, or other enactment, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telex, facsimile, e-mail, web-connections, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, bank and cash balances, security deposit refunds, outstanding balances, stocks/ investments provisions, funds, benefits of all agreements, sales/ purchase order, licenses, all records, files, papers, computer programs, manuals, data, catalogues,



sales and advertising materials, lists and other details of present and former customers and suppliers, customers credit information, customer and supplier pricing information and other records and all other interests and including but without being limited to land and building, Floor Space Index (FSI), additional FSI, fungible FSI, densification FSI, all fixed and movable plant and machinery, construction equipment, leasehold or freehold, tangible or intangible assets, computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in progress, vehicles, furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipment, electricals, appliances, accessories and investments relatable to the Demerged Undertaking 2;

- b) all debts, liabilities, duties and obligations, past, present and future of DCL relatable to the Demerged Undertaking 2, including the contingent liabilities;
- c) all Permits, quotas, incentives, powers, authorities, allotments, rights, benefits, advantages, pertaining to the Demerged Undertaking 2 or any power of attorney issued in favour of DCL pertaining to the Demerged Undertaking 2 or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority to which the above mentioned Demerged Undertaking 2 was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of provisions, funds, utilities, benefits, duties and obligations of all agreements, contracts and arrangements and all other interests;
- d) contracts, agreements, schemes, arrangements, Know Your Customer (KYC) details and any other instruments pertaining to the Demerged Undertaking 2;
- e) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames and trademarks of DCL pertaining to the Demerged Undertaking 2 (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, investor credit information, pricing information, and other records whether in physical or electronic form pertaining to Demerged Undertaking 2;
- f) all refunds, reimbursements, claims, concessions, exemptions, benefits including sales tax deferrals, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Demerged Undertaking 2;
- g) entire experience, credentials, past record and market share of DCL pertaining to the Demerged Undertaking 2;
- h) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and back-up copies, drawings, designs, structural layout plans/ drawings, other manuals, data catalogues, quotations, sales and advertising materials and other papers, documents, data and records whether in physical or electronic form, directly or indirectly, in connection with or relating to the business of the Demerged Undertaking 2; and
- i) all employees engaged in the Demerged Undertaking 2.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Demerged Undertaking 2 shall be decided mutually by the Boards of the Parties;



**"Dhargal Land"** means the land parcel admeasuring 3,74,339 square metres situated in Village Dhargalim, Pernem, Goa, owned by DCL;

**"DHRPL"** means Deltin Hotel & Resorts Private Limited, a company incorporated under the Act, under the corporate identity number U74999MH2016PTC451104 and having its registered office at Delta House, 2<sup>nd</sup> Floor, Plot No. 12, Hornby Vellard Estate, Dr. Annie Besant Road, Next to Copper Chimney, Mumbai 400 018, Maharashtra;

**"DPL"** means Delta Penland Limited, a company incorporated under the Act, under the corporate identity number U68200MH2024PLC423997 and having its registered office at Delta House, Plot No. 12, Hornby Vellard Est A. B. Road, Mumbai 400 018, Maharashtra ;

**"DPL New Equity Shares"** means fully paid-up equity share(s) having face value of INR 1 (Rupee One) each issued by DPL as consideration in terms of Clause 23.1 of this Scheme;

**"Effective Date"** means the date on which last of the conditions specified in Clause 40 of this Scheme are complied with or otherwise duly waived. References in this Scheme to the date of **"coming into effect of this Scheme"** or **"upon the Scheme becoming effective"** shall mean the Effective Date;

**"GST"** means the central tax as defined under the Central Goods and Services Tax Act, 2017, the integrated tax as defined under the Integrated Goods and Services Tax Act, 2017, the State tax as defined under State Goods and Services Tax statutes and the UTGST under the Union Territory Goods and Services Act, 2017;

**"Hospitality and Real Estate Business"** means the business of DCL engaged in providing hospitality services and development and dealing in real estate properties, including associated assets and liabilities;

**"Income Tax Act"** means the Income-tax Act, 1961;

**"INR"** or **"Rs."** or **"Rupee(s)"** means Indian Rupee(s), the lawful currency of the Republic of India;

**"Parties"** shall collectively mean DCL, DPL, DHRPL and DCEPL; and **"Party"** means each of them, individually;

**"Permits"** means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

**"Person"** means an individual, a partnership, a corporation, a limited liability partnership, a company, an association, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

**"Record Date"** means the date to be fixed by the Board of DCL in consultation with the Board of the DPL for the purpose of determining the shareholders of DCL for issuance and allotment of the DPL New Equity Shares;

**"Remaining Business of DCL"** means all other businesses, units, divisions, undertakings, and assets and liabilities of DCL other than the Demerged Undertaking 1 and Demerged Undertaking 2;

**"Resulting Company"** means (i) DHRPL; and (ii) DPL, as the case may be;

**"RoC"** means the relevant jurisdictional Registrar of Companies having jurisdiction over the Parties;





**"Scheme"** means this composite scheme of arrangement as modified from time to time;

**"SEBI"** means the Securities and Exchange Board of India;

**"SEBI Circular"** means the master circular issued by the SEBI bearing reference no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and any amendments thereof issued pursuant to Regulations 11, 37 and 94 of the SEBI LODR Regulations;

**"SEBI LODR Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

**"Stock Exchanges"** means BSE Limited and National Stock Exchange of India Limited collectively and Stock Exchange shall mean each of them, individually;

**"Tax Laws"** means all Applicable Laws dealing with Taxes including but not limited to income-tax, goods and service tax, customs duty or any other levy of similar nature;

**"Taxation" or "Tax" or "Taxes"** means all forms of direct and indirect taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, equalization levy, minimum alternate tax, goods and services tax, excise duty, value added tax, central sales tax, customs duty or otherwise or attributable directly or primarily to any of the Parties and all penalties, charges, cess, costs and interest relating thereto;

**"Transferor Company" or "DCEPL"** means Deltin Cruises and Entertainment Private Limited, a company incorporated under the Act, under the corporate identity number U72900MH2017PTC451105 and having its registered office at Delta House, 2<sup>nd</sup> Floor, Plot No. 12, Hornby Vellard Estate, Dr. Annie Besant Road, Next to Copper Chimney, Mumbai 400 018, Maharashtra; and

**"Tribunal"** means the Mumbai bench of the National Company Law Tribunal having jurisdiction over the Parties.

**1.2 In this Scheme, unless the context otherwise requires:**

- (i) reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions;
- (ii) words denoting the singular shall include the plural and words denoting any gender shall include all genders;
- (iii) headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;
- (iv) reference to a document includes an amendment or supplement to, or replacement or novation of, that document; and
- (v) in the event that the Parties enter into any definitive agreement in relation to this Scheme or any subject matter hereof, the provisions of such definitive agreement shall be binding on the

Parties.

## 2. SHARE CAPITAL

2.1 The share capital of DCL as on date of its Board approving the Scheme is as follows:

Particulars	Amount (in INR)
<b>Authorised share capital</b>	
1,02,18,00,000 equity shares of INR 1 each	1,02,18,00,000
10,00,000 10% non cumulative redeemable preference shares of INR 10 each	1,00,00,000
1,30,00,000 8% non cumulative redeemable preference shares of INR 10 each	13,00,00,000
43,747 0.001% non cumulative optionally convertible preference shares of INR 21,667 each	94,78,66,249
37,747 1% redeemable preference shares of INR 21,667 each	81,78,64,249
<b>Total</b>	<b>2,92,75,30,498</b>
<b>Issued, Subscribed and paid-up share capital</b>	
26,77,71,097 equity shares of INR 1 each	26,77,71,097
<b>Total</b>	<b>26,77,71,097</b>

DCL has outstanding employee stock options under its existing employee stock appreciation rights and stock option schemes, the exercise of which may result in an increase in the issued and paid-up share capital of DCL.

2.2 The share capital of DHRPL as on date of its Board approving the Scheme is as follows:

Particulars	Amount (in INR)
<b>Authorised share capital</b>	
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	<b>1,00,000</b>

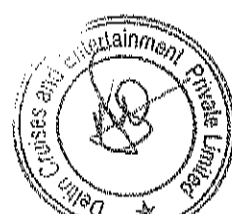
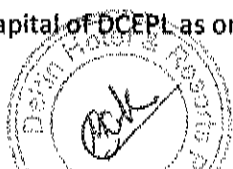
DHRPL is a wholly owned subsidiary of DPL.

2.3 The share capital of DPL as on date of its Board approving the Scheme is as follows:

Particulars	Amount (in INR)
<b>Authorised share capital</b>	
1,00,00,000 equity shares of INR 1 each	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
10,00,000 equity shares of INR 1 each	10,00,000
<b>Total</b>	<b>10,00,000</b>

DPL is in the process of increasing its authorised share capital from INR 1,00,00,000 (Indian Rupees One Crore) to INR 35,00,00,000 (Indian Rupees Thirty-Five Crore) and necessary approvals in this regard are awaited. DPL is a wholly-owned subsidiary of DCL.

2.4 The share capital of DCEPL as on date of its Board approving the Scheme is as follows:

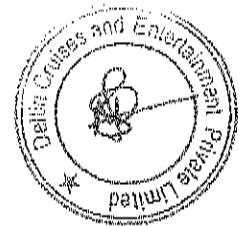
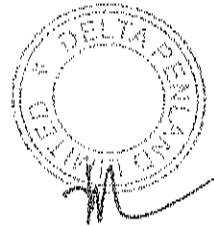
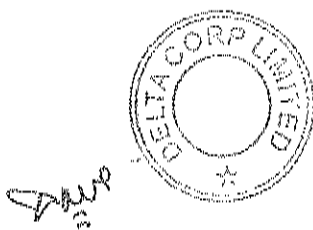


Particulars	Amount (in INR)
<b>Authorised share capital</b>	
10,00,000 equity shares of INR 10 each	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	<b>1,00,000</b>

DCEPL is the step-down wholly-owned subsidiary of DCL.

### 3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme set out herein in its present form or with any modification(s) and amendment(s) made under Clause 39 of this Scheme duly approved or imposed or directed by the Tribunal shall be operative from the Effective Date and effective from the Appointed Date.



## PART II A

### DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1

#### 4. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1

- 4.1 Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Demerged Undertaking 1 shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in DHRPL on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of DHRPL by virtue of operation of law, and in the manner provided in this Scheme.

This demerger under Part II A read with Part II C of the Scheme complies with the definition of "demerger" as per Section 2(19AA) and other provisions of the Income Tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income Tax Act, then this Scheme shall stand modified to be in compliance with Section 2(19AA) of the Income Tax Act.

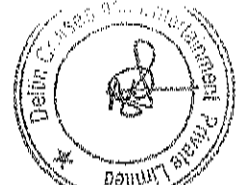
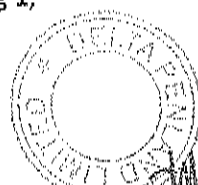
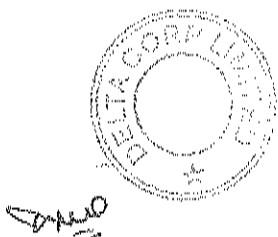
- 4.2 Without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer of the Demerged Undertaking 1 under this Scheme, is as follows:

- 4.2.1 Upon coming into effect of the Scheme and with effect from the Appointed Date, the assets and properties forming part of the Demerged Undertaking 1 which are movable and tangible in nature and all intangible assets, intellectual property and intellectual property rights and any applications for the same, of any nature whatsoever including but not limited to brands, trademarks forming part of the Demerged Undertaking 1, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and such other industrial and intellectual property rights of whatsoever nature or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by DCL to DHRPL by operation of law and without any other or further order to this effect, become the assets and properties of DHRPL without requiring any deed or instrument of conveyance for transfer of the same. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;

- 4.2.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the moveable assets of the Demerged Undertaking 1 other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of DCL, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to DHRPL by operation of law as transmission in favour of DHRPL. With regard to the licenses of the properties, DHRPL will enter into novation agreements, if it is so required;



- 4.2.3 Upon the Scheme becoming effective and with effect from the Appointed Date, the assets and properties forming part of the Demerged Undertaking 1 which are immovable in nature, whether freehold or leasehold as set out in **Schedule 1** (including but not limited to land, buildings, sites, tenancy rights related thereto and immovable property and any other document of title, rights, interest and easements in relation thereto), shall stand transferred to DHRPL by operation of law and without any act or deed or conveyance being required to be done or executed by DCL and/or DHRPL. It is clarified that, in so far as the immovable property(ies) of DCL used for carrying out both, the Remaining Business of DCL as well as the Demerged Undertaking 1, only such portion of the leased or owned immovable property(ies) utilised for carrying out the Demerged Undertaking 1 will stand transferred and/ or assigned, as the case may be, to DHRPL, as may be mutually agreed between DCL and DHRPL;
- 4.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 4.2.3 above and Clause 4.2.5 below, it is clarified that, with respect to the immovable properties comprised in the Demerged Undertaking 1 in the nature of land and buildings, the Parties shall register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents (including deeds of assignments) as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 4.2.4 or Clause 4.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document (including deeds of assignments) under which the transfer of any part of the Demerged Undertaking 1 takes place and the Demerged Undertaking 1 shall be transferred by operation of law solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 4.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Demerged Undertaking 1 in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to DHRPL, if DHRPL so decides, the Parties may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of DHRPL in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 4.2.6 Upon the Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities (including employees related liabilities), loans, obligations and duties of DCL as on the Appointed Date and pertaining to the Demerged Undertaking 1 ("**Demerged Undertaking 1 Liabilities**") shall, by operation of law and without any further act or deed, be and stand transferred to and be deemed to be transferred to DHRPL to the extent that they are outstanding as on the Appointed Date. The term 'Demerged Undertaking 1 Liabilities' shall include:
- 4.2.6.1 the debts, liabilities, obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Demerged Undertaking 1;



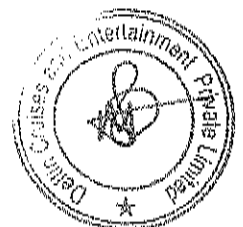
4.2.6.2 the specific loans or borrowings utilized solely for the activities or operations of the Demerged Undertaking 1; and

4.2.6.3 in cases other than those referred to in Clauses 4.2.6.1 or 4.2.6.2 above, so much of the amounts of general or multipurpose borrowings, if any, of DCL, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Demerged Undertaking 1 bear to the total value of the assets of DCL immediately prior to the Appointed Date.

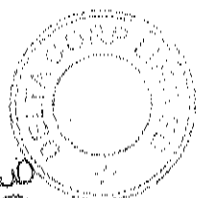
However, the tax liabilities and tax demands or refunds received or to be received by DCL for a period prior to the Appointed Date in relation to the Demerged Undertaking 1 shall not be transferred as part of the Demerged Undertaking 1 to DHRPL;

4.2.7 All contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, leases and licenses for the purpose of carrying on the business of the Demerged Undertaking 1, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking 1, or to the benefit of which DCL may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by operation of law pursuant to the order of the Tribunal sanctioning the Scheme be deemed to be contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, licenses (including the licenses granted by any Appropriate Authority) of DHRPL. Such contracts, properties and rights described hereinabove shall stand vested in DHRPL and shall be deemed to be the property and become the property by operation of law as an integral part of DHRPL. Such contracts, properties and rights described above shall continue to be in full force and continue as effective as hitherto in favour of or against DHRPL and shall be the legal and enforceable rights and interests of DHRPL, which can be enforced and acted upon as fully and effectually as if it were DCL. Upon effectiveness of the Scheme and with effect from the Appointed Date, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts, properties and rights pertaining to the Demerged Undertaking 1, shall be deemed to have been entered into and stand assigned, vested and novated to DHRPL by operation of law and DHRPL shall be deemed to be DCL's substituted party or beneficiary or obligor thereto, it being always understood that DHRPL shall be the successor in the interest of DCL in relation to the properties or rights mentioned hereinabove;

4.2.8 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking 1 occurs by virtue of this Scheme, DHRPL may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which DCL is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Effective Date, DHRPL shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of DCL to carry out or perform all such formalities or compliances referred to above, on the part of DCL with respect to Demerged Undertaking 1;



- 4.2.9 On and from the Effective Date, and thereafter, DHRPL shall be entitled to enforce all pending contracts and transactions and issue credit notes on behalf of DCL, in relation to or in connection with the Demerged Undertaking 1, in the name of DHRPL in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking 1 to DHRPL under this Scheme have been given effect to under such contracts and transactions;
- 4.2.10 Upon effectiveness of the Scheme and with effect from the Appointed Date, the Permits of the Demerged Undertaking 1 (including without limitation the environmental permits and the permits for operation) shall be transferred to and vested in DHRPL and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the name of DHRPL on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking 1 in DHRPL and continuation of operations pertaining to the Demerged Undertaking 1 in DHRPL without any hindrance and the Permits shall stand transferred to and vested in and shall be deemed to be transferred to and vested in DHRPL by operation of law and without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of DHRPL as if the same were originally given by, issued to or executed in favour of DHRPL and DHRPL shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to DHRPL;
- 4.2.11 Upon effectiveness of the Scheme and with effect from the Appointed Date, the benefit of all Permits pertaining to the Demerged Undertaking 1 shall be deemed to have been assigned, transferred and vested to DHRPL by operation of law and without any further act or deed and other order to this effect, stand assigned, transferred and vested into and become available to DHRPL;
- 4.2.12 Notwithstanding the generality of the foregoing provisions, all electricity, gas, water and any other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities in different states pertaining to the Demerged Undertaking 1, together with security deposits and all other advances paid, shall stand transferred in favour of DHRPL on the same terms and conditions by operation of law and without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity, gas, water and any other utility companies, boards, agencies and authorities shall issue invoices in the name of DHRPL with effect from the billing cycle commencing from the month immediately succeeding the month in which the Effective Date occurs. DHRPL shall comply with the terms, conditions and covenants associated with the grant of such connection and shall also be entitled to refund of security deposits placed with such companies, boards, agencies and authorities in respect of the Demerged Undertaking 1;
- 4.2.13 Subsequent to the Effective Date, DCL may, at the request of DHRPL, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Demerged Undertaking 1 stands transferred to DHRPL and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 4.2.14 In so far as the encumbrances, if any, in respect of the Demerged Undertaking 1 Liabilities are concerned such encumbrances shall, by operation of law and without any further act, instrument or deed being required to be taken or modified, be extended to and shall operate only over the assets comprised in the Demerged Undertaking 1 which have been



encumbered in respect of the Demerged Undertaking 1 Liabilities as transferred to DHRPL pursuant to this Scheme. Further, in so far as the assets comprised in the Demerged Undertaking 1 are concerned, the encumbrances over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to DHRPL pursuant to this Scheme and which continue with DCL shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and DCL shall provide such other security that may be agreed between DCL and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above;

4.2.15 Subject to any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking 1, DCL shall, if so required by DHRPL, issue notices in such form as DHRPL may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of DHRPL, as the Person entitled thereto, to the end and intent that the right of DCL to recover or realise the same stands transferred to DHRPL and that appropriate entries should be passed in their respective books to record the aforesaid changes; and

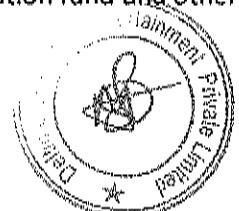
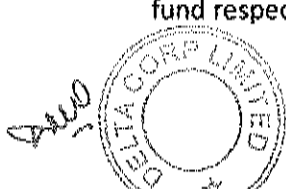
4.2.16 On and from the Effective Date and till such time that the name of the bank accounts of DCL, pertaining to the Demerged Undertaking 1, have been replaced with that of DHRPL, DHRPL shall be entitled to maintain and operate such bank accounts of DCL, in the name of DCL for such time as may be determined to be necessary by DHRPL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of DCL, in relation to or in connection with the Demerged Undertaking 1, after the Effective Date shall be credited to the account of DHRPL.

4.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 4 and upon the effectiveness of this Scheme, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. DCL shall take such actions as may be necessary to get the assets and liabilities pertaining to the Demerged Undertaking 1 transferred to and registered in, the name of DHRPL, as per Applicable Law.

## 5. EMPLOYEES

5.1 Upon effectiveness of the Scheme and with effect from the Appointed Date, all employees of DCL engaged in or in relation to the Demerged Undertaking 1 shall become the employees of DHRPL on terms and conditions no less favourable than those on which they are engaged by DCL and without any interruption in service.

5.2 The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of DHRPL set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by DHRPL. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of DCL.





## 6. LEGAL PROCEEDINGS

6.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against DCL pending and/or arising on or before the Effective Date or which may be instituted at any time thereafter and in each case relating to the Demerged Undertaking 1 shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against DHRPL in the same manner and to the same extent as would or might have been continued and enforced by or against DCL. DHRPL shall be substituted in place of DCL or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with DCL and the liability of DCL shall stand nullified. DCL shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking 1.

6.2 DHRPL undertakes to have all legal and other proceedings initiated by or against DCL referred to in Clause 6.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against DHRPL to the exclusion of DCL on priority. The Parties shall make relevant applications and take all steps as may be required in this regard.

## 7. TAXES

7.1 If DCL is entitled to any unutilized Tax credits or benefits (including accumulated losses and unabsorbed depreciation), benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Demerged Undertaking 1 under any Tax Law or Applicable Law, DHRPL shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised Tax credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to DHRPL in accordance with Applicable Law.

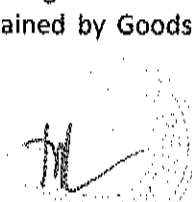
7.2 Upon the Scheme becoming effective, the Parties shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Law and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. It is further clarified that, DHRPL shall be entitled to claim deduction under Section 43B, Section 40(a)(ia) and Section 40(a)(i) and other applicable provisions of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking 1 to the extent not claimed by DCL.

7.3 Any actions taken by DCL to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) in respect of the Demerged Undertaking 1 on and from the Appointed Date up to the Effective Date shall be considered as adequate compliance by DCL with such requirements under the Tax Laws and such actions shall be deemed to constitute adequate compliance by DHRPL with the relevant obligations under such Tax Laws.

7.4 Notwithstanding any other provision of this Scheme:

7.4.1 Tax related assets (except as stated in Clause 7.4.2 and applicable deferred tax assets), liabilities (except applicable deferred tax liabilities) and/ or demands pertaining to DCL will not be transferred to DHRPL; and

7.4.2 Any unutilized GST credits pertaining to the Demerged Undertaking 1 and available in the electronic input GST credit ledger of DCL maintained by Goods and Services Tax Network



(GSTN) shall be transferred by DCL to DHRPL in accordance with Applicable Laws, whereby DCL and DHRPL shall take such actions as may be necessary under Applicable Law to effect such transfer.

- 7.5 If DCL makes any payment to discharge any direct Tax liabilities under Tax Laws that relate exclusively or predominantly to the activities or operations of the Demerged Undertaking 1 on or after the Appointed Date, DHRPL shall promptly pay or reimburse DCL for such payment. If DHRPL makes any payment to discharge any direct Tax liabilities under Tax Laws that relate exclusively or predominantly to the activities or operations of the Demerged Undertaking 1 prior to the Appointed Date, DCL shall promptly pay or reimburse DHRPL for such payment.

## **8. ACCOUNTING TREATMENT**

DCL and DHRPL shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

### **8.1 In the books of DCL**

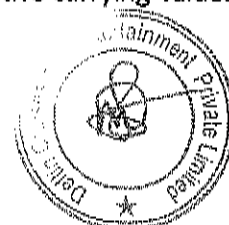
Pursuant to the Scheme coming into effect, with effect from the Effective Date, DCL shall account for the demerger in respect to the Demerged Undertaking 1, in its books of account in accordance with the Appendix A of Indian Accounting Standards (Ind AS) 10, Events after the Reporting Period prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 in the following manner:

- 8.1.1 The DCL shall transfer all assets and liabilities pertaining to the Demerged Undertaking 1 as on the Effective Date at the values appearing in its books of account immediately before the Effective Date and correspondingly reduce from its books of account, the book values of such assets and liabilities appearing on such date;
- 8.1.2 The DCL shall debit the fair value of the aforesaid assets and liabilities in the following order 1) capital reserve on business combination; 2) securities premium; 3) general reserve; and 4) balance, if any, to retained earnings, of DCL representing distribution of non-current assets to its shareholders along with proposed capital reduction, and create a corresponding liability; and
- 8.1.3 The book value of net assets derecognised at Clause 8.1.1 above will be adjusted against the liability recognised at Clause 8.1.2 above and the difference, if any, shall be recognised in the Statement of Profit and Loss.

### **8.2 In the books of DHRPL**

DHRPL shall account for demerger of Demerged Undertaking 1 in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, in its books of account from the Appointed Date, such that:

- 8.2.1 DHRPL shall record all assets and liabilities pertaining to the Demerged Undertaking 1 transferred to and vested in it pursuant to this Scheme at their respective carrying values as appearing in the books of DCL;



- 8.2.2 The identity of the reserves of DCL shall be preserved and shall appear in the financial statements of DHRPL in the same form in which they appeared in the financial statements of DCL;
- 8.2.3 Loans and advances, receivables, payables and other dues outstanding between DCL and DHRPL relating to the Demerged Undertaking 1 will stand cancelled and there shall be no further obligation / outstanding in that behalf;
- 8.2.4 The amount of difference between the carrying value of assets, liabilities and reserves shall be adjusted against capital reserve in the books of DHRPL; and
- 8.2.5 If the accounting policies adopted by DHRPL are different from those adopted by DCL, the assets and liabilities of the Demerged Undertaking 1 shall be accounted in the books of DHRPL adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015.

## 9. SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by DCL in relation to the Demerged Undertaking 1 until the Effective Date, to the end and intent that DHRPL shall accept and adopt all acts, deeds and things done and executed by DCL in respect thereto as done and executed on behalf of DHRPL.

## 10. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme, the resolutions, powers of attorney or any other relevant documents executed by DCL in relation to the Demerged Undertaking 1, as the case may be, as considered necessary by the Board of DHRPL in relation to the Demerged Undertaking 1 that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by DHRPL and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of DHRPL shall be added to the limits, if any, under like resolutions passed by DHRPL, and shall constitute the aggregate of the said limits in DHRPL.

## 11. BUSINESS UNTIL THE EFFECTIVE DATE

- 11.1 With effect from the date of approval of this Scheme by the respective Boards of DCL and DHRPL and up to and including the Effective Date:

- 11.1.1 DCL shall carry on the business of the Demerged Undertaking 1 with reasonable diligence and business prudence and in the same manner as it had been doing hitherto; and

- 11.1.2 DHRPL shall be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which DHRPL may require to carry on the relevant business that is being transferred and vested in terms of this Scheme, including giving effect to the Scheme.

- 11.2 DCL, with effect from Appointed Date and up to and including the Effective Date:

- 11.2.1 shall be deemed to have been carrying on and shall carry on their business and activities in relation to the Demerged Undertaking 1, and shall be deemed to have held and stood possessed of said undertaking and shall hold and stand possessed of the assets of the said

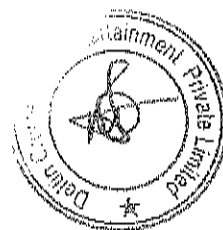
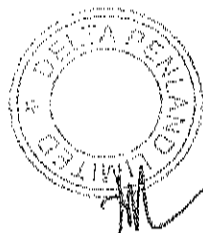


undertaking for and on account of, and in trust for DHRPL;

- 11.2.2 all profits or income arising or accruing to DCL in relation to the Demerged Undertaking 1, and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, etc.) or losses arising or incurred by DCL shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses of DHRPL; and
- 11.2.3 all loans raised and all liabilities and obligations incurred by DCL after the Appointed Date and prior to the Effective Date in relation to the Demerged Undertaking 1, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of DHRPL and to the extent they are outstanding on the Effective Date shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of DHRPL.

## 12. MISCELLANEOUS

- 12.1 Notwithstanding anything contained in this Scheme, on or after the Effective Date, as the case may be, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking 1 is transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of DHRPL, DHRPL is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the Parties, DCL will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, in trust for and on behalf of DHRPL.
- 12.2 The reduction of the capital reserve, securities premium account, general reserve account and retained earnings of DCL in terms of Clause 8 shall be effected as an integral part of this Scheme itself, under Section 230 to 232 read with Section 66 of the Act and the order of the Tribunal sanctioning this Scheme shall be deemed to be an order confirming the reduction. Notwithstanding the reduction in the securities premium account of DCL, DCL shall not be required to add "And Reduced" as suffix to its name.



## PART II B

### DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2

#### 13. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2

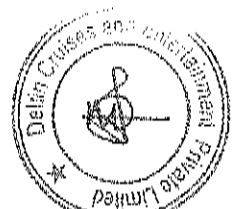
- 13.1 Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Demerged Undertaking 2 shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in DPL on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of DPL by virtue of operation of law, and in the manner provided in this Scheme.

This demerger under Part II B read with Part II C of the Scheme complies with the definition of "demerger" as per Section 2(19AA) and other provisions of the Income Tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income Tax Act, then this Scheme shall stand modified to be in compliance with Section 2(19AA) of the Income Tax Act.

- 13.2 Without prejudice to the generality of the provisions of Clause 13.1 above, the manner of transfer of the Demerged Undertaking 2 under this Scheme, is as follows:

13.2.1 Upon coming into effect of the Scheme and with effect from the Appointed Date, the assets and properties forming part of the Demerged Undertaking 2 which are movable and tangible in nature and all intangible assets, including but not limited to the right to use the brand "DELTIN", intellectual property and intellectual property rights and any applications for the same, of any nature whatsoever including but not limited to brands, trademarks forming part of the Demerged Undertaking 2, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and such other industrial and intellectual property rights of whatsoever nature or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by DCL to DPL by operation of law and without any other or further order to this effect, become the assets and properties of DPL without requiring any deed or instrument of conveyance for transfer of the same. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;

13.2.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the moveable assets of the Demerged Undertaking 2 other than those referred to in Clause 13.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of DCL, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to DPL by operation of law as transmission in favour of DPL. With regard to the licenses of the properties, DPL will enter into novation agreements, if it is so required;



- 13.2.3 Upon the Scheme becoming effective and with effect from the Appointed Date, the assets and properties forming part of the Demerged Undertaking 2 which are immovable in nature, whether freehold or leasehold as set out in **Schedule II** hereto, (including but not limited to land, buildings, sites, tenancy rights related thereto and immovable property and any other document of title, rights, interest and easements in relation thereto), shall stand transferred to DPL by operation of law and without any act or deed or conveyance being required to be done or executed by DCL and/or DPL. It is clarified that, in so far as the immovable property(ies) of DCL used for carrying out both, the Remaining Business of DCL as well as the Demerged Undertaking 2, only such portion of the leased or owned immovable property(ies) utilised for carrying out the Demerged Undertaking 2 will stand transferred and/ or assigned, as the case may be, to DPL, as may be mutually agreed between DCL and DPL;
- 13.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 13.2.3 above and Clause 13.2.5 below, it is clarified that, with respect to the immovable properties comprised in the Demerged Undertaking 2 in the nature of land and buildings, the Parties shall register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents (including deeds of assignments) as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 13.2.4 or Clause 13.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document (including deeds of assignments) under which the transfer of any part of the Demerged Undertaking 2 takes place and the Demerged Undertaking 2 shall be transferred by operation of law solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 13.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Demerged Undertaking 2 in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to DPL, if DPL so decides, the Parties may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of DPL in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 13.2.6 Upon the Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities (including employees related liabilities), loans, obligations and duties of DCL as on the Appointed Date and pertaining to the Demerged Undertaking 2 ("**Demerged Undertaking 2 Liabilities**") shall, by operation of law and without any further act or deed, be and stand transferred to and be deemed to be transferred to DPL to the extent that they are outstanding as on the Appointed Date. The term 'Demerged Undertaking 2 Liabilities' shall include:
- 13.2.6.1 the debts, liabilities, obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Demerged Undertaking 2;
- 13.2.6.2 the specific loans or borrowings utilized solely for the activities or operations of



the Demerged Undertaking 2; and

- 13.2.6.3 in cases other than those referred to in Clauses 13.2.6.1 or 13.2.6.2 above, so much of the amounts of general or multipurpose borrowings, if any, of DCL, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Demerged Undertaking 2 bear to the total value of the assets of DCL immediately prior to the Appointed Date.

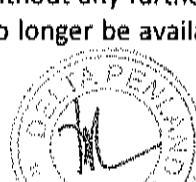
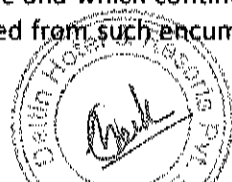
However, the tax liabilities and tax demands or refunds received or to be received by DCL for a period prior to the Appointed Date in relation to the Demerged Undertaking 2 shall not be transferred as part of the Demerged Undertaking 2 to DPL;

- 13.2.7 All contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, leases and licenses for the purpose of carrying on the business of the Demerged Undertaking 2, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking 2, or to the benefit of which DCL may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by operation of law pursuant to the order of the Tribunal sanctioning the Scheme be deemed to be contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, licenses (including the licenses granted by any Appropriate Authority) of DPL. Such contracts, properties and rights described hereinabove shall stand vested in DPL and shall be deemed to be the property and become the property by operation of law as an integral part of DPL. Such contracts, properties and rights described above shall continue to be in full force and continue as effective as hitherto in favour of or against DPL and shall be the legal and enforceable rights and interests of DPL, which can be enforced and acted upon as fully and effectually as if it were DCL. Upon effectiveness of the Scheme and with effect from the Appointed Date, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts, properties and rights pertaining to the Demerged Undertaking 2, shall be deemed to have been entered into and stand assigned, vested and novated to DPL by operation of law and DPL shall be deemed to be DCL's substituted party or beneficiary or obligor thereto, it being always understood that DPL shall be the successor in the interest of DCL in relation to the properties or rights mentioned hereinabove;
- 13.2.8 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking 2 occurs by virtue of this Scheme, DPL may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which DCL is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Effective Date, DPL shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of DCL to carry out or perform all such formalities or compliances referred to above, on the part of DCL with respect to Demerged Undertaking 2;
- 13.2.9 On and from the Effective Date, and thereafter, DPL shall be entitled to enforce all pending contracts and transactions and issue credit notes on behalf of DCL, in relation to or in connection with the Demerged Undertaking 2, in the name of DPL in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking 2 to DPL.



under this Scheme have been given effect to under such contracts and transactions;

- 13.2.10 Upon effectiveness of the Scheme and with effect from the Appointed Date, the Permits of the Demerged Undertaking 2 (including without limitation the environmental permits and the permits for operation) shall be transferred to and vested in DPL and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the name of DPL on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking 2 in DPL and continuation of operations pertaining to the Demerged Undertaking 2 in DPL without any hindrance and the Permits shall stand transferred to and vested in and shall be deemed to be transferred to and vested in DPL by operation of law and without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of DPL as if the same were originally given by, issued to or executed in favour of DPL and DPL shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to DPL;
- 13.2.11 Upon effectiveness of the Scheme and with effect from the Appointed Date, the benefit of all Permits pertaining to the Demerged Undertaking 2 shall be deemed to have been assigned, transferred and vested to DPL by operation of law and without any further act or deed and other order to this effect, stand assigned, transferred and vested into and become available to DPL;
- 13.2.12 Notwithstanding the generality of the foregoing provisions, all electricity, gas, water and any other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities in different states pertaining to the Demerged Undertaking 2, together with security deposits and all other advances paid, shall stand transferred in favour of DPL on the same terms and conditions by operation of law and without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity, gas, water and any other utility companies, boards, agencies and authorities shall issue invoices in the name of DPL with effect from the billing cycle commencing from the month immediately succeeding the month in which the Effective Date occurs. DPL shall comply with the terms, conditions and covenants associated with the grant of such connection and shall also be entitled to refund of security deposits placed with such companies, boards, agencies and authorities in respect of the Demerged Undertaking 2;
- 13.2.13 Subsequent to the Effective Date, DCL may, at the request of DPL, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Demerged Undertaking 2 stands transferred to DPL and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 13.2.14 In so far as the encumbrances, if any, in respect of the Demerged Undertaking 2 Liabilities are concerned such encumbrances shall, by operation of law and without any further act, instrument or deed being required to be taken or modified, be extended to and shall operate only over the assets comprised in the Demerged Undertaking 2 which have been encumbered in respect of the Demerged Undertaking 2 Liabilities as transferred to DPL pursuant to this Scheme. Further, in so far as the assets comprised in the Demerged Undertaking 2 are concerned, the encumbrances over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to DPL pursuant to this Scheme and which continue with DCL shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to





such liabilities and DCL shall provide such other security that may be agreed between DCL and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above;

13.2.15 Subject to any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking 2, DCL shall, if so required by DPL, issue notices in such form as DPL may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of DPL, as the Person entitled thereto, to the end and intent that the right of DCL to recover or realise the same stands transferred to DPL and that appropriate entries should be passed in their respective books to record the aforesaid changes; and

13.2.16 On and from the Effective Date and till such time that the name of the bank accounts of DCL, pertaining to the Demerged Undertaking 2, have been replaced with that of DPL, DPL shall be entitled to maintain and operate such bank accounts of DCL, in the name of DCL for such time as may be determined to be necessary by DPL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of DCL, in relation to or in connection with the Demerged Undertaking 2, after the Effective Date shall be credited to the account of DPL.

13.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 13 and upon the effectiveness of this Scheme, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. DCL shall take such actions as may be necessary to get the assets and liabilities pertaining to the Demerged Undertaking 2 transferred to and registered in, the name of DPL, as per Applicable Law.

#### **14. EMPLOYEES**

14.1 Upon effectiveness of the Scheme and with effect from the Appointed Date, all employees of DCL engaged in or in relation to the Demerged Undertaking 2 shall become the employees of DPL on terms and conditions no less favourable than those on which they are engaged by DCL and without any interruption in service.

14.2 The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of DPL set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by DPL. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of DCL.

#### **14.3 Employee stock options:**

14.3.1 The employee stock options and employee stock appreciation rights granted by DCL under the DELTACORPESOS 2009 ("Delta ESOP") and Delta Employees Stock Appreciation Rights Plan 2019 ("Delta SARP") respectively, would continue to be held by the employees concerned (irrespective of whether they continue to be employees of DCL or its subsidiaries

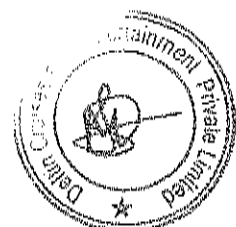
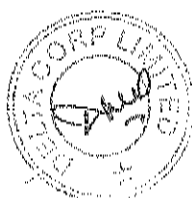


or become employees of DPL or its subsidiaries). Upon coming into effect of the Scheme, DCL shall take necessary steps to modify the Delta ESOP and Delta SARP in a manner considered appropriate and in accordance with the Applicable Laws, in order to enable the continuance of the same in the hands of the employees who become employees of DPL or its subsidiaries, subject to the approval of the Stock Exchange and the relevant regulatory authorities, if any under Applicable Law;

- 14.3.2 Upon the Scheme coming into effect, the employee stock options and employee stock appreciation rights granted by DCL under the Delta ESOP and Delta SARP respectively, shall be restructured by the Board of DCL in such a manner that the employees on exercise of such employee stock options and employee stock appreciation rights will be entitled to the same benefit in terms of value of equity shares of DCL as they would have received on exercise of the employee stock options and employee stock appreciation rights prior to the demerger. While determining the minimum vesting period required for such employee stock options and employee stock appreciation rights, DCL shall take into account the period for which the employees forming part of the Demerged Undertaking 2 held stock options and employee stock appreciation rights prior to their transfer to DPL pursuant to the Scheme;
- 14.3.3 The existing exercise price of the stock options and stock appreciation rights granted by DCL under the Delta ESOP and Delta SARP respectively, shall be modified and the Board of DCL shall determine the exercise price consequent to the demerger taking into account the transfer of the Demerged Undertaking 2 to DPL pursuant to the Scheme; and
- 14.3.4 The Board of DCL shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 14. Approval granted to the Scheme by the shareholders of DCL shall also be deemed to be approval granted to any modifications made to the Delta ESOP and Delta SARP of DCL.

## 15. LEGAL PROCEEDINGS

- 15.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against DCL pending and/or arising on or before the Effective Date or which may be instituted at any time thereafter and in each case relating to the Demerged Undertaking 2 shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against DPL in the same manner and to the same extent as would or might have been continued and enforced by or against DCL. DPL shall be substituted in place of DCL or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with DCL and the liability of DCL shall stand nullified. DCL shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking 2.
- 15.2 DPL undertakes to have all legal and other proceedings initiated by or against DCL referred to in Clause 15.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against DPL to the exclusion of DCL on priority. The Parties shall make relevant applications and take all steps as may be required in this regard.

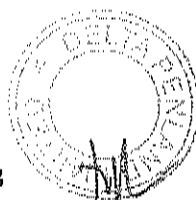


## 16. TAXES

- 16.1 If DCL is entitled to any unutilized Tax credits or benefits (including accumulated losses and unabsorbed depreciation), benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Demerged Undertaking 2 under any Tax Law or Applicable Law, DPL shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised Tax credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to DPL in accordance with Applicable Law.
- 16.2 Upon the Scheme becoming effective, the Parties shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Law and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. It is further clarified that, DPL shall be entitled to claim deduction under Section 43B, Section 40(a)(ia) and Section 40(a)(i) and other applicable provisions of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking 2 to the extent not claimed by DCL.
- 16.3 Any actions taken by DCL to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) in respect of the Demerged Undertaking 2 on and from the Appointed Date up to the Effective Date shall be considered as adequate compliance by DCL with such requirements under the Tax Laws and such actions shall be deemed to constitute adequate compliance by DPL with the relevant obligations under such Tax Laws.
- 16.4 Notwithstanding any other provision of this Scheme:
- 16.4.1 Tax related assets (except as stated in Clause 16.4.2 and applicable deferred tax assets), liabilities (except applicable deferred tax liabilities) and/or demands pertaining to DCL will not be transferred to DPL; and
- 16.4.2 Any unutilized GST credits pertaining to the Demerged Undertaking 2 and available in the electronic input GST credit ledger of DCL maintained by Goods and Services Tax Network (GSTN) shall be transferred by DCL to DPL in accordance with Applicable Laws, whereby DCL and DPL shall take such actions as may be necessary under Applicable Law to effect such transfer.
- 16.5 If DCL makes any payment to discharge any direct Tax liabilities under Tax Laws that relate exclusively or predominantly to the activities or operations of the Demerged Undertaking 2 on or after the Appointed Date, DPL shall promptly pay or reimburse DCL for such payment. If DPL makes any payment to discharge any direct Tax liabilities under Tax Laws that relate exclusively or predominantly to the activities or operations of the Demerged Undertaking 2 prior to the Appointed Date, DCL shall promptly pay or reimburse DPL for such payment.

## 17. ACCOUNTING TREATMENT

DCL and DPL shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:



## 17.1 In the books of DCL

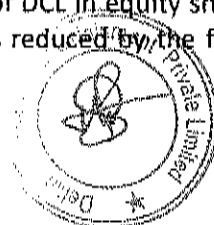
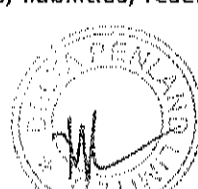
Pursuant to the Scheme coming into effect, with effect from the Effective Date, DCL shall account for the demerger in respect of Demerged Undertaking 2, in its books of account in accordance with the Appendix A of Indian Accounting Standards (Ind AS) 10, Events after the Reporting Period prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 in the following manner:

- 17.1.1 DCL shall transfer all assets and liabilities pertaining to the Demerged Undertaking 2 as on the Effective Date at the values appearing in its books of account immediately before the Effective Date and correspondingly reduce from its books of account, the book values of such assets and liabilities appearing on such date;
- 17.1.2 DCL shall debit the fair value of the aforesaid assets and liabilities in the following order 1) capital reserve on business combination; 2) securities premium; 3) general reserve; and 4) balance, if any, to retained earnings, of DCL representing distribution of non-current assets to its shareholders along with proposed capital reduction, and create a corresponding liability; and
- 17.1.3 The book value of net assets derecognised at Clause 17.1.1 above will be adjusted against the liability recognised at Clause 17.1.2 above and the difference, if any, shall be recognised in the Statement of Profit and Loss.

## 17.2 In the books of DPL

DPL shall account for demerger of Demerged Undertaking 2 in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, in its books of account from the Appointed Date, such that:

- 17.2.1 DPL shall record all assets and liabilities pertaining to the Demerged Undertaking 2 transferred to and vested in it pursuant to this Scheme at their respective carrying values as appearing in the books of DCL;
- 17.2.2 The identity of the reserves of DCL shall be preserved and shall appear in the financial statements of DPL in the same form in which they appeared in the financial statements of DCL;
- 17.2.3 The carrying value of investments in the financial statements of DCL in the equity share capital of DPL shall stand cancelled pursuant to Scheme becoming effective and there shall be no further obligation in that behalf;
- 17.2.4 Loans and advances, receivables, payables and other dues outstanding between DCL and DPL relating to the Demerged Undertaking 2 will stand cancelled and there shall be no further obligation / outstanding in that behalf;
- 17.2.5 DPL shall credit to its share capital in its books of account, the aggregate face value of the equity shares issued by it to the members of DCL pursuant to the Scheme;
- 17.2.6 The amount of difference between cancellation of the shareholding of DCL in equity share capital of DPL and the carrying value of assets, liabilities, reserves as reduced by the face



value of shares issued by DPL, shall be adjusted against capital reserve in the books of DPL; and

- 17.2.7 If the accounting policies adopted by DPL are different from those adopted by DCL, the assets and liabilities of the Demerged Undertaking 2 shall be accounted in the books of DPL adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015.

## **18. REDUCTION AND CANCELLATION OF ENTIRE PRE-SCHEME SHARE CAPITAL OF DPL**

- 18.1 Upon allotment of the DPL New Equity Shares, the entire pre-Scheme paid-up share capital of DPL ("**DPL Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of DPL, pursuant to Sections 230 to 232 read with Section 66 of the Act as an integral part of the Scheme.
- 18.2 DPL shall debit its share capital account in its books of account with the aggregate face value of the DPL Cancelled Shares and credit capital reserve for the same amount.
- 18.3 It is clarified that the approval of the shareholders of DPL to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of DPL under applicable provisions of the Act.
- 18.4 Notwithstanding the reduction in the share capital of DPL, DPL shall not be required to add "And Reduced" as suffix to its name.

## **19. SAVING OF CONCLUDED TRANSACTIONS**

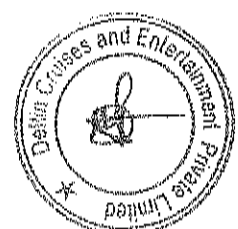
Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by DCL in relation to the Demerged Undertaking 2 until the Effective Date, to the end and intent that DPL shall accept and adopt all acts, deeds and things done and executed by DCL in respect thereto as done and executed on behalf of DPL.

## **20. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

Upon the coming into effect of this Scheme, the resolutions, powers of attorney or any other relevant documents executed by DCL in relation to the Demerged Undertaking 2, as the case may be, as considered necessary by the Board of DPL in relation to the Demerged Undertaking 2 that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by DPL and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of DPL shall be added to the limits, if any, under like resolutions passed by DPL, and shall constitute the aggregate of the said limits in DPL.

## **21. BUSINESS UNTIL THE EFFECTIVE DATE**

- 21.1 With effect from the date of approval of this Scheme by the respective Boards of DCL and DPL and up to and including the Effective Date:
- 21.1.1 DCL shall carry on the business of the Demerged Undertaking 2 with reasonable diligence and business prudence and in the same manner as it had been doing hitherto; and



21.1.2 DPL shall be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which DPL may require to carry on the relevant business that is being transferred and vested in terms of this Scheme, including giving effect to the Scheme.

21.2 DCL, with effect from Appointed Date and up to and including the Effective Date:

21.2.1 shall be deemed to have been carrying on and shall carry on their business and activities in relation to the Demerged Undertaking 2, and shall be deemed to have held and stood possessed of said undertaking and shall hold and stand possessed of the assets of the said undertaking for and on account of, and in trust for DPL;

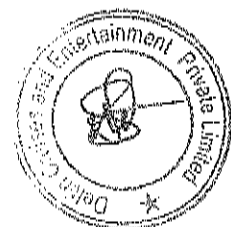
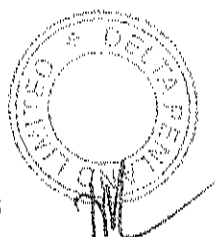
21.2.2 all profits or income arising or accruing to DCL in relation to the Demerged Undertaking 2, and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, etc.) or losses arising or incurred by DCL shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses of DPL; and

21.2.3 all loans raised and all liabilities and obligations incurred by DCL after the Appointed Date and prior to the Effective Date in relation to the Demerged Undertaking 2, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of DPL and to the extent they are outstanding on the Effective Date shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of DPL.

## 22. MISCELLANEOUS

22.1 Notwithstanding anything contained in this Scheme, on or after the Effective Date, as the case may be, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking 2 is transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of DPL, DPL is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the Parties, DCL will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, in trust for and on behalf of DPL.

22.2 The reduction of the capital reserve, securities premium account, general reserve account and retained earnings of DCL in terms of Clause 17 shall be effected as an integral part of this Scheme itself, under Section 230 to 232 read with Section 66 of the Act and the order of the Tribunal sanctioning this Scheme shall be deemed to be an order confirming the reduction. Notwithstanding the reduction in the securities premium account of DCL, DCL shall not be required to add "And Reduced" as suffix to its name.



## PART II C

### ISSUE OF EQUITY SHARES BY DPL TO THE SHAREHOLDERS OF DCL AS CONSIDERATION FOR THE DEMERGER OF THE DEMERGED UNDERTAKING 1 FROM DCL INTO DHRPL AND THE DEMERGER OF THE DEMERGED UNDERTAKING 2 FROM DCL TO DPL

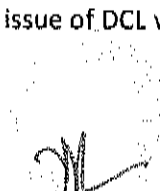
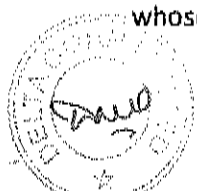
#### 23. CONSIDERATION AND DISCHARGE OF CONSIDERATION

- 23.1 Upon effectiveness of this Scheme and in consideration of and subject to the provisions of this Scheme, DPL shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to the shareholders of DCL whose name is recorded in the register of members and records of the depository as shareholders of DCL as on the Record Date, as under:

*1 (One) fully paid up equity share of DPL having face value of INR 1 (Rupee One) each for every 1 (One) fully paid up equity share of INR 1 (Rupee One) each of DCL.*

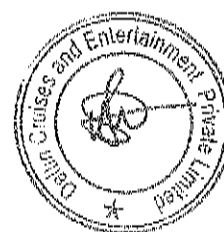
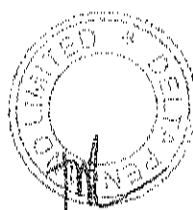
The equity shares of DPL to be issued pursuant to this Clause 23.1 shall be referred to as “**DPL New Equity Shares**”.

- 23.2 The DPL New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of DPL, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the DPL New Equity Shares.
- 23.3 The DPL New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of DCL, who hold shares in physical form (if any) shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to DPL to enable it to issue the DPL New Equity Share(s) in dematerialised form.
- 23.4 For the purpose of allotment of the DPL New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of DCL holds shares in physical form, the DPL shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the DPL New Equity Share(s) in dematerialised form to a trustee nominated by the Board of DPL (“**Trustee of DPL**”) who shall hold these equity shares in trust for the benefit of such shareholder. The DPL New Equity Share(s) held by the Trustee of DPL for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of DPL, along with such other documents as may be required by the Trustee of DPL.
- 23.5 The issue and allotment of the DPL New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the DPL or its shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the shareholders of DPL to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the DPL New Equity Shares under applicable provisions of the Act.
- 23.6 The equity shares to be issued pursuant to this Scheme in respect of any equity shares of DCL which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by DPL.
- 23.7 Without prejudice to Clause 23.1 above, as and when DCL allots its equity shares to its shareholders whose right to subscribe to their entitlement under the rights issue of DCL was kept in abeyance, DPL



shall, upon receipt of the confirmation from DCL together with relevant details of the shareholders, issue and allot DPL New Equity Shares in terms of Clause 23.1 of the Scheme to such shareholders of DCL in the proportion of such shares of DCL kept in abeyance as on the Record Date.

- 23.8 The DPL New Equity Shares to be issued by DPL in respect of the equity shares of DCL held in the unclaimed suspense account and suspense escrow account shall be credited to a new unclaimed suspense account and suspense escrow account respectively, created for shareholders of DPL.
- 23.9 The DPL New Equity Shares to be issued by DPL in respect of the shares of DCL held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund.
- 23.10 In the event, DCL and/ or DPL restructure their share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share entitlement ratio, as per Clause 23.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.
- 23.11 Upon the Scheme becoming effective but prior to the issuance of the DPL New Equity Shares, DPL shall increase its authorised share capital in an appropriate manner so as to enable it to issue the DPL New Equity Shares in the manner provided herein.
- 23.12 DPL shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of the SEBI Circular and other relevant provisions as may be applicable. The DPL New Equity Shares allotted by DPL in terms of Clause 23.1 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of DPL between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 23.13 DPL shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.





### PART III

#### AMALGAMATION OF DCEPL WITH DCL

#### 24. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF DCEPL

24.1 With effect from the Appointed Date, upon coming into effect of this Scheme and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, DCEPL shall amalgamate with DCL as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of DCEPL shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in DCL, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of DCL, and in the manner provided in this Scheme.

24.2 With effect from the Appointed Date, upon coming into effect of this Scheme and without prejudice to the generality of the provisions of Clause 24.1 above, the manner of transfer and vesting of assets and liabilities of DCEPL under this Scheme, is as follows:

24.2.1 In respect of such of the assets and properties of DCEPL which are movable in nature (including but not limited to all intangible assets, brands, trademarks of DCEPL, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, ipso facto and without any other order to this effect, become the assets and properties of DCL without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

24.2.2 Subject to Clause 24.2.3 below, with respect to the assets of DCEPL, other than those referred to in Clause 24.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, 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 Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of DCEPL shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in DCL, with effect from the Appointed Date, by operation of law as transmission or as the case may be in favour of DCL;

24.2.3 In respect of such of the assets and properties of DCEPL which are immovable in nature including rights, interest and easements in relation thereto, the same shall stand transferred to DCL with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by DCEPL and/or DCL;

24.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 24.2.3 above, it is clarified that, with respect to the immovable properties of DCEPL in the nature of land and buildings, DCEPL and/ or DCL shall register the true copy of the orders of the Appropriate Authority approving the Scheme with the offices of the relevant sub-registrar of Assurances



or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 24.2.4 will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of DCEPL takes place and the assets and liabilities of DCEPL shall be transferred solely pursuant to and in terms of this Scheme and the order of the Appropriate Authority sanctioning this Scheme;

- 24.2.5 All debts, liabilities, duties and obligations of DCEPL shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in DCL, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of DCL on the same terms and conditions as were applicable to DCEPL, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 24;
- 24.2.6 On and from the Effective Date and till such time that the name of the bank accounts of DCEPL have been replaced with that of DCL, DCL shall be entitled to maintain and operate the bank accounts of DCEPL in the name of DCEPL, as may be applicable, and for such time as may be determined to be necessary by DCL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of DCEPL after the Effective Date shall be accepted by the bankers of DCL and credited to the account of DCL, if presented by DCL;
- 24.2.7 Unless otherwise agreed between the Parties, the vesting of all the assets of DCEPL, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of DCEPL or part thereof on or over which they are subsisting prior to the amalgamation of DCEPL with DCL, and no such Encumbrances shall extend over or apply to any other asset(s) of DCL;
- 24.2.8 Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of DCEPL, shall be transferred to DCL from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of DCL as if the same were originally given by, issued to or executed in favour of DCL and DCL shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to DCL to carry on the operations of DCEPL without any hindrance, whatsoever;
- 24.2.9 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that DCEPL was enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising



material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of DCEPL shall be transferred to DCL from the Appointed Date, without any further act, instrument or deed;

24.2.10 All contracts where DCEPL is a party, shall stand transferred to and vested in DCL pursuant to this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. DCL shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause; and

24.2.11 Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or inter se between the Parties, if any, shall stand cancelled with effect from the Effective Date and neither DCEPL and/or DCL shall have any obligation or liability against the other party in relation thereto.

24.3 Without prejudice to the provisions of the foregoing sub-clauses of Clause 24.2, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by DCEPL, shall be fulfilled by DCL as if it were the duly constituted attorney of DCEPL. DCL shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of DCEPL transferred and/ or registered in its name.

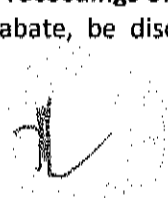
## 25. EMPLOYEES

25.1 Upon the effectiveness of this Scheme and with effect from the Effective Date, DCL undertakes to engage without any interruption in service all the employees of DCEPL, if any, on terms and conditions no less favourable than those on which they are engaged by DCEPL. DCL undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by DCEPL with any of the aforesaid employees or union representing them. DCL agrees that the services of all such employees with DCEPL prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

25.2 The accumulated balances, if any, standing to the credit of and in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of DCL set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of DCEPL and such funds shall be held for the benefit of the employees transferred under the Scheme.

## 26. LEGAL PROCEEDINGS

26.1 If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the "Proceedings of DCEPL") by or against DCEPL is pending on the Effective Date, the same shall not abate, be discontinued or be in any way



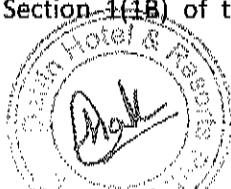
prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings of DCEPL may be continued, prosecuted and enforced by or against DCL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against DCEPL as if this Scheme had not been made. On and from the Effective Date, DCL may initiate any legal proceeding for and on behalf of DCEPL.

- 26.2 From the date of approval of this Scheme by the Board of DCEPL and until the Effective Date, DCEPL shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of DCL.

## **27. TAXES/ DUTIES/ CESS**

Upon the effectiveness of the Scheme and with effect from Appointed Date, by operation of law pursuant to the order of the Tribunal:

- 27.1 All the profits or income taxes (including advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, all input credit balances (including but not limited to CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws) or any costs, charges, expenditure accruing to DCEPL in India and abroad or expenditure or losses arising or incurred or suffered by DCEPL shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, Tax deducted at source, Tax collected at source, dividend distribution tax & foreign tax credits), income costs, charges, expenditure or losses of DCL, as the case may be, notwithstanding that certificates or challans for withholding tax/ advance tax are in the name of DCEPL and not in the name of DCL and DCL shall be entitled to claim credit, refund or adjustment for the same as may be applicable.
- 27.2 If DCEPL is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall be available and stand vested in DCL.
- 27.3 Upon the Scheme becoming effective, DCL shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim tax benefits, refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme and in accordance with the relevant provisions of the Income Tax Act. DCL is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme.
- 27.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., DCEPL, shall, if so required by DCL, issue notices in such form as DCL may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of DCL, as the Person entitled thereto, to the end and intent that the right of DCEPL, to recover or realise the same, stands transferred to DCL.
- 27.5 The provisions of this Scheme as they relate to the merger of DCEPL with DCL has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the Income Tax Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 1(1B) of the Income Tax Act, at a later date including resulting from an



amendment of law or for any other reason whatsoever, the provisions of the Section 2(1B) of the Income Tax Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act. Such modification will, however, not affect the other parts of the Scheme.

## **28. CONSIDERATION**

DCEPL is a step-down wholly owned subsidiary of DCL and therefore there shall be no issue of shares as consideration, including to nominee shareholders, for the amalgamation of DCEPL with DCL.

## **29. ACCOUNTING TREATMENT**

29.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, DCL shall account for the amalgamation of DCEPL in its books as per applicable accounting principles prescribed under the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 and other accounting principles generally accepted in India, as follows:

29.1.1 All the assets, liabilities and reserves recorded in the books of DCEPL shall be transferred to and vested in the books of DCL pursuant to the Scheme and shall be recorded by DCL at the respective book values in the same form as appearing in the consolidated financial statements of DCL, being the ultimate holding company;

29.1.2 Inter-company balances, loans and advances, if any, between DCL and DCEPL will stand cancelled and there shall be no further obligation/outstanding in that behalf;

29.1.3 The difference between the (i) carrying value of assets and (ii) carrying value of liabilities and reserves of DCEPL, recorded as per Clause 29.1.1 shall be credited to "Capital Reserve" in the financial statements of DCL and would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of DCL;

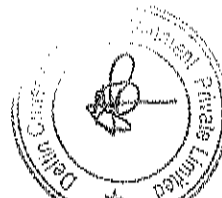
29.1.4 In case of any differences in accounting policy between DCEPL and DCL, the accounting policies followed by DCL shall prevail and the difference shall be adjusted to revenue reserves of DCL, to ensure that the financial statements of DCL reflect the financial position on the basis of consistent accounting policy; and

29.1.5 The comparative financial information in respect of the financial statements of DCL shall be restated for the accounting impact of the business combination, as stated above, as if the business combination had occurred from the beginning of the earliest comparative period presented in the financial statements.

## **30. COMBINATION OF AUTHORISED SHARE CAPITAL**

30.1 Upon the coming into effect of this Scheme, the authorised share capital of DCEPL as on the Effective Date will be combined with the authorised share capital of DCL and accordingly the authorised share capital of DCL shall stand increased without any further act, instrument or deed on the part of DCL, including payment of stamp duty and fees to RoC.

30.2 Consequent to the Scheme taking effect, the authorised share capital of DCL as on the Effective Date shall be combined with the authorised share capital of DCEPL and the combined authorised share



capital of DCL shall be as under:

Particulars	Amount (In Rs.)
<b>Authorised share capital</b>	
1,03,18,00,000 equity shares of INR 1 each	1,03,18,00,000
10,00,000 10% non cumulative redeemable preference shares of INR 10 each	1,00,00,000
1,30,00,000 8% non cumulative redeemable preference shares of INR 10 each	13,00,00,000
43,747 0.001% non cumulative optionally convertible preference shares of INR 21,667 each	94,78,66,249
37,747 1% redeemable preference shares of INR 21,667 each	81,78,64,249
<b>Total</b>	<b>2,93,75,30,498</b>

30.3 The memorandum of association and articles of association of DCL (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of DCL to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, for amendment of the Memorandum and Articles of Association of DCL and for this purpose the stamp duty and fees paid on the authorised capital of DCEPL shall be utilized and applied to the increased authorised share capital of DCL.

30.4 Consequentially, Clause V of the memorandum of association of DCL shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 30.1 and Clause 30.2 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.

30.5 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent/ approval of the shareholders of DCL also to the alteration of the memorandum and articles of association of DCL as may be required under the Act.

### 31. SAVING OF CONCLUDED TRANSACTIONS

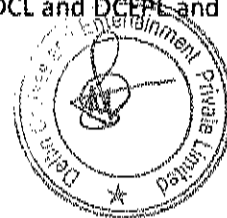
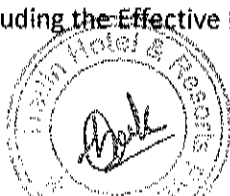
Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by DCEPL until the Effective Date to the end and intent that DCL shall accept and adopt all acts, deeds and things done and executed by DCEPL in respect thereto as done and executed on behalf of DCL.

### 32. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon this Scheme coming into effect, the resolutions, powers of attorneys or any other relevant documents executed by DCEPL, as are considered necessary by the Board of DCL, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by DCL, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are considered necessary by the Board of DCL shall be added to the limits, if any, under like resolutions passed by DCL and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/power of attorneys for the purpose of DCL.

### 33. BUSINESS UNTIL THE EFFECTIVE DATE

33.1 With effect from the date of approval of this Scheme by the respective Boards of DCL and DCEPL and up to and including the Effective Date:



- 33.1.1 DCEPL shall carry on and be deemed to have carried on its businesses and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its assets for and on account of and in trust for DCL;
- 33.1.2 DCEPL shall carry on its business and activities with due diligence and business prudence and shall not, without the prior written consent of DCL, charge, mortgage, encumber or otherwise deal with or alienate its assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business; and
- 33.1.3 DCL shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which DCL may respectively require to carry on the relevant business of DCEPL and to give effect to the Scheme.

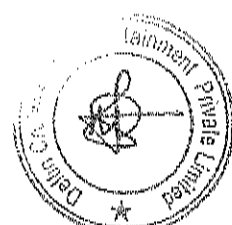
**33.2 With effect from the Appointed Date and until the Effective Date:**

- 33.2.1 DCL shall be deemed to have been carrying on and shall carry on their business and activities of DCEPL, and shall be deemed to have held and stood possessed of said undertaking and shall hold and stand possessed of the assets of the said undertaking for and on account of, and in trust for of DCEPL;
- 33.2.2 all profits or income arising or accruing to DCEPL, and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, etc.) or losses arising or incurred by of DCEPL shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses of DCL; and
- 33.2.3 all loans raised and all liabilities and obligations incurred by of DCEPL after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of DCL and to the extent they are outstanding on the Effective Date shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of DCL.

- 33.3 For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Authority, DCL shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of DCEPL, in accordance with the provisions of Sections 230 to 232 of the Act. DCL is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

**34. DISSOLUTION OF DCEPL**

On the Scheme becoming effective, DCEPL shall stand dissolved without winding up and the Board and any committees thereof of DCEPL shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of DCEPL shall be struck off from the records of the concerned RoC.



## PART IV

### GENERAL TERMS & CONDITIONS

#### 35. CHANGE OF NAME OF DPL

35.1 Upon this Scheme becoming effective, the name of DPL shall stand changed to 'Delta Hospitality and Realty Limited' or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.

35.2 Consequently, subject to Clause 35.1 above, Clause I of the memorandum of association of DPL shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following clause:

*"The name of the Company is Delta Hospitality and Realty Limited."*

35.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clauses 35.1 and Clause 35.2 above, the consent of the shareholders of DCL and DPL to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed by DPL. DPL shall bear applicable fees (including fees and charges to the relevant RoC) or stamp duty, as may be required as per Applicable Law.

#### 36. REMAINING BUSINESS OF DCL

36.1 The Remaining Business of DCL shall continue to belong to and be owned and managed by DCL. DCL shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business of DCL and DHRPL or DPL, as the case may be, shall not have any liability or obligation in relation to the Remaining Business of DCL.

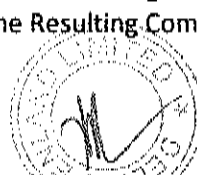
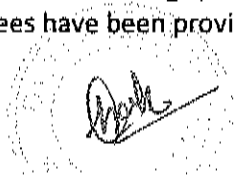
36.2 Without prejudice to the provisions of this Scheme, upon effectiveness of the Scheme, if any part of the Demerged Undertaking 1 or the Demerged Undertaking 2 is not transferred to the Resulting Company, as the case may be, DCL shall take such actions as may be reasonably required to ensure that such part of the Demerged Undertaking 1 or Demerged Undertaking 2 is transferred to the Resulting Company, as the case may be, promptly and for no further consideration.

36.3 Further, no part of the Remaining Business of DCL shall be transferred to the Resulting Company pursuant to the demerger. If any part of the Remaining Business of DCL is inadvertently held by the Resulting Company after the Effective Date, the Resulting Company shall take such actions as may be reasonably required to ensure that such part of the Remaining Business of DCL is transferred back to DCL, promptly and for no consideration.

#### 37. FACILITATION PROVISIONS

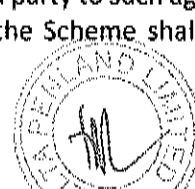
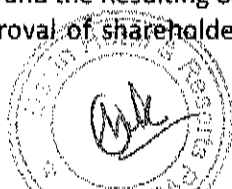
37.1 The demerger under Part II A, Part II B read with Part II C of the Scheme complies with the definition of 'demerger' as per Section 2(19AA) and other provisions of the Income Tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income Tax Act, then this Scheme shall stand modified to be in compliance with Section 2(19AA) of the Income Tax Act.

37.2 It is clarified that all guarantees provided by DCL in respect of the Demerged Undertaking 1 and the Demerged Undertaking 2, as the case may be, shall be valid and subsisting till adequate arrangements/guarantees have been provided in respect of the same by the Resulting Company.





- 37.3 Upon effectiveness of this Scheme, the business comprised in the Demerged Undertaking 2 will be carried out by DPL and the Remaining Business of DCL will be continued to be carried out by DCL. Due to various inter-dependencies between the said businesses, it is proposed that DCL and DPL enter into following agreement, as an integral part of the Scheme:
- 37.3.1 Upon this Scheme becoming effective and with effect from the Appointed Date, DCL and DPL hereby agree that DPL shall provide management services to DCL, on arms-length basis, in connection with the property of DCL located at Daman namely, 'The Deltin'. The key principles governing the terms and conditions of the said agreement is mentioned in **Schedule III** hereto;
- 37.3.2 Upon this Scheme becoming effective and with effect from the Appointed Date, DPL shall effect the lease of property currently being used as a casino located in Goa, namely, 'Deltin Suites' in favour of DCL. The key principles governing the terms and conditions of the lease so granted is mentioned in **Schedule IV** hereto. Further, in relation to the same, DCL and DPL shall register the true copy of the order of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such land and shall also execute and register, as required, such other documents which may be necessary in this regard and no separate instrument including the one which creates the leasehold rights in the said property will be required to be registered separately; and
- 37.3.3 Upon this Scheme becoming effective and with effect from the Appointed Date, DPL shall effect the rent of rooms of property namely, 'Deltin Suites' located in Goa, in favour of DCL. The key principles governing the terms and conditions in relating to said rent is mentioned in **Schedule V** hereto.
- 37.4 For the purpose of giving effect to the order passed under Sections 230 to 232 read with Section 66 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Resulting Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the demerger of the Demerged Undertaking 1 or Demerged Undertaking 2, as the case may be, in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company shall always be deemed to have been authorized to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges and fulfil all obligations in relation to or applicable to all immovable properties including mutation and/or substitution of the ownership or the title to or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authorities in favour of the Resulting Company pursuant to the sanction of this Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/or substitution.
- 37.5 Upon the Scheme becoming effective, all contracts, agreements (including joint venture agreements, memorandum of understandings, consortium agreements), undertakings of whatsoever nature, whether written or otherwise, deeds, bonds, arrangements, service agreements, or other instruments, executed by DCL, in relation to the Demerged Undertaking 1 or the Demerged Undertaking 2, shall stand transferred to and vested in the Resulting Company, as the case may be, pursuant to the Scheme, and the Resulting Company shall be deemed to be a party to such agreements instead of DCL and approval of shareholders of DCL, DHRPL and DPL to the Scheme shall be deemed to be their



approval as required under Section 188 of the Act and Regulation 23 of the SEBI LODR Regulations, as applicable and no separate approval shall be obtained by DCL, DHRPL and DPL, in this regard.

### **38. APPLICATIONS/ PETITIONS TO THE TRIBUNAL**

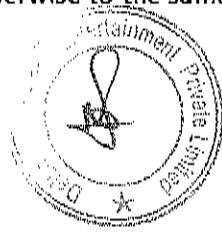
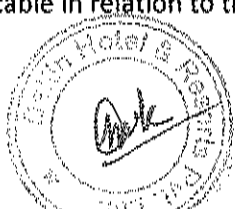
The Parties shall make and file all applications and petitions under Sections 230 to 232 read with Section 66 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

### **39. MODIFICATION OR AMENDMENTS TO THIS SCHEME**

- 39.1 The Boards of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate.
- 39.2 The Boards of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.
- 39.3 For the purposes of giving effect to this Scheme or to any modification hereof, the Board of the Parties, acting jointly or individually, as may be relevant, give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding on Parties, as if the same were specifically incorporated in this Scheme.

### **40. CONDITIONS PRECEDENT**

- 40.1 Unless otherwise decided (or waived) by Parties, the Scheme is conditional upon and subject to the following conditions precedent:
- 40.1.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the SEBI LODR Regulations;
- 40.1.2 approval of the Scheme by the requisite majority of each class of shareholders and such other classes of Persons of the Parties, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;
- 40.1.3 DCL complying with other provisions of the SEBI Circular, including seeking approval of its shareholders through e-voting;
- 40.1.4 the Tribunal passing an order under Sections 230 to 232 read with Section 66 and other applicable provisions of the Act, sanctioning the Scheme; and
- 40.1.5 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties.
- 40.2 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, title, or defences that Parties may have under or pursuant to all Applicable Law.
- 40.3 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons of the Parties, if any, pursuant to Clause 40.1.2, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Scheme.

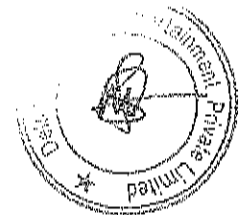
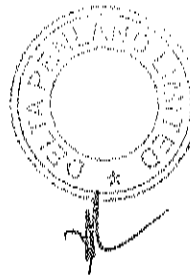


**41. WITHDRAWAL OF THIS SCHEME**

- 41.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.
- 41.2 In the event of withdrawal of the Scheme under Clause 41.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.
- 41.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

**42. COSTS AND TAXES**

- 42.1 All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of Part II A of this Scheme shall be paid by DHRPL.
- 42.2 All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of Part II B and Part II C of this Scheme shall be paid by DPL.
- 42.3 All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of Part III of this Scheme shall be paid by DCL.



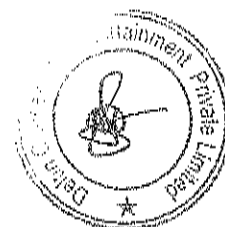
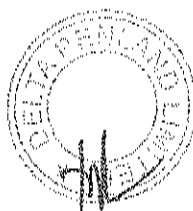
## SCHEDULE I

List of immovable properties of DCL pertaining to the Demerged Undertaking 1, as on the date of meeting of the Board of DCL approving the Scheme:

### A. Immovable properties

Class of assets (eg. Land / Building)	Land
Description (Details of Property)	Sy. no. 243/1A, 263/1,264/1, 265/1,265/2, 265/25,265/26, 266/1, 267/1, 267/A, 268/1, 268/2, 268/3, 264/4, 269/1, 280/1, 280/1-, 280/1-B of village Dhargal, Pernem Goa.
Area	3,74,339 Sq. Mts
Location/Address	Village Dhargal, Pernem Goa.

- B. Any immovable property acquired by DCL post the date of meeting of the Board of DCL approving the Scheme till the Appointed Date, pertaining to the Demerged Undertaking 1 shall be a part of the Demerged Undertaking 1.



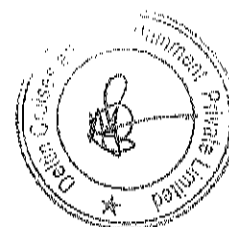
## SCHEDULE II

List of immovable properties of DCL pertaining to the Demerged Undertaking 2, as on the date of meeting of the Board of DCL approving the Scheme:

### A. Immovable properties

Class of assets (eg. Land / Building)	Land & Building
Description (Details of Property)	Sy. No.63/2 of village Nerul, Bardez Goa.
Area	Land: 6550 Sq. Mts Building: 6482 Sq. mts of built up
Location/Address	Hotel Deltin Suites, Nerul, Bardez Goa

### B. Any immovable property acquired by DCL post the date of meeting of the Board of DCL approving the Scheme till the Appointed Date, pertaining to the Demerged Undertaking 2 shall be a part of the Demerged Undertaking 2.

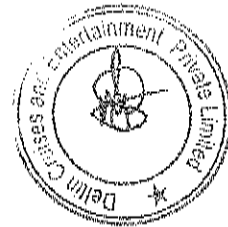


### SCHEDULE III

Key principles governing the terms and conditions of the management service agreement, in connection with property located at Daman namely, 'The Deltin' between DCL and DPL are as follows:

Initial Term of the Management Contract	10 (Ten) years from the Effective Date and extendable as mutually agreed between DCL and DPL												
Base Management Fee*	2% of the revenue for each fiscal year during the Term												
Sales & Marketing Fee	To be borne by DCL as actuals												
Incentive Fees*	<p>Incentive Fees will be % of operating EBITDA; and</p> <p>If operating EBITDA is:</p> <table border="1"> <thead> <tr> <th>EBITDA</th><th>Incentive</th></tr> </thead> <tbody> <tr> <td>Below 25%</td><td>0</td></tr> <tr> <td>25% - 30%</td><td>5%</td></tr> <tr> <td>30% - 40%</td><td>6%</td></tr> <tr> <td>40% - 50%</td><td>7%</td></tr> <tr> <td>Above 50%</td><td>8%</td></tr> </tbody> </table>	EBITDA	Incentive	Below 25%	0	25% - 30%	5%	30% - 40%	6%	40% - 50%	7%	Above 50%	8%
EBITDA	Incentive												
Below 25%	0												
25% - 30%	5%												
30% - 40%	6%												
40% - 50%	7%												
Above 50%	8%												
FF&E Fees (Furniture, Fixtures & Equipment)	To be maintained by DCL as per the suggestion of DPL												
Hotel Employees	To be on the books of DCL												
Bank Account Operations	To be maintained by DPL												
Other terms and conditions	Customary for such nature of transactions												

\*All the above fees are exclusive of GST

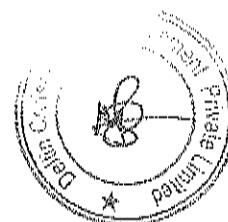
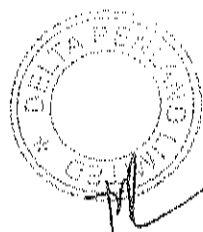


#### SCHEDULE IV

Key principles governing the terms and conditions of the lease, in connection with property currently being used as a casino located in Goa namely, 'Deltin Suites' between DCL and DPL are as follows:

Term	10 (Ten) Years from the Effective Date and extendable to such term that may be mutually agreed between DCL and DPL
Rent (annually) payable by DCL*	INR 3,00,00,000 (Indian Rupees Three Crore only) with an escalation @ 5% every year or such other charges that may be mutually agreed between DCL and DPL, from time to time. All costs with respect to the casino license shall be borne by DCL
Maintenance charges	To be borne by DCL
Termination	By serving a notice of 90 (Ninety) days by either Parties
Right to sub-let	DCL cannot sublet to any third party without the prior consent of DPL
Jurisdiction and Governing Law	Legal disputes shall be settled before the courts in the state of Goa and the laws of India shall be the Governing Law
Other terms and conditions	Customary for such nature of transactions

\*All the above fees are exclusive of GST



## SCHEDULE V

Key principles governing the terms and conditions of the lease, in connection with rent of rooms of property located in Goa namely, 'Deltin Suites' between DCL and DPL are as follows:

Term	10 (Ten) Years from the Effective Date and extendable to such term that may be mutually agreed between DCL and DPL
Room tariff (monthly) payable by DCL*	Amount equivalent to 30% discount on the average rent charged to the customers (other than DCL) in the previous year for the same month, subject to: (i) minimum room tariff of INR 5,000 (Rupees Five Thousand) per room/night, excluding tax; and (ii) minimum block of 1,500 rooms occupied on a monthly basis, by DCL
Food and beverages and other services	Amount equivalent 30% discount on the standard price charged for such services
Termination	By serving a notice of 90 (Ninety) days by either Parties
Jurisdiction and Governing Law	Legal disputes shall be settled before the courts in the state of Goa and the laws of India shall be the Governing Law
Other terms and conditions	Customary for such nature of transactions

\*All the above fees are exclusive of GST

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