

Godrej Agrovet Ltd.
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Website : www.godrejagrovvet.com
CIN : L15410MH1991PLC135359

Dated: October 22, 2019

To,
BSE Limited
P. J. Towers, Dalal Street, Fort
Mumbai – 400 001

To,
National Stock Exchange Limited of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai-400 051

Ref.: BSE Scrip Code No. “540743”

Ref: “GODREJAGRO”

Sub: Disclosure of event/Information under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

We wish to inform you that, the Scheme of Amalgamation of Creamline Dairy Products Limited (“CDPL / Transferee Company”) [our material unlisted subsidiary] with Nagavalli Milkline Private Limited (“NMPL /Transferor Company”) [unlisted wholly-owned subsidiary of CDPL] and their respective shareholders pursuant to Section 230 to 232 and other applicable provisions of the Companies Act 2013 (“Scheme”), has been sanctioned by the Hon’ble National Company Law Tribunal, Hyderabad Bench (“Hon’ble NCLT”) vide its order dated October 17, 2019 with the appointed date of April 01, 2019. The certified copy of the aforesaid Order is received on **October 22, 2019**.

The Scheme will become effective once the Order of the Hon’ble NCLT is filed by CDPL and NMPL with the Registrar of Companies, Hyderabad.

The certified copy of the aforesaid Order and the approved Scheme are enclosed herewith for your records. Please take the same and on your records.

Thanking you,

Yours sincerely,

For Godrej Agrovet Limited

Vivek Raizada
Head – Legal & Company Secretary & Compliance Officer
(ACS 11787)

Encl.: A/a



**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, AT HYDERABAD**

CP (CAA) No.157/230/HDB/2019
U/s 230 & 232 of the Companies Act, 2013

In the matter of

Nagavalli Milkline Private Limited

(Transferor Company')

And

Creamline Dairy Products Limited

('Transferee Company')

And

Their respective Shareholders

M/s. NAGAVALLI MILKLINE PRIVATE LIMITED

Having its Registered office at
at 6-3-1238/B/21, Asif Avenue,
Rajbhavan Road, Somajiguda,
Hyderabad – 500 082, Telangana.

The First Petitioner/
Transferor Company

AND

M/s. CREAMLINE DAIRY PRODUCTS LIMITED

Having its Registered office at 6-3-1238/B/21,
Asif Avenue, Rajbhavan Road, Somajiguda,
Hyderabad – 500 082, Telangana.

The Second Petitioner /
Transferee Company

Date of order: 17.10.2019





Coram:

Hon'ble Shri Ratakonda Murali, Member (Judicial)

Hon'ble Shri Narendra Kumar Bhola- Member (Technical)

Parties / Counsels Present:

For the Petitioners : Shri V.B. Raju, Advocate

For the Regional Director: Shri P.Ponna Rao, Advocate.

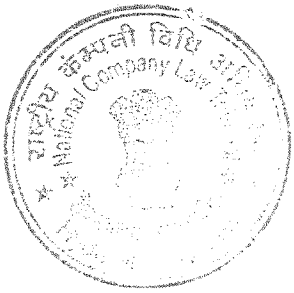
For the Official Liquidator: Shri M.Anil Kumar, Advocate.

Per: Hon'ble Shri Narendra Kumar Bhola-Member (Technical)

Heard on: 14.10.2019

ORDER

1. This is a joint Company Petition filed by **M/S. Nagavalli Milkline Private Limited (First Petitioner / Transferor Company)** and **M/s. Creamline Dairy Products Limited (Second Petitioner/ Transferee Company)** under Section 230-232 of the Companies Act, 2013, praying for the sanction of Scheme of Amalgamation between M/s. Nagavalli Milkline Private Limited (The First Petitioner/Transferor Company) and M/s. Creamline Dairy Products Limited (The Second Petitioner/Transferee Company) and their respective shareholders in terms of Scheme of Amalgamation marked as **Annexure – G.**



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2. Brief averments in the Petition are:-

- (1) **Nagavalli Milkline Private Limited /First Petitioner Company / Transferor Company** was incorporated as a Private Limited Company in the State of Andhra Pradesh on 04.05.1999 having Corporate Identity Number (CIN) is U15209TG1999PTC031625. The Registered Office of the First Petitioner Company is situated at 6-3-1238/B/21, Asif Avenue, Rajbhavan Road, Somajiguda, Hyderabad-500 082, Telangana.
- (2) The First Petitioner Company is primarily engaged in the business of manufacture of dairy farming by producing, procuring, processing and dealing in milk, milk products, By-products or any other food products of animal.

A copy of the Memorandum and Articles of Association of the First Petitioner Company is annexed hereto as **Annexure A**.

- (3) The authorized, issued, subscribed and paid-up share capital of the First Petitioner Company as on 31st March, 2018 was as under:

Particulars	Amount in Rupees
Authorised:	
21,50,000 Equity Shares of Rs10/- each	2,15,00,000
Issued, Subscribed and Paid-up:	
20,10,400 Equity Shares of Rs. 10/- each fully paid-up	2,01,04,000

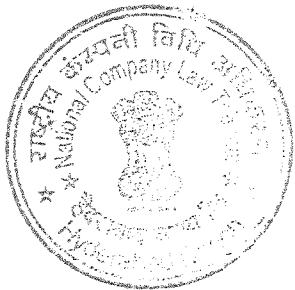






Subsequent to the above date and till the date of filing the Application, there has been no change in the issued, subscribed and paid up capital of the First Petitioner Company. A copy of the audited statements of account as on 31st March, 2018 and unaudited provisional statement of accounts as on 30th June, 2018 of the First Petitioner Company are marked as **Annexure B**.

- (4) **M/s. Creamline Dairy Products Limited** **Second Petitioner / Transferee company** was originally incorporated as a Private Limited Company on 31.10.1986 under the Companies Act, 1956 in the then State of Andhra Pradesh under the name and style of Creamline Dairy Products Limited. Subsequent to passing a Resolution on the 21st day of April, 1994 in terms of Section 31(1)/44 of the Companies Act, 1956, the name of the company changed to Creamline Dairy Products Limited on 11th of August, 1994. Its Corporate Identity Number (CIN) is U15201TG1986PLC006912. The Registered Office of the Second Petitioner Company is situated at 6-3-1238/B/21, Asif Avenue, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, Telangana.
- (5) The Second Petitioner Company is engaged in the business of manufacturers, producers, sellers, dealers, assemblers of all kinds of flavoured milk, yoghurt, paneer, ice-creams, ice products, milk products, cakes, chocolates,



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condensed milk, milk powder, fast foods, ready to eat products, ghee, butter and dairy products of all kinds. A copy of the Memorandum and Articles of Association of the Second Petitioner Company is marked as **Annexure C**.

- (6) The authorized, issued, subscribed and paid-up share capital of the Second Petitioner Company as on 31st March, 2018 is as under:

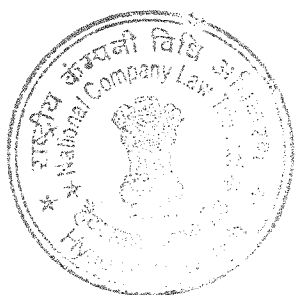
Particulars	Amount in Rupees
<u>Authorized:</u>	
1,50,00,000 Equity Shares of Rs.10/- each	15,00,00,000
<u>Issued and Paid up Subscribed</u>	
1,13,24,700 Equity shares of Rs.10/- each	11,32,47,000

Subsequent to the above date and till the date of filing the Application, there has been no change in the issued, subscribed and paid up capital of the Second Petitioner Company. A copy of the audited statements of account as on 31st March, 2018 and unaudited provisional statement of accounts as on 30.06.2018 of the Second Petitioner Company are annexed hereto as **Annexure D**.

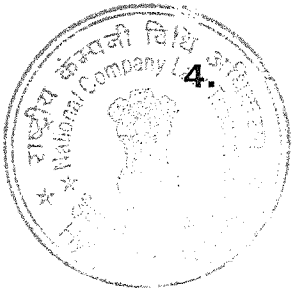
3. It is also averred that the Scheme of Amalgamation will benefit the Transferor Company, the Transferee Company and their respective shareholders. The rationale and reasons for the proposed Scheme of Amalgamation, inter alia, are summarized below:







- (a) To simplify management structure, leading to better administration and reduction in costs, more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
- (b) To bring both the companies under one legal entity to facilitate, better and more efficient management.
- (c) To achieve consolidation, greater integration and financial strength and flexibility which will maximize overall shareholder value.
- (d) Since Immovable properties of both the Transferor Company and the Transferee Company are situated adjacent to each other by virtue of amalgamation they can share the common infrastructure so that it would be economical and commercially viable to bring down the operational costs.



In view of the aforesaid benefits, the Board of Directors of the First Petitioner Company and Second Petitioner Company at their respective Board Meetings held on 30th April, 2018 and 2nd May, 2018 respectively, approved the Scheme of Amalgamation of M/s Nagavalli Milkline Private Limited with M/s Creamline Dairy Products Limited and their respective Shareholders. A copy of Board Resolutions of the First Petitioner Company and Second Petitioner Company are marked as **Annexure-E & F respectively.**

5. It is averred that the Tribunal vide order dated 24.12.2018, dispensed with convening meeting of





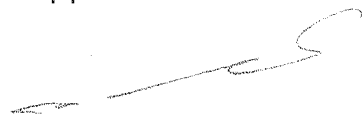
Equity shareholders, and unsecured creditors of the first petitioner/ Transferor company for sanction of the proposed scheme of Amalgamation. The Tribunal further directed the Second Petitioner/Transferee Company to convene the meetings of Equity Shareholders, and Unsecured Creditors and appointed Ms.Sarvani Desi Raju, Advocate as Chairperson for conducting the meetings of Equity Shareholders and Mr. V.Govindarajulu for conducting the meetings of Unsecured Creditors of the Second Petitioner / Transferee Company.

" *The meeting of Equity Shareholders were attended either personally or by proxy by 20 (twenty) equity shareholders of the said company entitled together to Rs.11,28,47,000/- divided into 1,12,84,700 Equity Shares of Rs.10/- each out of the paid up capital of Rs.11,32,47,000/- divided into 1,13,24,700 equity shares of Rs. 10/- each of the company".*

" *The meeting of Unsecured Creditors were attended either personally or by proxy by 62 (sixty two) number of Unsecured creditors of the said company entitled together to Rs. 77,30,80,411 and 50 paise only (Rupees Seventy seven crores thirty lakhs eighty thousand and four hundred eleven and fifty paise only) the total value of the Unsecured debt due by the Transferee Company".*

The Equity Shareholders and Unsecured Creditors of the 2nd Petitioner/Transferee Company who attended respective meetings were of the opinion that the Scheme of Amalgamation should be approved and


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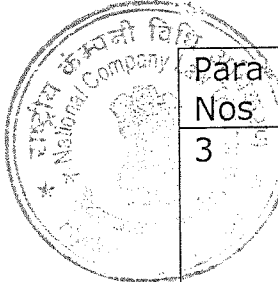


agreed to and passed the following resolution unanimously. Copy of the chairperson report is annexed to the petition vide memo dated 06.02.2019.

6. Reports from Statutory Authorities

As per directions of this Tribunal on 14.03.2019, notices dated 19.03.2019 were served upon the Regional Director, SER, RoC, Official Liquidator, and concerned IT Authorities. The publication was also carried out in "Business Standard" (English Daily) and "Nava Telangana" (Telugu Daily) Hyderabad Edition on 06.04.2019.

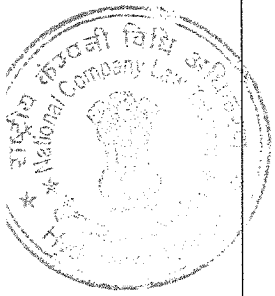
- 7.** The Regional Director, South Eastern Region, MCA, Hyderabad filed Affidavit / report on 29.07.2019. The observations made by Regional Director, SER in his report and reply given by the Petitioner Companies with reference to the observations by R.D vide affidavit dated 18.09.2019 are given against each.



Para Nos	Observation by Regional Director	Compliance by Petitioner Companies
3	Vide para 30(a), 30(b), 30(c) of ROC, Report, this Tribunal has been requested to direct the petitioner companies to comply the observations.	Petitioner Company will ensure the compliance of the provision of Section 239 of the Companies Act, 2013. All the applicable laws and Rule 17(2) of the Companies Rules, 2013.
7	As per clause 1.2 of Part-A of the Scheme the appointed date is 01.04.2019. However, Clause 1.5 of the Scheme is contrary to Sec 232 (6) and needs modification.	It is averred that Clause 1.5 of the Scheme provides that the scheme shall be effective from the appointed date and not at a date, subsequent to

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		the appointed date. Further Clause 4 of the Scheme provides that the Scheme shall be effective from the appointed date, but shall be operative from the effective date. Therefore no ambiguity in regard to the appointed date and effective date.
8	Chairman report had not furnished details of the service of notice on the unsecured creditors whose debt is more than Rs.1.00 Lakh.	Complied vide affidavit dated 24.01.2019
9	Requested the Tribunal to direct the Petitioner Companies to file all the pending Income Tax Returns or any filings due before any authorities before the scheme is allowed.	Complied.
10	Tribunal may be pleased to direct the petitioner companies to furnish the undertaking to the effect that the petitioner companies will pay the amount as and when demand arises by the concerned authorities.	Complied.
11	Petitioner companies are directed to alter the Clause 1.5 of Part-A and submit a fresh scheme duly certified by the Directors of Petitioner Companies.	Complied.
12	Since the petitioner companies have filed modified scheme changing the date of appointment the Tribunal was pleased to direct the petitioner	Complied.



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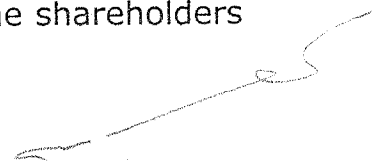
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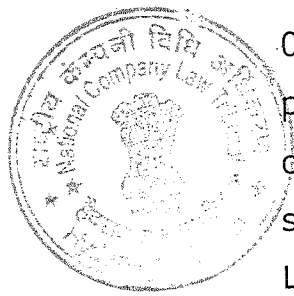
	companies to furnish the details of secured creditor and unsecured creditors if there are any changes.	
13	The Tribunal may direct the petitioner Transferee Company to furnish the details of open charges and consents of the said secured Creditors before the Scheme is allowed.	The charge displayed in the MCA Website may be due to technical error and the same was rectified by the ROC on the representation by the Company.

Thus petitioner companies complied with the objection raised by the RD.

8. Official Liquidator vide his report OLR No.22/2019 dated 17.05.2019 stated that based on the information made available by the Petitioners Companies, the affairs of the Transferor Company and Transferee Company appear to have not been conducted in a manner prejudicial to the interests of the members or to public interest.
9. The Counsel for the Petitioner Companies, has also filed the copy of Accounting Treatment Certificate of the M/s.B S R & Co. LLP, Chartered Accountants dated 08.10.2018, stating that the Accounting Treatment proposed in the aforesaid Scheme of Amalgamation is in compliance with all the applicable Accounting standards specified under Section 133 of the Act, and other applicable Laws and Regulations. The accounting treatment certificate is annexed to the Petition at Page No.304-308 of the petition.
5. The entire issued, subscribed and paid-up equity share capital of the Transferor Company is held by the Transferee Company. Accordingly, no shares of the Transferor Company shall be issued to the shareholders







of the Transferor Company in lieu of the said amalgamation and the shares held by Transferee Company in the Transferor Company shall be deemed to have been cancelled without any further act or deed.

THIS TRIBUNAL DO THE ORDER

1. While approving the Scheme of Amalgamation, we make it clear that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any, payable in accordance with law or in respect of any permission/compliance with any other requirement which may be specially required under law.
2. The whole of the property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the Transferee company for all the state and interest of the Petitioner Company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 be transferred to and become the liabilities and duties of the Transferee Company; and
3. All the liabilities including taxes and charges if any and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to section 232 of the Companies Act,2013, be



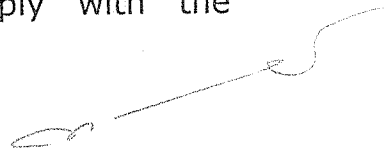
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transferred to and become the liabilities and duties of the Transferee Company;

4. The tax implications, if any, arising out of the Scheme is subject to final decision of concerned tax authorities and the decision of Concerned Tax Authorities shall be binding.
5. The Petitioner Companies are directed to strictly comply with the Accounting Treatment Standards prescribed under Section 133 of the Companies Act,2013.
6. All the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company, if any, and
7. The Petitioner Company shall within thirty days of the date of receipt of this order cause a certified copy of this order along with a copy of scheme of Amalgamation to be delivered to the Registrar of Companies for registration in accordance with Rule 25 (7) of Companies (Compromises, Arrangements & Amalgamation) Rules, 2016.
8. The Scheme of Amalgamation shall be effective from the appointed date as mentioned in the Scheme of Amalgamation i.e. 01.04.2019, and shall be binding on all the members, employees, creditors of the Petitioner Companies and on the Petitioner Companies.
9. The Transferee Company shall pay the difference of stamp duty, if any payable over the increase in the share capital after setting off the fee if any paid by the Transferor Companies.
10. The Petitioner Companies to comply with the

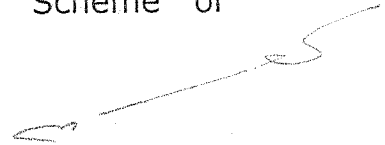
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observations made by the R.D in his report.

11. The Petitioner/transferor Company be dissolved without winding up as per the Scheme of Amalgamation.
12. The Transferor Company or its authorized signatory is directed that after the completion of the process of Amalgamation to hand over the possession of Book of Accounts and other relevant documents of the Transferor Company to the Transferee Company for the purpose of section 239 of the Companies Act, 2013.
13. The petitioner/Transferee company should preserve its books of accounts and papers and records and shall not dispose of without prior permission of the Central Government in terms of provisions of Section 239 of the Companies Act, 2013.
14. The petitioner Companies should ensure statutory compliance of all applicable laws and also on sanctioning of the present scheme the Transferee company shall not be absolved for any of its statutory liability in any manner.
15. The petitioner companies involved in the scheme to comply with Rule 17(2) of the Companies Rules, 2013 with respect to filing of order for confirmation of scheme in Form.INC -28 with the office of RoC(H).
16. The Companies shall until the completion of the Scheme of Arrangement, file a statement in such form and within such time as prescribed with the Registrar every year duly certified by a Chartered Accountant or a Cost Accountant or a Company Secretary to the effect that the Scheme of



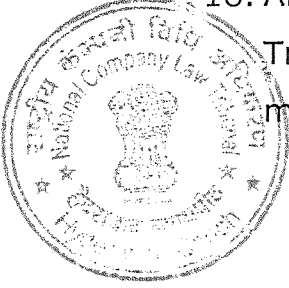




Arrangement is being complied in accordance with the orders of the Tribunal as required under Section 232 (7) of the Companies Act, 2013.

17. Upon the Scheme becoming effective, Transferee Company shall, without undue delay undertake to comply with the provisions of Section 13 of the Companies Act, 2013 and applicable rules thereof.

18. Any person shall be at the liberty to apply to the Tribunal in the above matter for any directions that may be necessary.



NKB
17.10.19
NARENDER KUMAR BHOLA
MEMBER (TECHNICAL)

Ratakonda Murali
17.10.19
RATAKONDA MURALI
MEMBER (JUDICIAL)

Pavani

Pavani
Dy. Registrar, Court Officer/
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रति
CERTIFIED TRUE COPY
केस संख्या
CASE NUMBER. *CP(CA) No. 157/230/HDB/2019*
निर्णय का तारीख
DATE OF JUDGEMENT... *17/10/19*
प्रति तैयार किया गया तारीख
COPY MADE READY ON... *22/10/19*

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**SCHEME OF AMALGAMATION
OF
NAGAVALLI MILKLINE PRIVATE LIMITED
WITH
CREAMLINE DAIRY PRODUCTS LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 230 AND 232 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

GENERAL

1. PURPOSE OF THE SCHEME:

This Scheme of Amalgamation provides for the amalgamation of Nagavalli Milkline Private Limited (hereinafter referred to as "NMPL" or "Transferor Company") with Creamline Dairy Products Limited (hereinafter referred to as "CDPL" or "Transferee Company" pursuant to Sections 230 and 232 and other applicable provisions of the Companies Act, 2013.

2. RATIONALE FOR THE SCHEME

The Transferor Company is engaged in the business of milk procurement and at present, has no commercial activity. The Transferee Company is also engaged in the business of milk procurement and processing, and is a manufacturer, producer, seller, dealer, assembler of all kinds of flavoured milk, dahi, yoghurt, paneer, ice creams, frozen desserts, ice products, milk products, other dairy products, etc. The Transferor Company is a wholly-owned subsidiary of the Transferee Company. The Scheme of Amalgamation will benefit the Transferor Company and the Transferee Company and their respective shareholders. The rationale and reasons for the proposed Scheme of Amalgamation *interalia* are summarized below:-

- a) To simplify management structure, leading to better administration and a reduction in costs due to more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.

For NAGAVALLI MILKLINE PVT. LTD.

K. Sreedhara

DIRECTOR

FOR CREAMLINE DAIRY PRODUCTS LIMITED

Raghava Reddy Sadhu

RAGHAVA REDDY SADHU
COMPANY SECRETARY
ACS: 14428

(7)

- b) To bring both the companies under one legal entity to facilitate, better and more efficient management.
- c) To achieve consolidation, greater integration and financial strength and flexibility which will maximize overall shareholder value.
- d) Land properties of both the Transferor Company and the Transferee Company are situated adjacent to each other and by virtue of amalgamation they can share the common infrastructure so that it would be economical and commercially viable so as to bring down the operational costs.

In view of the above benefits, the proposed amalgamation would result in an enhanced shareholder value.

I. PARTS OF THE SCHEME

The Scheme is divided into following parts:

- (i) **Part A** – deals with definitions of the terms used in this Scheme of Amalgamation and setting out incorporation details, share capital and objects of the Transferor Company and the Transferee Company;
- (ii) **Part B** – deals with the transfer and vesting of the Undertaking(s) of the Transferor Company with the Transferee Company;
- (iii) **Part C** – deals with the accounting treatment for the amalgamation in the books of the Transferee Company; and

Part D – deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.

PART A

DEFINITIONS AND DETAILS OF INCORPORATION, SHARE CAPITAL & MAIN OBJECTS

1. DEFINITIONS

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

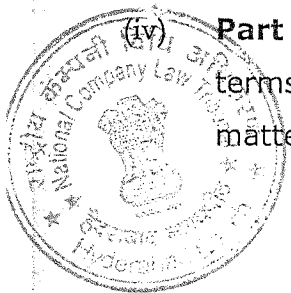
- 1.1 **“Act”** means the Companies Act, 2013 to the extent its provisions relevant for this Scheme are notified and the rules and regulations made thereunder and

FOR CREAMLINE DAIRY PRODUCTS LIMITED

Rachava Denny Sarathi

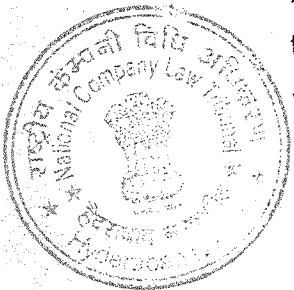
RACHAVA DENNY SARATHI

For NAGAVALLI MILKLINE PVT. LTD.



shall include any statutory modification(s), re-enactment(s) or amendment(s) thereof for the time being in force.

- 1.2 **"Appointed Date"** means 1st April, 2019 or such other date as the National Company Law Tribunal, Hyderabad Bench at Hyderabad or such other competent authorities may direct.
- 1.3 **"Assets"** shall mean all the business, undertakings, estates, assets, properties, rights, titles and interests of whatsoever nature and kind and wheresoever situated in India, of the Transferor Company, including but not limited to:
- all assets, movable and immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, freehold or leasehold, fixed or current, including computers and telecommunication equipments, computer hardware, software and programs, plant and machinery, office equipments, furniture and fixtures, vehicles, sundry debtors, cash and bank balances, loans and advances, deposits (including but not limited to security deposits), buildings, godowns, warehouses, offices, inventories, bills of exchange, peripherals and accessories, receivables, investments, goodwill, investment in shares, debentures, bonds, mutual funds, etc., if any.
 - All the registrations, permits, quotas, entitlements, industrial and other licenses, concessions, incentives, subsidies, approvals, authorizations, consents, tenancies, trademarks, patents, copyrights, all intellectual property, rights and licenses there under, technical knowhow, permits, designs, patterns, inventions, leasehold rights, leases, tenancy rights, privileges, all other rights, benefits and entitlements including other benefits, lease rights (including the benefit of any applications made therefore) powers and facilities of every kind, nature and description whatsoever, right to use and avail of telephones, telexes, facsimile connections, e-mail / Internet connections, communication facilities and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements, benefits under Letter of Credit, Guarantees, Letters of Comforts etc. issued for the benefit of the Transferor Company, benefits under government schemes, deferred tax benefits and other benefits accruing on account of past expenditure and all such other interests/ benefits;
 - All records, files, papers, engineering and process information, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit



For NAGAVALLI MILKLINE PVT. LTD.

K. Sureshja

DIRECTOR

FOR CREAMLINE DAIRY PRODUCTS LIMITED

Raghava Reddy
RAGHAVA REDDY SADHU
COMPANY SECRETARY
A.C.S. 14428

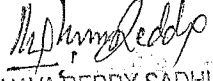
information, customer pricing information and all other records pertaining to business.

- 1.4 **"Board of Directors"** or **"Board"** means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- 1.5 **"Effective Date"** means the last of the dates on which the certified true copy of the order of the National Company Law Tribunal, Hyderabad Bench at Hyderabad sanctioning the Scheme is filed with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad, by the Transferor Company and the Transferee Company. Any reference in the Scheme to "upon the Scheme becoming effective" or "upon the Scheme coming into effect" shall mean the Effective Date. On filing of the certified true copies of the order of the NCLT Hyderabad Bench at Hyderabad sanctioning the Scheme with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad by the Transferor and the Transferee companies, the Scheme shall be effective from the Appointed Date and not at a date subsequent to the Appointed Date.
- 1.6 **"Liabilities"** shall mean all the debts, secured and unsecured loans, liabilities, responsibilities, obligations, undertakings, duties, guarantees, sureties, if any, of the Transferor Company.
- 1.7 **"NCLT"** means National Company Law Tribunal, Hyderabad Bench at Hyderabad and having jurisdiction over both transferor and Transferee Company.
- 1.8 **"NMPL" or "Transferor Company"** means Nagavalli Milkline Private Limited [Corporate Identity Number (CIN): U15209TG1999PTC031625], a private limited company incorporated under the Companies Act, 1956, and having its registered office at 6-3-1238/B/21, Asif Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500 082, Telangana.
- 1.9 **"Scheme" or "the Scheme" or "this Scheme" or "Scheme of Amalgamation"** means this Scheme of Amalgamation in its present form or with any modification(s) made under clause 19 of this Scheme, as approved or directed by the NCLT or any other appropriate authority.
- 1.10 **"CDPL" or "Transferee Company"** means Creamline Dairy Products Limited, [Corporate Identity Number (CIN): U15201TG1986PLC006912], a public limited company incorporated under the Companies Act, 1956, and having its registered office at 6-3-1238/B/21, Asif Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500 082, Telangana.

For NAGAVALLI MILKLINE PVT. LTD.

K. Sankhya
DIRECTOR

FOR CREAMLINE DAIRY PRODUCTS LIMITED


RAGHAVA REDDY SADHU
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1.11 "Undertaking of the Transferor Company" shall mean the entire business and undertaking of the Transferor Company as a going concern and shall include (without limitation) the following:-

- (a) All immovable property, including land, movable assets and all rights, title, interest, covenant, undertakings, including continuing right title and interest in connection with the immovable properties whether freehold or leasehold or otherwise comprised in its business, together with all present and future liabilities including contingent liabilities and debts pertaining to its business, as per the records of NMPL.
- (b) Any other property or assets, real or personal, in possession or reversion corporeal or incorporeal, tangible or intangible, present or contingent owned, held, used or otherwise enjoyed by NMPL.
- (c) All permits, quotas, rights, approvals, consents, entitlements, licences any other specific approvals/ permissions / no-objections obtained from various statutory / Government / Quasi Government / other authorities agencies and Telangana State Goods and Service Tax (TSGST) obtained applied for / in the process of obtaining / to be obtained from respective authorities which are not included in the scheme, approvals, tenancies, trademarks, patents, copyrights, privileges and benefits of contracts, agreements and all other rights, permissions / approvals obtained / applied for / in the process of obtaining / to be obtained whether available as on date or vested in future, including lease rights, licences, approvals, exemptions, tax benefits, concessions, subsidies and other beneficial interests, powers and facilities of every kind in the description of whatsoever nature, appertaining to its business, as per the records of NMPL.
- (d) All debts, borrowings, obligations, liabilities, guarantees and sureties whether present or future, whether secured or unsecured, pertaining to the business, as per the records of NMPL.
- (e) All permanent employees of NMPL, if any, engaged in or in relation to the business at /its office(s), branch(es), factory(ies), depot(s), land(s) or otherwise, if any, as per the records of NMPL.
- (f) All earnest monies and / or security deposits, or other entitlements in connection with or relating to its business, as per the records of NMPL.

For NAGAVALLI MILKLINE PVT. LTD.

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FOR CREAMLINE DAIRY PRODUCTS LIA.

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- (g) All fixed assets, investments, current assets, funds, and loans and advances including accrued interest, in connection with or relating to its business, as per the records of NMPL; and
- (h) All records, files, papers, documents, process information, computer programs, manuals, data, catalogues, quotations, internal control information / material, technical know-how, present and prospective list of customers and suppliers, customer credit information, customer pricing information, books of accounts and other supporting data, documents, invoices, etc. and all other records whether in physical or electronic form, pertaining to the business of NMPL.

Any reference in the Scheme to "upon the Scheme becoming effective" or "upon the Scheme coming into effect" shall mean the Effective Date.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

INCORPORATION, SHARE CAPITAL AND MAIN OBJECTS

1. Transferor Company / NMPL

a) Incorporation:

Nagavalli Milkline Private Limited/ the Transferor Company was incorporated as a Private Company in the then State of Andhra Pradesh on 04.05.1999 and its Corporate Identity Number (CIN) is U15209TG1999PTC031625.

b) Share Capital:

The Present Share Capital of Nagavalli Milkline Private Limited is as under:

PARTICULARS	AMOUNT IN RUPEES
Authorised:	
21,50,000 Equity Shares of Rs10/- each	2,15,00,000
Issued, Subscribed and Paid-up:	
20,10,400 Equity Shares of Rs. 10/- each fully paid-up	2,01,04,000

The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company and its nominee.

For NAGAVALLI MILKLINE PVT. LTD.

K. Sureshya
DIRECTOR

FOR CREAMLINE DAIRY PRODUCTS LIMITED

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c. Main Objects:

The Main Objects of the Transferor Company presently enables it to carry on the business of:

- (i) To carry on the business of dairy farming by producing, procuring, processing and deal in milk, milk products, By-products or any other food products of animal.
- (ii) To carry on business as manufactures, producers, sellers, dealers, assemblers of all kinds of flavoured milk, yoghurt, paneer, ice-cream, ice products, desserts, milk products, cakes, chocolates, condensed milk, milk powder, fast foods, ready to eat products, ghee, cream, butter, cheese and dairy products of all kinds.
- (iii) To manufacture, buy, sell, import, export, and deal in mineral waters, fruit juices, fruit jelly's squashes, custards, pickles, salads, and fruit dry powder and to extract flavours, perfumes, essence from all kinds of fruits, vegetables and herbs, and treating, preserving, bottling of aerated waters and food beverages, and vegetables soups, health foods, puffed foods, extruded foods, dried foods, biscuits breads, rusks, crisp bread, confectioneries, toffees, chewing gum, and foods for human consumption by chemical fermentation or other processes or farinaceous foods of all kinds by compounding such as yeast, vitamins hormones, proteins, seawater foods, fresh water foods, jam, ketchup, syrups, cordials, barely waters and to deal in such products either in their prepared, manufactured or raw state.
- (iv) To establish, own, operate, acquire, take on lease, run a manage processing units, factories for the purpose of packing, preserving, dehydrating , canning, freezing, evaporating, concentrating and otherwise processing fruits, vegetables, spices and other edible products whether in glass, tin, plastic, tetra pack, poly pack, or other sanitary packages, for human or animal consumption and to operate cold/dry storage, bonded warehouses for the preservation, storage and treatment of merchandise, food products, farm products both of foreign an indigenous production or manufacture.

3, Transferee Company / CDPL

a) Incorporation

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R. Saravallya

DIRECTOR

FOR CREAMLINE DAIRY PRODUCTS LIMITE

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Creamline Dairy Products Limited / transferee Company / CDPL was originally incorporated as a Private Limited Company on 31.10.1986 in the then State Andhra Pradesh under the name and style of Creamline Dairy Products Limited having duly passed the necessary Resolution on the 21st day of April, 1994 in terms of Section 31(1)/44 of the Companies Act, 1956 the name of the company changed to Creamline Dairy Products Limited on 11th of August, 1994.

b) Share Capital:

The Present Share Capital of CDPL / Transferee Company is as under:-

PARTICULARS	AMOUNT IN RUPEES
<u>Authorized:</u>	
1,50,00,000 Equity Shares of Rs.10/- each	15,00,00,000
<u>Issued and Paid up Subscribed</u>	
1,13,24,700 Equity Shares of Rs.10/- each	11,32,47,000

c) Main Objects;

The Main Objects of CDPL /The Transferee Company presently enables it to carry on the business of:

i) To carry on the business as manufacturers, producers, sellers, dealers, assemblers of all kinds of flavoured milk, yoghurt, paneer, ice-creams, ice products, milk products, cakes, chocolates, condensed milk, milk powder, fast foods, ready to eat products, ghee, butter and dairy products of all kinds.

ii) To manufacture, produce, sale, purchase, import and otherwise deal in bottling all types of fruit jelly's, fruit pulps, fruit juices, squashes custards, pickles, salads and fruit dry powder and to extract flavours, perfumes, essences from all kinds of fruits, vegetables and herbs, and treating, preserving bottling, of aerated waters, mineral waters and food beverages and vegetables soups.

For NAGAVALLI MILKLINE PVT. LTD.

K. Soudhaya
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FOR CREAMLINE DAIRY PRODUCTS LIMITED

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iii) To carry on the business of growing, developing, fruit gardens, nurseries and to erect, build and manage poultry farms, dairy farms, seed farms and other warehouses, dry cattle farms and other buildings and undertaking necessary or expedient for carrying on the business of the company.

iv) To conduct collaboration agreements with foreign firms to obtain technical know-how for setting up factories for manufacturing of yoghurt, milk products and other allied products including obtaining of layout specifications, for plant and machinery, all process of techniques and designs and import technology and machinery and technological test equipments and to provide consultancy advice about the manufacture, technical, managerial and making of dairy products, yoghurt, flavours, fast foods, ice creams, food and allied products in India and abroad.

4. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

PART B

TRANSFER AND VESTING OF UNDERTAKING OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

5. TRANSFER AND VESTING OF UNDERTAKING

5.1 Subject to the provisions of the Scheme as specified hereinafter and with effect from the Appointed Date, the entire business Undertaking of the Transferor Company, including all debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets, tangible or intangible

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assets (whether or not recorded in the books of account of the Transferor Company) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities and business licenses, Factories Act licenses, ESI, Provident Fund and A.P/GST Licenses, manufacturing licenses (FSSAI) from District Food Inspector, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secrets, brands, registrations, licenses, marketing authorisations and other intellectual property rights, proprietary rights, title, interest, contracts, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages and benefits, approvals, shall, under the provisions of Sections 230 and 232 of the Act, and pursuant to the order of the National Company Law Tribunal sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking of the Transferee Company.

5.2 Without prejudice to the generality of clause 5.1 above, with respect to the assets of the Transferor Company, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery or otherwise, the same shall be so transferred by the Transferor Company to the Transferee Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company as an integral part of the assets of the Transferee Company, with effect from the Appointed Date.

For NAGAVALLI MILKLINE PVT. LTD.

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DIRECTOR

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- 5.3 Without prejudice to the generality of clause 5.1 above, with effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of account of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date, shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.
- 5.4 With effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.
- 5.5 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due by the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability on any party and appropriate effect shall be given in the books of account and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations by the Transferor Company and the Transferee Company, with effect from the Appointed Date.
- 5.6 All existing securities, mortgages, charges, liens or other encumbrances, if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date till the Effective Date, over the properties and other assets comprised in the Undertaking or any part thereof shall stand transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, liens or other encumbrances secure or relate to liabilities



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of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such securities, mortgages, charges, liens or encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Company over its assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of the Transferee Company, except for those done in the normal course of business.

5.7 The existing encumbrances, if any, over the properties and other assets of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

5.8 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

5.9 With effect from the Appointed Date, all contracts, statutory licences, registrations, incentives, tax deferrals and benefits, carry-forward of tax losses, tax credits, tax refunds, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Company, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date shall stand vested in or transferred to the Transferee Company, pursuant to the

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Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Undertaking of the Transferor Company pursuant to this Scheme.

5.10 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income-Tax Act, 1961. If any terms or provisions of the Scheme is/ are inconsistent with the provisions of Section 2(1B) of the Income Tax Act, 1961, the provisions of Section 2(1B) shall prevail and the Scheme shall stand modified to the extent necessary to comply with such provisions. Such modifications will however not affect the other parts of the Scheme.

6. CONSIDERATION

The entire issued, subscribed and paid-up equity share capital of the Transferor Company is held by the Transferee Company. Accordingly, no shares of the Transferor Company shall be issued to the shareholders of the Transferor Company in lieu of the said amalgamation and the shares held by Transferee Company in the Transferor Company shall be deemed to have been cancelled without any further act or deed.

The share certificates of the Transferor Company in relation to the shares held by its members shall, without any further application, Act or instrument deed shall automatically deemed to have been cancelled from the Effective Date.

7. INCREASE IN AUTHORISED SHARE CAPITAL OF THE TRANSFEE COMPANY

7.1 Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of

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Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including without payment of stamp duty and fees payable to the Registrar of Companies, by an amount of Rs.2,15,00,000/- (Rupees Two Crore Fifteen Lakh Only), and the provisions in the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13, Section 14, Section 61 of the Companies Act, 2013 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on their authorised share capital shall be utilized and applied to the increased authorised equity share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

7.2 Accordingly, in terms of this Scheme, the authorised share capital of the Transferee Company shall stand enhanced to an amount of Rs. 17,15,00,000/- (Rupees Seventeen Crore Fifteen Lakh Only), divided into 1,71,50,000 (Rupees One Crore Seventy one Lakh Fifteen Thousand Only) Equity Shares of Rs. 10/- each and:

(a) the capital clause being Clause V of the Memorandum of Association of the Transferee Company shall stand substituted to read as follows:

The Authorized Share Capital of the Transferee Company is Rs. 17,15,00,000/- (Rupees Seventeen Crore Fifteen Lakh Only), divided into 1,71,50,000 (One Crore Seventy one Lakh Fifty Thousand) equity shares of Rs.10/- (Rupee Ten

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Only) each with rights and conditions with power to divide the shares in the Company for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined or in accordance with the Companies Act, 2013 and regulate the rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

(b) Article 3 of the Articles of Association of the Transferee Company shall stand substantiated to read as follows:

Amount of Share Capital:

(i) The Authorized Share Capital of the Company is Rs. 17,15,00,000/- (Rupees Seventeen Crore Fifteen Lakh Only), divided into 1,71,50,000 (One Crore Seventy one Lakh Fifty Thousand) equity shares of Rs.10/- (Rupee Ten Only) each.

(ii) The Paid-up Share Capital of the Company shall be minimum of Rs. 5,00,000/- (Rupees Five Lakh Only) or such other amount as may be prescribed under the Act.

8. STAFF, WORKMEN AND EMPLOYEES

8.1 Upon the Scheme becoming effective, all permanent staff, workmen and employees, if any, of the Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date or the date of joining whichever is later, without any break or interruption in their service as a result of the transfer and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

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8.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the permanent staff, workmen and employees of the Transferor Company shall become trusts/ funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the services of the permanent staff, workmen and employees of the Transferor Company will be treated as having been continuous with the Transferee Company from the date of employer as reflected in the records of the Transferor Company.

9. LEGAL PROCEEDINGS

9.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, including those arising on account of taxative laws and other allied laws, the same shall not abate or be discontinued or any way be prejudicially affected by reason of the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceeding may be continued, prosecuted and enforced by or against the Transferor Company, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.

9.2 On and from the Effective Date, the Transferee Company may, if required, initiate or defend any legal proceedings in relation to the rights, title, interest, obligations or liabilities of any nature whatsoever, whether under contract

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law or otherwise, of Transferor Company and to the same extent as would or might have been initiated by or defended by the Transferor Company.

10. POWER TO GIVE EFFECT TO THIS PART

The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

11. TAXATION MATTERS

11.1 Upon the Scheme becoming effective, all taxes payable by the Transferor Company under the Income-tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Goods & Service Tax (GST) or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter referred to as "Tax Laws") shall be to the account of the Transferee Company; similarly all credits for tax deduction at source on income of the Transferor Company, or obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company if so made by the Transferor Company. Similarly any advance tax payment required to be made for by the specified due dates in the Tax Laws shall also be deemed to have been made by the Transferee Company if so made by the Transferor Company. Further, the Minimum Alternate Tax paid by the Transferor Company under Section 115 JB and/ or

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other provisions (as applicable) of the Income-tax Act, 1961, shall be deemed to have been paid on behalf of the Transferee Company, and the Minimum Alternate Tax credit (if any) of the Transferor Company as on the Appointed Date or accruing after the Appointed Date shall stand transferred to the Transferee Company and such credit would be available for set-off against the tax liabilities of the Transferee Company. Any refunds under the Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

11.2 All taxes of any nature, duties, cesses or any other like payments or deductions made by the Transferor Company or any of its agents to any statutory authorities such as Income Tax, Sales Tax, and Service Tax, Goods & Service Tax (GST) or any tax deduction/ collection at source, tax credits under Tax Laws, relating to the period after the Appointed Date upto the Effective Date shall be deemed to have been on account of or paid by the Transferee Company, and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the Effective Date and upon relevant proof and documents being provided to the said authorities.

11.3 All cheques and other negotiable instruments and payment orders received in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the banker of the Transferee Company shall honour cheques issued by the Transferor Company for payment on or after the Appointed Date and presented after the Effective Date.

12. CONTRACTS, DEEDS AND INSTRUMENTS

Subject to the other provisions of the Scheme, all contracts, including contracts for all tenancies and licenses, rentals, deeds, bonds, agreements,

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bonds, lease deeds, Rental Agreements, Agreements of any and all usage, business purchase agreements, schemes, Trade Marks, exemption schemes, Memorandum of Understanding or memoranda of agreement, memoranda of agreed points, letters of agreed points, character merchandising licenses, technology transfer agreements, distribution licenses and agreements, usage agreements, arrangements, undertakings whether written or otherwise and other instruments if any, of what so ever nature to which the Transferor Company is a party, or the benefits to which the Transferor Company is entitled, or subsisting or operative immediately on or before the Effective Date shall be in full force and effective against or in favour of the Transferee Company and may be enforced as fully and effectively as it would be against or for the Transferor Company and the Transferee Company, shall enter into and / or issue and / or execute deeds, or bonds in writing or confirm in writing or enter into tripartite agreements, confirmations or notations to which the Transferor Company is a party, to give full effect and formal authenticity to the provisions of this Scheme, if so required or becomes necessary. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings, or confirmations on behalf of the Transferor Company and to implement or carry out all the formalities and obligations required on the part of the Transferor Company to give effect to the provisions of this Scheme.

PART C

**ACCOUNTING TREATMENT FOR THE AMALGAMATION
IN THE BOOKS OF THE TRANSFEE COMPANY**

13. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY

13.1 Upon the Scheme becoming effective, the transferee company shall record the assets, liabilities and reserves of the Transferor Company in its books of accounts in accordance with the 'pooling of interest' method prescribed under Appendix C of Indian Accounting Standard (Ind-AS) 103 "Business Combinations" and or such other Ind-AS, as may be applicable, as amended from time to time.

For NAGAVALLI MILKLINE PVT. LTD.

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13.2 All the assets and liabilities' of the Transferor Company shall be recorded at their existing carrying amounts, as appearing in the books of the Transferor Company as on the Appointed Date, in the books 'of the Transferee Company, and no adjustments shall be made to the book value of the assets or liabilities or recognize any new assets or liabilities.

13.3 The identity of the reserves, including negative balance of retained earnings, of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee company in the same form and manner (including year wise balances of book depreciation and book losses as forming part of such retained earnings as on the appointed date) in which they appeared in the financial statements of the Transferor Company. It is hereby clarified that upon the scheme becoming effective and with effect from the Appointed Date, for the purpose of all applicable regulations (including Section 115J B of the Income Tax Act, 1961); the Transferee Company shall appropriately consider the amounts of book loss brought forward and book unabsorbed depreciation of the Transferor Company.

13.4 The investment in the equity share capital of the Transferor Company, as appearing in the books of account of the Transferee Company on the Effective Date, shall stand cancelled. The cancellation shall be effected as an integral part of the Scheme.

13.5 The difference, if any, between the book value of the assets of the Transferor Company and the aggregate of: (a) the book value of liabilities of the Transferor Company vested in the Transferee Company pursuant to this Scheme; (b) the book value of the reserves of the Transferor Company vested in the Transferee Company pursuant to this scheme; and (c) the book value of investment held by the Transferee Company in the Transferor Company, cancelled under clause 6 above shall be transferred to capital reserve as per Appendix C of Ind AS 103 "Business combination".

For NAGAVALLI MILKLINE PVT. LTD.

K. Sridhya
DIRECTOR

FOR CREAMLINE DAIRY PRODUCTS LIMITED

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 13.6 Any inter-company payables/receivables (including loans, advances or debtors etc.) between the Transferor Company and the Transferee Company shall be cancelled and there shall be no liability on that behalf and the corresponding effect shall be given in the financial statements of the Transferee Company for cancellation of such assets and liabilities, as the case may be.

13.7 In case of any differences in the accounting policies between the Transferor Company and the Transferee Company, the impact of such differences shall be quantified and shall be appropriately adjusted and reported, in accordance with applicable accounting standards, so as to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies and in conformity with applicable standards, including without limitation Ind-AS 103.

14. TRANSACTIONS BETWEEN THE APPOINTED DATE AND THE EFFECTIVE DATE

During the period from the Appointed Date upto and including the Effective Date:

14.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire business and Undertaking for and on account of and in trust for the Transferee Company;

14.2 The Transferor Company shall carry its business and activities in the ordinary course of business with reasonable diligence and business prudence;

14.3 The Transferor Company shall not, without the written consent of Transferee Company, undertake any new business;

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 Director

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14.4 The Transferor Company shall not sell, transfer or alienate, charge, mortgage or encumber or otherwise deal with or dispose of any of its Undertaking or any part thereof save and except in each case:

- (a) if the same is in the ordinary course of business of Transferor Company as carried on by them as on the date of filing this Scheme with the NCLT; or
- (b) if the same is expressly permitted by this Scheme; or
- (c) if the prior written consent of the Board of Directors of Transferee Company has been obtained.

14.5 All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred by or arising to the Transferor Company, shall for all purposes be treated and deemed to be and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and

14.6 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the NCLT and all other Government Authorities/ agencies concerned, as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

14.7 The Transferor Company shall not vary the terms and conditions of employment of any of its employees except in the ordinary course of business, with the prior written consent of the Transferor Company or pursuant to any pre-existing obligation undertaken by the Transferor Company as the case may be, prior to the Effective Date.

15. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking(s) of the Transferor Company under Clause 5 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor

For NAGAVALLI MILKLINE PVT. LTD.

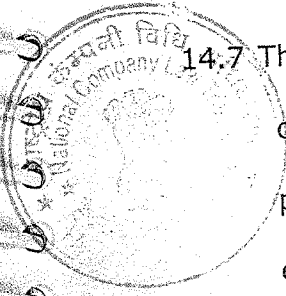
K. Saundhya

DIRECTOR

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Company on or before the Appointed Date or concluded after the Appointed Date and the Effective Date (both days inclusive), to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART D

**DISSOLUTION OF THE TRANSFEROR COMPANY AND
THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME
OF AMALGAMATION AND OTHER MATTERS CONSEQUENTIAL AND
INTEGRALLY CONNECTED THERETO**

16. WINDING UP

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved, without going through the process of winding up and without further acts and deeds by parties on such terms and conditions as the NCLT may direct or determine.

17. CONDITIONALITY OF THE SCHEME

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

- (i) Approval by the NCLT;
- (ii) The certified copy of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Transferor Company and the Transferee Company; and
- (iii) Compliance with such other conditions as may be imposed by the NCLT;

Further, the provisions contained in this Scheme are inextricably inter-linked with the other provisions herein and the Scheme constitutes an integral whole. The Scheme would be given effect only if it is approved in its entirety, unless specifically agreed otherwise by the Transferor Company and the Transferee Company, by their respective Boards of Directors or any committee constituted by them.

For NAGAVALLI MILKLINE PVT. LTD.

K. Suresh

DIRECTOR

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18. APPLICATION TO THE NCLT

The Transferor Company and Transferee Company shall as may be permissible with all reasonable despatch, make and file a Joint Application / Petition to the NCLT, Hyderabad Bench at Hyderabad within whose jurisdiction the registered offices of the Transferor Company and Transferee are situated, for sanctioning the Scheme, and for dissolution of the Transferor Company without being wound up.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company by their respective Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and/ or any other Government Authority may deem fit, to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e., the Board of Directors or the person(s)/ committee). The Transferor Company and the Transferee Company by their respective Board of Directors, or any person(s) or committee authorised/ appointed by them, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any Government/ regulatory authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

20. EFFECT OF NON-RECEIPT OF APPROVALS

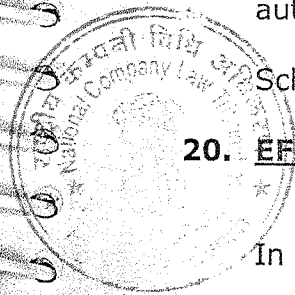
In the event, any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferor Company and the Transferee Company shall by mutual agreement waive such conditions as they

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consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the NCLT, the Scheme shall become null and void, stand revoked or cancelled and be of no effect, save and except in respect of any act or deed prior thereto as is contemplated hereunder or as to any rights or liabilities which might have arisen or accrued pursuant hereto and which shall be governed and be preserved or worked out as specifically provided in the Scheme or as may otherwise arise in law. The Transferor Company and the Transferee Company shall bear and pay their respective costs, charges and expenses for or in connection with the Scheme.

21. POWER TO WITHDRAW THE SCHEME AT ANYTIME

In the event of any condition or amendment or modification that may be imposed by the NCLT or any competent authority, or if the Board of Directors of the Transferor Company or the Board of Directors of the Transferee Company, may find it unacceptable for any reason or if the Board of Directors of the said Transferor Company or Transferee Company decides, they shall be at a liberty to withdraw from the Scheme unconditionally.

22. COSTS, CHARGES, EXPENSES AND STAMP DUTY

In the event of the Scheme being sanctioned by the NCLT, the Transferee Company shall bear and pay all costs, charges, expenses and taxes, including duties and levies in connection with or arising out of or incurred in carrying out and implementing the Scheme and to put the Scheme into operation, incurred either before or after the Scheme becoming effective.

The Transferor Company is a wholly owned subsidiary of the Transferee Company and no shares would be issued by the Transferee Company to the shareholders of the Transferor Company as mentioned in clause 6 of the Scheme. Hence, as per Schedule 1A, Article 20(d) of Indian Stamp Act, 1899 as applicable to the State

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of Telangana, no stamp duty liability will arise on the Order passed by the NCLT accordingly no stamp duty is payable by the Transferee Company on merger of the Transferor Company with the Transferee Company under Sections 230 - 232 of the Companies Act, 2013.

23. MISCELLANEOUS

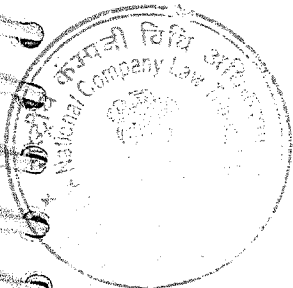
In case any doubt or difference or issue shall arise among the Transferor Company and the Transferee Company or any of their shareholders, creditors, employees and/ or persons entitled to or claiming any right to any shares in the Transferor Company or the Transferee Company, as to the construction of this Scheme or as to any other aspects contained in or relating to or arising out of this Scheme, the same shall be amicably settled between the Boards of Directors of the Transferor Company and the Transferee Company, and the decision arrived at therein shall be final and binding on all concerned, subject to approval as may be required of the NCLT as the case may be.

For NAGAVALLI MILKLINE PVT. LTD.

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DIRECTOR

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Schedule I

(This Schedule forms an Integral Part of the Scheme of Amalgamation of Nagavalli Milkline Private Limited with Creamline Dairy Products Limited and their respective Shareholders.

Immovable properties of Nagavalli Milkline Private Limited:

Serial No.	Land Details	Registered Sale Deed & Document No.
01	<p>Uppal Khalsa Village, Uppal Mandal, R.R. District; Industrial Area.</p> <p>Area of the land : 2.0 Acres or 8,093.65 Sq. Meters</p> <p>The boundaries of the property are:</p> <p>North : Lakshmi Narayana Nagar Colony</p> <p>South: Land in part of Sy. No. 548, belonging to Creamline Dairy Products Limited.</p> <p>East: Land in Sy.No. 547</p> <p>West: Land in Sy. No. 581 belonging to APIIDC</p>	<p>1.Document No. 3812/2008, dated 24.04.2008 and</p> <p>2. Document No. 1597/2008, dated 06.02.2008</p>

For NAGAVALLI MILKLINE PVT. LTD.

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DIRECTOR

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