

October 07, 2024

National Stock Exchange of India Limited

Exchange Plaza
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051.

Scrip Code: CHALET

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001.

Scrip Code: 542399

Sub: Submission of Scheme of Arrangement pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Dear Sir/ Madam,

Further to our letter dated October 25, 2023, intimating approval of the Board of Directors on the Scheme of Arrangement and Amalgamation ('Scheme') amongst the Company, Sonmil Industries Private Limited and The Dukes Retreat Private Limited, subsidiary companies and their respective Shareholders and Creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, please find attached herewith:

- Certified copy of the said Scheme – **Annexure A**
- Certified copy of the resolution passed by the Board of Directors of the Company on October 25, 2023– **Annexure B**
- Certificate from the Statutory Auditors certifying that the Accounting Treatment stated in the Scheme conforms to the applicable Accounting Standards and applicable legal requirements – **Annexure C**

In terms of Regulation 37(6) of the Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, the requirement of obtaining 'No Objection Letter' from the Stock Exchanges is not applicable to schemes which solely provide for merger of a wholly owned subsidiary with its holding company.

The details as required under Regulation 30 of the Listing Regulations read with Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 have been disclosed as part of the earlier disclosure referred to above.

We request you take the above information on record.

Thanking You.

Yours faithfully,
For **Chalet Hotels Limited**

Christabelle Baptista
Company Secretary & Compliance Officer

Encl.: a/a

Chalet Hotels Limited

Regd. Off. : Raheja Tower, Plot No.C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.
Website: www.chalet-hotels.com Email: companysecretary@chalet-hotels.com Phone: +91-22-2656 4000 Fax: +91-22-2656 5451
CIN: L55101MH1986PLC038538

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION
(UNDER SECTIONS 230-232 OF THE COMPANIES ACT, 2013 READ WITH OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES FRAMED THEREUNDER)

AMONGST

CHALET HOTELS LIMITED

AND

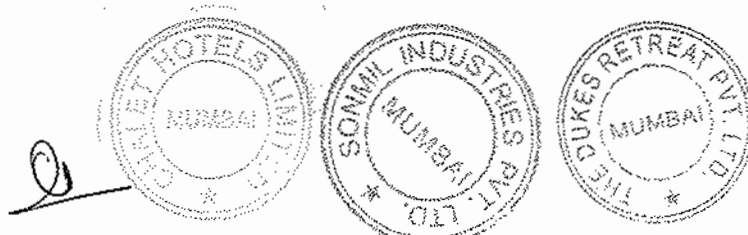
SONMIL INDUSTRIES PRIVATE LIMITED

AND

THE DUKES RETREAT PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS



I PART A: PREAMBLE

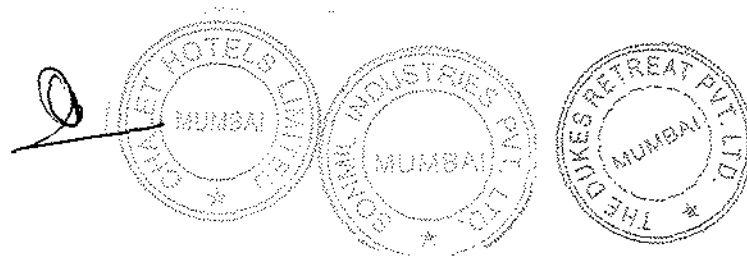
1. DESCRIPTION OF COMPANIES THAT ARE PARTIES TO THIS SCHEME

1.1 **Chalet Hotels Limited** (hereinafter referred as "Chalet"), is a public limited company listed on BSE Ltd. and on National Stock Exchange of India Limited. Chalet was incorporated as a private limited company on January 6, 1986, under the Companies Act, 1956 as Kenwood Hotels Private Limited in the State of Maharashtra. The status of the company was changed from a private company into a deemed to be public company on July 19, 1997 as per the provisions of Section 43 A of the erstwhile Companies Act, 1956 and consequently the name of the company changed to Kenwood Hotels Limited. Thereinafter, pursuant to an application being made for change of name, the name of the company was initially changed to K. Raheja Resorts & Hotels Limited on April 6, 1998, and thereafter to Chalet Hotels Limited on May 4, 1999. Thereafter, upon a further application for conversion into a private company, the name of the company was changed to Chalet Hotels Private Limited on October 15, 2011. Subsequently, the company was re-converted into a public company upon an application filed in this regard and the name of the company was changed to Chalet Hotels Limited on June 6, 2018. The corporate identity number (CIN) of Chalet is L55101MH1986PLC038538. The registered office of Chalet is at Raheja Tower, Plot No. C-30, Block – G, Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Chalet is authorized to *inter alia*:

- (a) To own, construct, run, furnish of, take over, manage, carry on the business of hotel, holiday resorts, restaurant, café, tavern bars, refreshment-rooms, boarding and lodging, housekeepers, clubs, in India or in any other part of the world.
- (b) To provide lodging and boarding, restaurants, eating houses, pool and other facilities to the public including tourists, visitors and other delegates coming to India from foreign countries and to members of delegations and missions from foreign countries.
- (c) To carry on business of building, erecting and constructing structures, buildings, houses or sheds including RCC works and other fixtures on lands and or building and to convert squares, gardens and other conveniences and to make, build or construct surface metal or otherwise repair roads and carry on business of builders, constructors, contractors and road repairers of all kinds of dams, bunds, canals, bridges and irrigation works including and construction of power house or power stations.
- (d) To sell, exchange, let out, grant, leave and licence or otherwise dispose of all flats, tenements, garages, godowns, factory premises, warehouses, ships, offices and all other premises constructed by the Company at such price rent or compensation and on such terms and conditions as reasonable.

1.2 **Sonmil Industries Private Limited** (hereinafter referred as "Sonmil"), is a private limited company, incorporated on March 10, 1976, under the Companies Act, 1956 in the State of Maharashtra as Sonmil Investments Private Limited. Pursuant to an application being made for change of name, the name of the company was changed to Sonmil Industries Private Limited on March 02, 2015. The corporate identity number (CIN) of Sonmil is U68100MH1976PTC018883. The registered office of Sonmil was at 5th Floor, Sadhana Rayon House, D N Road, Fort, Mumbai 400001 which was subsequently changed to 4th Floor, Raheja Tower, Plot No. C-30, Block – G, Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 w.e.f. March 23, 2023. Sonmil is authorized to *inter alia*:

- (a) To purchase, take on lease or in exchange or otherwise acquire and deal in any lands and buildings, and to carry on the business of real estate including to develop, erect, construct,



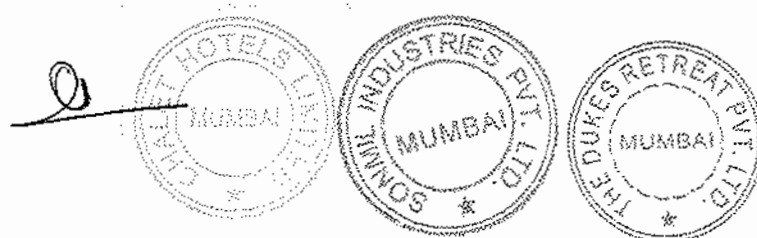
improve, enlarge, alter or maintain buildings and structures being office, industrial, commercial or residential and sale or leasing of all such immovable and movable properties of all kinds and description and right, title and interest therein in the State of Maharashtra or elsewhere and any estate or interest in and any rights connected with any such lands and buildings including to enter into joint venture, foreign collaboration in real estate as per permissible government guidelines.

- (b) To carry on the business of leasing, renting out or giving on leave and licence basis any lands, houses, offices, buildings, structures and other properties of any tenure or description and buildings or parts of buildings or any interest in and rights over or connected with any such lands, buildings, structures.
- (c) To own, construct, run furnish of, take-over, manage, carry on the business of hotel, holiday resorts, restaurants, café tavern bars, refreshment rooms, boarding and lodging, house keepers, clubs, in India or in any other part of the world.

1.3 The Dukes Retreat Private Limited (hereinafter referred as "Dukes"), is a private limited company, incorporated on February 19, 1968, under the Companies Act, 1956 as 'The Mayoor Hoteliers and Entertainers Private Limited' in the State of Maharashtra. Pursuant to an application being made for change of name, the name of the company was changed to The Dukes Retreat Private Limited on October 06, 1988. Thereafter, the status of the company was changed from a private company into a deemed to be public company on July 01, 1996, as per the provisions of Section 43 A of the erstwhile Companies Act, 1956 and consequently the name of the company changed to 'The Mayoor Hoteliers and Entertainers Limited.' Subsequently, upon an application for conversion into a private company, the name was changed to 'The Dukes Retreat Private Limited' on April 05, 2016. The corporate identity number (CIN) of Dukes is U55200MH1968PTC013933. The registered office of Dukes was at 5th Floor, Sadhana Rayon House, D N Road, Fort, Mumbai 400001 which was subsequently changed to 4th Floor, Raheja Tower, Plot No. C-30, Block - G, Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 w.e.f. March 23, 2023. Dukes is authorized to *inter alia*:

- (a) carry on in India and abroad the business of hotel, restaurant, cafe, tavern, beerhouse, refreshment room and lodging house proprietors and keepers; and to carry on business of licenced victuallers, wine, beer, and spirit merchants, brewers, maltsters, distillers, importers and manufacturers of aerated, mineral and artificial waters and other drinks, purveyors, caterers for public amusements generally and for private and public function, proprietors of motor and other vehicles, proprietors, livery stable keepers jobmasters garage farmers, dairymen, ice merchants, importers and brokers of food, live and dead stock and foreign produce of all descriptions, hair-dressers, perfumers, chemists, and druggists, proprietors conductors and managers of dubs, baths, swimming-pool, boat-clubs, dressing rooms, laundries, reading writing and newspapers rooms, libraries, smokerooms, lockers and safe deposits, pleasure grounds and places of amusement, recreation, sport, entertainment, and instruction of all kinds, tobacconists, tobacco and cigar merchants, travel agents generally and agents for railway, shipping, aeroplane and omnibus service, companies, authorities, and organisations and carriers; cinema, theatrical and opera box office, proprietors, entrepreneurs and general agents, and any other business which can conveniently be carried on in connection therewith.
- 1.4 Sonmil is a wholly owned subsidiary of Chalet. Dukes is a subsidiary of Chalet wherein Chalet holds 82.28% (Eighty Two point Two Eight percent) of the subscribed and paid-up share capital of Dukes and the remaining 17.72% (Seventeen point Seven Two percent) of the subscribed and paid-up share capital is held by Sonmil.

Sonmil and Dukes are hereinafter collectively referred to as the "Transferors."



Chalet is hereinafter referred to as "Chalet" or the "Transferee."

The Transferors and the Transferee may hereinafter collectively be referred to as the "Parties" and individually as a "Party."

2. RATIONALE FOR THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

- 2.1 The Transferors and Transferee companies are engaged in similar businesses. The amalgamation of Sonmil and Dukes into Chalet as contemplated under Part B and Part C of the Scheme intends to achieve restructuring, consolidation and streamlining of the entities within the Chalet group of companies.
- 2.2 The restructuring, consolidation and streamlining pursuant to this Scheme intends to achieve the following key objectives/benefits:
- (a) Streamlining operations, efforts, employees, costs and enable better and more efficient management, control and day to day operations and reducing overheads, administrative, and other expenditure and achieving operational rationalization, organizational efficiency, combining synergies and optimal utilization of resources and facilities which will be in the interest of shareholders, employees, creditors, and other stakeholders, post the implementation of the Scheme;
 - (b) Greater efficiency in management of cash balances available with the Parties and access to cash flows generated by the combined business;
 - (c) Chalet being a well-known brand in the industry, the consolidation of Transferors with Chalet shall help in (i) attracting new talent and (ii) retaining and nurturing the employees of the Transferors;
 - (d) Pooling in administrative synergies and know-how of the group entities within and into Chalet, post the implementation of the Scheme;
 - (e) Dukes owns and operates 'The Dukes Retreat' at Khandala and Sonmil is the owner of the (i) land on which The Dukes Retreat, Khandala is situated and (ii) a parcel of land namely the NEST which is currently being used for the purpose of accommodation for the employees of 'The Dukes Retreat' and accordingly a combination and merger of Dukes and Sonmil into Chalet, would lead to leveraging the significant complementarities that exists amongst the Parties to the Scheme and creation of a stronger base for future growth of the combined entity.
 - (f) Enabling unified accounting, compliances and auditing resulting in reduction of costs, post the completion of the Scheme;
 - (g) Simplification of the corporate structure thereby enabling significant reduction in the multiplicity of legal and regulatory compliances, on account of reduced number of operating entities post the completion of the Scheme;
 - (h) Attracting and facilitating investors, strategic partners and other stakeholders who may be interested in investing in one entity and overall offering a better investment opportunity to potential investors resulting in a greater market for Chalet, post the implementation of the Scheme
- 2.3 Accordingly, in order to achieve the above objectives, the Board of Directors of the Parties have resolved to make requisite applications and/or petitions before the Hon'ble National Company Law Tribunal (as defined hereinafter) under Sections 230 to 232 of the Companies Act, 2013, the rules



framed thereunder and other applicable provisions of law for the sanction of this Scheme.

- 2.4 Pursuant to the Scheme, in accordance with Section 2(1B) of the Income Tax Act, 1961, the Transferors shall merge and amalgamate with the Transferee. This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under 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) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income Tax Act, 1961, such that the modification to not affect other parts of the Scheme.

II PARTS OF THE SCHEME AND SEQUENCE

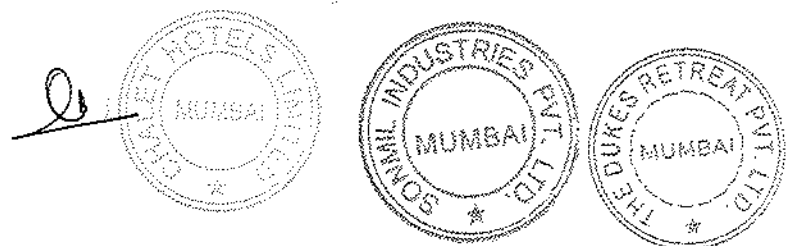
The Scheme is divided into the following parts:

- (i) Part A deals with the definitions and share capital of the relevant companies, being the Transferors and the Transferee;
- (ii) Part B deals with the amalgamation of Sonmil into Chalet;
- (iii) Part C deals with the amalgamation of Dukes into Chalet;
- (iv) Part D deals with general terms and conditions that would be applicable to the Scheme.

The Scheme also provides for matters consequential, incidental, or otherwise integrally connected herewith.

Sequence of Scheme

The Scheme as set out herein in its present form or with any modifications(s) approved or imposed or directed by the NCLT shall be and shall be deemed to have been given effect to as per the following chronology and sequence occurring one after the other: (i) firstly, Part B i.e., amalgamation of Sonmil into Chalet, (ii) secondly, Part C i.e., amalgamation of Dukes into Chalet.



PART A: DEFINITION AND SHARE CAPITAL OF THE COMPANIES

3. DEFINITIONS

3.1 In this Scheme, unless inconsistent with the subject, the following expression shall have the meanings respectively against them:

"Appointed Date – Stage 1 Amalgamation" means start of business hours in Mumbai, India on April 1, 2024;

"Appointed Date – Stage 2 Amalgamation" means a date falling after Effective Date – Stage 1 Amalgamation as fixed by the Board of Directors of the Transferee;

"Applicable Law" means and includes any applicable central, provincial, local or other law including all applicable provisions of all (i) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any authority, statutory authority, court, tribunal having jurisdiction over the Parties; (ii) Permits; and (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any authority having jurisdiction over the Parties;

"Board of Directors" or "Board" means and includes the respective Boards of Directors of each or all of the Transferors and Transferee, as the context may require, and shall include a committee duly constituted and authorized thereby for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;

"Clause" means the relevant clauses of the Scheme and of the relevant part of the Scheme as the context may require;

"Companies Act" or "Act" means the Companies Act, 2013, the rules and regulations framed thereunder including any statutory modifications, amendments, or re-enactments thereof from time to time;

"Effective Date of the Scheme" shall mean a date on which all the conditions (taken together) specified under Clause 23.1 of this Scheme stand satisfied;

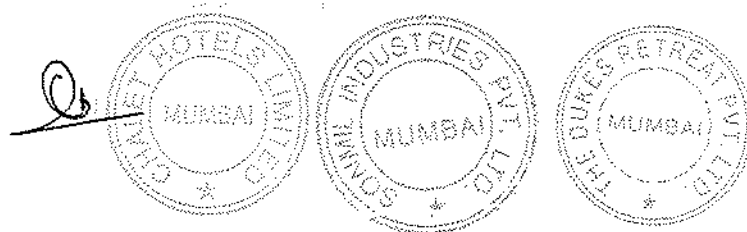
"Effective Date – Stage 1 Amalgamation" shall mean a date on which all of the following actions (taken together) stands completed: (i) certified copy of the orders of the NCLT/Governmental Authority are filed with the ROC in respect of Stage 1 Amalgamation; and (ii) Transferee's shareholding in Sonmil stands cancelled in accordance with this Scheme;

"Effective Date – Stage 2 Amalgamation" shall mean a date on which all of the following actions (taken together) stands completed: (i) certified copy of the orders of the NCLT/Governmental Authority are filed with the ROC in respect of Stage 2 Amalgamation; and (ii) Transferee's shareholding in Dukes stands cancelled in accordance with this Scheme;

"Encumbrance" or "Encumbrances" shall have the meaning as ascribed in Clause 7.19;

"Funds" has the same meaning as ascribed in Clause 15.2;

"Governmental Authority" means any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directors, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district, or other sub-division thereof having jurisdiction



pursuant to the Applicable Law including, without limitation, the RoC, Ministry of Corporate Affairs, Regional Director, Official Liquidator or any other relevant authority approving the Scheme, as the case may be;

"INR" means Indian Rupee, the lawful currency of the Republic of India;

"National Company Law Tribunal" or "NCLT" or "Tribunal" means the National Company Law Tribunal, Mumbai as the context may require, including its respective benches;

"Parties" has the same meaning as ascribed in the Preamble;

"Permits" means and includes all consents, licences, permits, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory, or otherwise including those required under Applicable Laws;

"Person" means and includes an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, Hindu undivided family, union, association of persons, government (central, state or otherwise), or any agency, department, authority or political subdivision thereof, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;

"Registrar of Companies" or "RoC" means the Registrar of Companies, Mumbai;

"Scheme" or "the Scheme" or "this Scheme" or "the Composite Scheme" means this Composite Scheme of Arrangement and Amalgamation in its present form along with any modification(s) and/or amendment(s) made under Clause 23 of the Scheme as approved or directed by the NCLT/Governmental Authority, as the case may be, as applicable; and

"Stage 1 Amalgamation" means the transfer, vesting and amalgamation of Sonmil into Chalet in accordance with the terms of this Scheme;

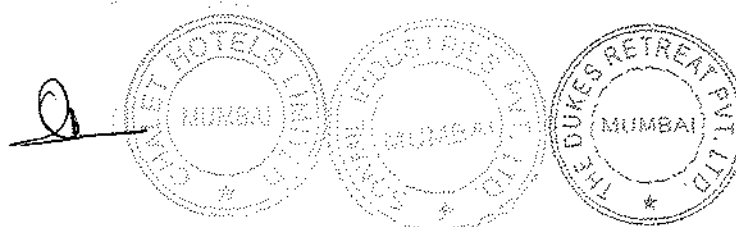
"Stage 2 Amalgamation" means the transfer, vesting and amalgamation of Dukes into Chalet in accordance with the terms of this Scheme;

"Transferee" has the same meaning as ascribed in the Preamble;

"Transferors" has the same meaning as ascribed in the Preamble;

4. INTERPRETATION

- 4.1 All terms and words used but 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 Companies Act, and other Applicable Law, as the case may be or any statutory modification or re-enactment thereof for the time being in force.
- 4.2 References to any law or legislation or regulation shall include amendments, circulars, notifications, clarifications, or supplements to, or replacement or amendment of, that law or legislation or regulation.



- 4.3 References to any of the terms taxes, duty, levy, or cess in the scheme shall be construed as reference to all of them whether jointly or severally.
- 4.4 Any reference to any statute or statutory provision shall include:
- (a) all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted, or consolidated from time to time) and any retrospective amendment; and
 - (b) such provisions as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.
- 4.5 Words denoting the singular shall include the plural and words denoting any gender shall include all genders. Words of either gender shall be deemed to include all the other genders.
- 4.6 Any references in this Scheme to "upon the Scheme becoming effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" or "coming into effect of the Scheme" or "effectiveness of the Scheme" or "effect of this Scheme" shall be construed to be a reference to the 'Effective Date'.
- 4.7 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.
- 4.8 Words directly or indirectly mean directly or indirectly through one or more intermediary Persons or through contractual or other legal arrangements, and direct or indirect have the correlative meanings.
- 4.9 Reference to the word "include" and "including" shall be construed without limitation;

5. DATE OF TAKING EFFECT OF THE SCHEME

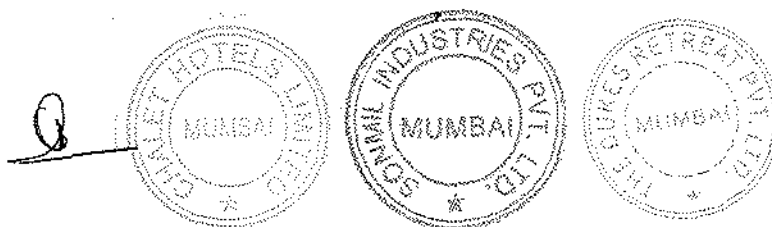
The Scheme as set out herein in its present form along with any modification(s) and/or amendments(s) made under Clause 23 of the Scheme, approved, or imposed or directed by the NCLT/Governmental Authority as the case may be, as applicable, shall be effective from:

- (i) Appointed Date – Stage 1 Amalgamation for Stage 1 Amalgamation;
- (ii) Appointed Date – Stage 2 Amalgamation for Stage 2 Amalgamation;

and be operative from the Effective Date of the Scheme and without prejudice to the same, in respect of each stages of amalgamation shall be operative from:

- (i) Effective Date – Stage 1 Amalgamation, for Stage 1 Amalgamation;
- (ii) Effective Date – Stage 2 Amalgamation, for Stage 2 Amalgamation;

6. SHARE CAPITAL OF THE COMPANIES



6.1 The share capital of Parties as on the date of filing of this Scheme is as set out below:

(a) Share capital of Chalet is as under:

Particulars	Amount in Rs.
Authorised share capital	
38,21,00,000 equity shares of Rs. 10/- each.	382,10,00,000/-
20,000, 0.00 % Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 1,00,000/- each.	200,00,00,000/-
1600, 0.001% Non-Cumulative Redeemable Preference Shares of Rs. 1,00,000/- each.	16,00,00,000/-
	598,10,00,000/-
Subscribed and fully paid-up share capital	
21,82,45,933 equity shares of Rs. 10 each/-	2,18,24,59,330
10,000, 0.00% Non-Cumulative, Non-Convertible Redeemable Preference Shares of Rs. 1,00,000/- each, fully paid up (Series – A)	100,00,00,000/-
10,000, 0.00% Non-Cumulative, Non-Convertible Redeemable Preference Shares of Rs. 1,00,000/- each, fully paid up (Series – B)	100,00,00,000/-
	418,24,59,330/-

(b) Share capital of Sonmil is as under:

Particulars	Amount in Rs.
Authorised share capital	
31,000 equity shares of Rs. 100/- each.	31,00,000/-
	31,00,000/-
Subscribed and fully paid-up share capital	
30,082 equity shares of Rs. 100 each/-	30,08,200/-
	30,08,200/-

The entire subscribed and paid-up share capital of Sonmil is held by Chalet and its nominees.

(c) Share capital of Dukes is as under:

Particulars	Amount in Rs.
Authorised share capital	
25,000 equity shares of Rs. 1000/- each.	2,50,00,000/-
	2,50,00,000/-
Subscribed and fully paid-up share capital	
22,573 equity shares of Rs. 1000 each/-	2,25,73,000/-
	2,25,73,000/-

Chalet holds 82.28% (Eighty Two point Two Eight percent) of the subscribed and paid-up share capital of Dukes and the remaining 17.72% (Seventeen point Seven Two percent) of the subscribed and paid-up share capital is held by Sonmil.

It is hereby clarified that, notwithstanding the filing of the Scheme with NCLT, Chalet shall be entitled to issue further shares and make consequent changes to its authorised, issued, paid up and subscribed capital.



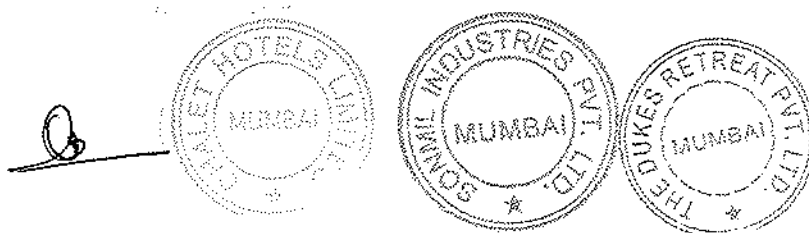
PART B

STAGE 1 AMALGAMATION (AMALGAMATION OF SONMIL INTO CHALET)

7. TRANSFER AND VESTING

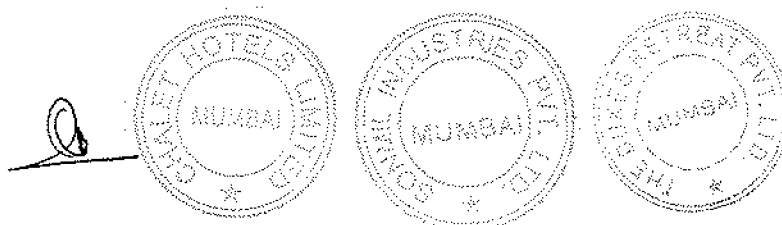
Transfer of Assets

- 7.1 With effect from the Appointed Date – Stage 1 Amalgamation, Sonmil without any further act, instrument or deed, be and stand amalgamated, merged and transferred to and vested in or be deemed to be amalgamated, merged and transferred to and vested in Chalet, as a going concern, so as to vest in Chalet, all the rights, titles and interests of Sonmil pursuant to the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT/Governmental Authority as the case may be, as applicable sanctioning this Scheme.
- 7.2 In respect of such assets and properties of Sonmil (as are movable in nature) which are or are otherwise capable of passing by manual delivery or by endorsement and delivery including cash in hand, shall on and from the Appointed Date – Stage 1 Amalgamation be transferred or stand vested and recorded pursuant to this Scheme and be deemed to be transferred to or vested in Chalet without requiring any deed or instrument of conveyance for the same and shall become the property and an integral part of Chalet. The vesting pursuant to this clause shall be deemed to have occurred by manual delivery or endorsement, as may be appropriate to the property being transferred or vested and title to the property shall be deemed to have been transferred and vested accordingly.
- 7.3 In respect of movable assets of Sonmil, other than those specified in Clause 7.2 above, including, sundry debtors, outstanding loans, rights, title and interests pursuant to any contractual agreements including agreements for lease or license of the properties, investments in shares, mutual funds, bond or other securities, recoverable in cash or in kind or value to be received, bank balances and deposits with Government, bodies, customers (if any), the same shall on and from the Appointed Date – Stage 1 Amalgamation stand transferred to and vested in Chalet and be deemed to be transferred to and vested in Chalet without any requirement to provide notice or other intimation to such party, debtors or depositors, as the case may be. Chalet may, although it is not obliged, give notice in such form as it may deem fit and proper to each party, debtors or depositors, as the case may be, that pursuant to the orders of the NCLT/Governmental Authority, as the case may be, sanctioning the Scheme, *inter alia* the said debts, loans, advances on and from the Appointed Date – Stage 1 Amalgamation, be paid or made good or held on account of Chalet as the person entitled thereto and the right of Sonmil to recover or realize the same stands extinguished. Chalet may, if required, give notice in such form as it may deem fit and proper to each Person, debtor or depositor that pursuant to the orders of the NCLT/Governmental Authority, as the case may be, sanctioning the Scheme, *inter alia* the said debts, loans, advances on and from the Appointed Date – Stage 1 Amalgamation, the said debtor or depositor should pay the said debt loan, advance or make good the same or hold the same to its account and that the rights of Chalet to recover or realize the same are in substitution of the rights of Sonmil.
- 7.4 In respect of assets belonging to Sonmil that require execution of separate documents to effect transfer, the relevant Parties will execute the necessary documents, as and when required after the Effective Date – Stage 1 Amalgamation. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that in so far as the immovable properties comprised in Sonmil are concerned, the Parties shall register the true copy of the orders of the NCLT/Governmental Authority, as the case may be, sanctioning the Scheme, with the offices of the relevant Governmental Authority having jurisdiction over such immovable property and shall also execute and register, as required, such other documents which may be necessary in this



regard.

- 7.5 With effect from the Appointed Date – Stage 1 Amalgamation and upon the Effective Date – Stage 1 Amalgamation, all unavailed credits and exemptions including any input credits, margin money, retention money, deposit with statutory authorities, other deposits and benefit of carried forward losses (if any) and other statutory benefits, including in respect of income tax (including minimum alternate tax ("MAT")), State Goods and Services Tax ("SGST"), Integrated Goods and Services Tax ("IGST") and Central Goods and Services Tax ("CGST") under Goods and Services Tax ("GST") laws, CENVAT, customs, VAT, sales tax, service tax to which Sonmil are entitled to, shall be available to and vest in Chalet without any further act or deed.
- 7.6 All the licenses, Permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims including any claim under any subsisting insurance policies, leases (if any), tenancy rights (if any), liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by Sonmil and all rights and benefits that have accrued or which may accrue to Sonmil whether before or after the Appointed Date – Stage 1 Amalgamation, shall, under the provisions of Sections 230 to 232 and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vested in or be deemed to be transferred to and vested in and be available to Chalet so as to become as and from the Appointed Date – Stage 1 Amalgamation, the licenses, Permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims including any claim under any subsisting insurance policies, leases (if any), tenancy rights (if any), exemptions, allotments, no-objection certificates, entitlements, municipal approvals, grants, powers of attorney, interests, all other rights (including, but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, environmental clearances), liberties, special status and other benefits or privileges of Chalet and shall remain valid, effective and enforceable on the same terms and condition and shall be appropriately registered by the relevant statutory authorities in favour of Chalet pursuant to this Scheme, in order to facilitate the continuation of operations of Sonmil in Chalet without any hindrance, on and from the Appointed Date – Stage 1 Amalgamation. Any and all Export Promotion Capital Goods (EPCG) scheme obligations and entitlements of Sonmil shall be combined and consolidated with the obligations and entitlements of the Transferee.
- 7.7 Without prejudice to anything contained in Clause 7.2 and Clause 7.3 above, all assets, properties and undertaking of Sonmil as on the Appointed Date – Stage 1 Amalgamation, whether or not included in the books of Sonmil and all assets and properties which are acquired by Sonmil on or after the Appointed Date – Stage 1 Amalgamation but prior to the Effective Date – Stage 1 Amalgamation, shall be deemed to be, and shall become, the assets and properties of Chalet, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in Chalet from the Effective Date – Stage 1 Amalgamation pursuant to the provisions of Sections 230 to 232 of the Act.
- 7.8 Pursuant to this Scheme, all benefits, entitlements, and incentives of any nature whatsoever (including sales tax concessions and incentives) of Sonmil to the extent statutorily available, shall be claimed by Chalet and without the imposition of any fees, charges, taxes, or levy. Such benefits shall relate back to the Appointed Date – Stage 1 Amalgamation as if Chalet was originally entitled to such benefits, subject to compliance by Chalet with all the terms entitled and conditions upon which such benefits were made available to Sonmil. With respect to admissibility of claim under Section 43B or similar provisions of the Income Tax Act, 1961 or such provisions becoming

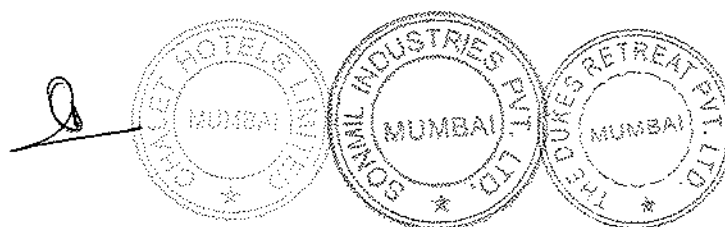


admissible in the period after the Appointed Date – Stage 1 Amalgamation on discharging liabilities pertaining to Sonmil, Chalet shall be entitled to such claims in the same manner and to the same extent as Sonmil would have been entitled to deduction but for the amalgamation.

- 7.9 Upon the transfer of each of the benefits, entitlements, and incentives of any nature whatsoever of Sonmil to Chalet pursuant to the order of the NCLT/Governmental Authority, as the case may be, Chalet shall file the relevant notifications and communications, if any required, for the record of the appropriate authorities which shall take them on record.
- 7.10 With effect from the Appointed Date – Stage 1 Amalgamation, all intellectual properties, labels, brands, trademarks, trade names, service marks, copyrights, designs, software and computer programmes, databases, domain names, including those pending registrations and applications for brands, trademarks, labels, trade names, service marks, copyrights, patents, designs, software and computer programs, databases and domain names, whether owned or used by Sonmil, shall, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in Chalet pursuant to the provisions of Sections 230 to 232 of the Act.
- 7.11 All the insurance policies registered in the name of Sonmil shall without any further act, instrument, or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of Chalet and accordingly, the name of Chalet shall be deemed to be substituted as the insured in all such insurance policies and the insurance companies shall record the name of Chalet in all the insurance policies registered in the name of Sonmil.

Assumption/Transfer of Liabilities

- 7.12 Upon the coming into effect of this Scheme and with effect from the Appointed Date – Stage 1 Amalgamation, all debts, liabilities, duties and obligations of Sonmil shall, pursuant to the order of the NCLT/Governmental Authority, as the case may be, under Sections 232 of the Companies Act, without any further act or deed, be transferred/assumed or deemed to be transferred/assumed to and vested in and assumed by Chalet so as to become the debts, liabilities, duties and obligations of Chalet subject to Clause 7.15. It shall not be necessary to obtain the consent of any third party or other Person who is a party to any contract or arrangement by virtue of which, such debts, liabilities, duties, and obligations have arisen, in order to give effect to the provisions of this Clause of this Scheme.
- 7.13 All debts, liabilities, duties and obligations of Sonmil as on the Appointed Date – Stage 1 Amalgamation, whether or not provided in the books, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to Sonmil on or after the Appointed Date – Stage 1 Amalgamation till and prior to the Effective Date – Stage 1 Amalgamation, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by Chalet by virtue of this Scheme.
- 7.14 Where any such debts, loans raised, liabilities, duties, and obligations of Sonmil as on the Appointed Date – Stage 1 Amalgamation have been discharged or satisfied by Sonmil as the case may be after the Appointed Date – Stage 1 Amalgamation and prior to the Effective Date – Stage 1 Amalgamation, such discharge or satisfaction shall be deemed to be for and on account of Chalet.
- 7.15 All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by Sonmil in the ordinary course of its business after the Appointed Date – Stage 1 Amalgamation and prior to the Effective Date – Stage 1 Amalgamation shall be deemed to have been raised,

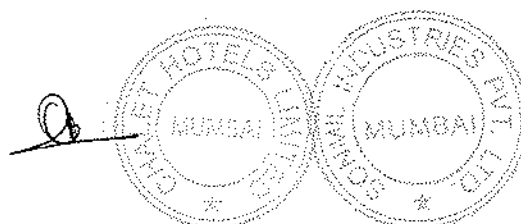


used, incurred or undertaken for and on behalf of Chalet and to the extent they are outstanding on the Effective Date – Stage 1 Amalgamation, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred/assumed to and vested in or be deemed to have been transferred/assumed to and vested in Chalet and shall become the loans and liabilities, duties and obligations of Chalet which shall meet, discharge and satisfy the same.

- 7.16 With effect from the Appointed Date – Stage 1 Amalgamation and upon the Scheme becoming effective, all taxes, duties, cess payable by Sonmil including all advance tax payments, tax deducted at source or any refunds / credit / claims relating thereto shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds / credit / claims on account of Chalet.
- 7.17 In respect of share application money (if any) received by Sonmil and against which the issuance of securities and against which the issue of shares is pending, the same shall with effect from the Appointed Date- Stage 1 Amalgamation, be transferred/assumed or stand vested and recorded pursuant to this Scheme and/or be deemed to be transferred/assumed to or vested in Chalet without requiring any deed or instrument of conveyance and shall become the property and an integral part of Chalet and Chalet shall issue and allot such securities, credited as fully paid up, to the Persons (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee) who had infused such share application money as if such issue and allotment of equity shares were carried out by Sonmil.

Encumbrances

- 7.18 The transfer and vesting of the properties, assets, liabilities, and undertakings of Sonmil to and in Chalet in the manner as provided herein, shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent and subject to the terms hereinafter provided.
- 7.19 All the existing securities, charges, encumbrances or liens (the “Encumbrances”), if any, created by Sonmil after the Appointed Date – Stage 1 Amalgamation, over the properties, assets, undertakings or any part thereof transferred to Chalet by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of Sonmil, shall, after the Effective Date – Stage 1 Amalgamation, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date – Stage 1 Amalgamation and as are transferred to Chalet, and such Encumbrances shall not relate or attach to any of the other assets of Chalet, provided however that no Encumbrances shall have been created by Sonmil over their assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of Chalet.
- 7.20 Subject to Clause 7.19 above, the existing Encumbrances over the assets, all debts, liabilities, duties and obligations of Sonmil as on the Appointed Date – Stage 1 Amalgamation, whether or not provided in the books of Sonmil, and all debts and loans raised, and duties, liabilities and obligations incurred, or which arise or accrue to Sonmil on or after the Appointed Date – Stage 1 Amalgamation till the Effective Date – Stage 1 Amalgamation, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by Chalet by virtue of this Scheme.
- 7.21 Notwithstanding anything contained under the Scheme, any reference in any security documents or arrangements to Sonmil and its assets and properties, shall be construed as a reference to Chalet without enlarging the scope or extent of such security documents or arrangements and the extent of such assets and properties in any manner including not extending to any of the assets



or properties of Chalet prior to the Appointed Date – Stage 1 Amalgamation and all security documents or arrangements of Chalet shall continue as is without enlarging the scope or extent of such security documents or arrangement in any manner including not extending to any assets of Sonmil. Without prejudice to the foregoing provisions, Sonmil and Chalet may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the RoC to give formal effect to the above provisions, if required.

- 7.22 Upon the coming into effect of this Scheme, Chalet alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of the Scheme.
- 7.23 It is expressly provided that no other term or condition of the liabilities transferred to Chalet is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

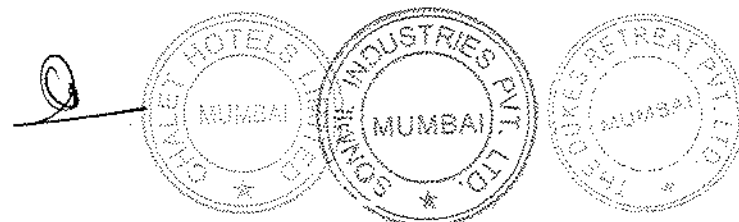
PART C

STAGE 2 AMALGAMATION (AMALGAMATION OF DUKES INTO CHALET)

8. TRANSFER AND VESTING

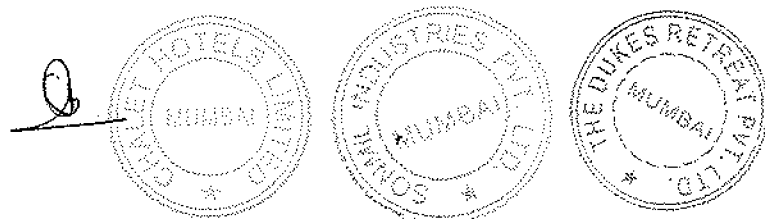
Transfer of Assets

- 8.1 With effect from the Appointed Date – Stage 2 Amalgamation, Dukes without any further act, instrument or deed, be and stand amalgamated, merged and transferred to and vested in or be deemed to be amalgamated, merged and transferred to and vested in Chalet, as a going concern, so as to vest in Chalet, all the rights, titles and interests of Dukes pursuant to the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT/Governmental Authority as the case may be, as applicable sanctioning this Scheme.
- 8.2 In respect of such assets and properties of Dukes (as are movable in nature) which are or are otherwise capable of passing by manual delivery or by endorsement and delivery including cash in hand, shall on and from the Appointed Date – Stage 2 Amalgamation be transferred or stand vested and recorded pursuant to this Scheme and be deemed to be transferred to or vested in Chalet without requiring any deed or instrument of conveyance for the same and shall become the property and an integral part of Chalet. The vesting pursuant to this clause shall be deemed to have occurred by manual delivery or endorsement, as may be appropriate to the property being transferred or vested and title to the property shall be deemed to have been transferred and vested accordingly.
- 8.3 In respect of movable assets of Dukes, other than those specified in Clause 8.2 above, including, sundry debtors, outstanding loans, rights, title and interests pursuant to any contractual agreements including agreements for lease or license of the properties, investments in shares, mutual funds, bond or other securities, recoverable in cash or in kind or value to be received, bank balances and deposits with Government, bodies, customers (if any), the same shall on and from the Appointed Date – Stage 2 Amalgamation stand transferred to and vested in Chalet and be deemed to be transferred to and vested in Chalet without any requirement to provide notice or other intimation to such party, debtors or depositors, as the case may be. Chalet may, although it is not obliged, give notice in such form as it may deem fit and proper to each party, debtors or depositors, as the case may be, that pursuant to the orders of the NCLT/Governmental Authority, as the case may be, sanctioning the Scheme, *inter alia* the said debts, loans, advances on and from the Appointed Date – Stage 2 Amalgamation, be paid or made good or held on account of



Chalet as the person entitled thereto and the right of Dukes to recover or realize the same stands extinguished. Chalet may, if required, give notice in such form as it may deem fit and proper to each Person, debtor or depositee that pursuant to the orders of the NCLT/Governmental Authority, as the case may be, sanctioning the Scheme, *inter alia* the said debts, loans, advances, on and from the Appointed Date – Stage 2 Amalgamation, the said debtor or depositee should pay the said debt loan, advance or make good the same or hold the same to its account and that the rights of Chalet to recover or realize the same are in substitution of the rights of Dukes.

- 8.4 In respect of assets belonging to Dukes that require execution of separate documents to effect transfer, the relevant Parties will execute the necessary documents, as and when required after the Effective Date – Stage 2 Amalgamation. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that in so far as the immovable properties comprised in Dukes are concerned, the Parties shall register the true copy of the orders of the NCLT/Governmental Authority, as the case may be, sanctioning the Scheme, with the offices of the relevant Governmental Authority having jurisdiction over such immovable property and shall also execute and register, as required, such other documents which may be necessary in this regard.
- 8.5 With effect from the Appointed Date – Stage 2 Amalgamation and upon the Effective Date – Stage 2 Amalgamation, all unavailed credits and exemptions including any input credits, margin money, retention money, deposit with statutory authorities, other deposits and benefit of carried forward losses (if any) and other statutory benefits, including in respect of income tax (including minimum alternate tax ("MAT"), State Goods and Services Tax ("SGST"), Integrated Goods and Services Tax ("IGST") and Central Goods and Services Tax ("CGST") under Goods and Services Tax ("GST") laws, CENVAT, customs, VAT, sales tax, service tax to which Dukes are entitled to, shall be available to and vest in Chalet without any further act or deed.
- 8.6 All the licenses, Permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims including any claim under any subsisting insurance policies, leases (if any), tenancy rights (if any), liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by Dukes and all rights and benefits that have accrued or which may accrue to Dukes whether before or after the Appointed Date – Stage 2 Amalgamation, shall, under the provisions of Sections 230 to 232 and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vested in or be deemed to be transferred to and vested in and be available to Chalet so as to become as and from the Appointed Date – Stage 2 Amalgamation, the licenses, Permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims including any claim under any subsisting insurance policies, leases (if any), tenancy rights (if any), exemptions, allotments, no-objection certificates, entitlements, municipal approvals, grants, powers of attorney, interests, all other rights (including, but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, environmental clearances), liberties, special status and other benefits or privileges of Chalet and shall remain valid, effective and enforceable on the same terms and condition and shall be appropriately registered by the relevant statutory authorities in favour of Chalet pursuant to this Scheme, in order to facilitate the continuation of operations of Dukes in Chalet without any hindrance, on and from the Appointed Date – Stage 2 Amalgamation. Any and all Export Promotion Capital Goods (EPCG) scheme obligations and entitlements of Dukes shall be combined and consolidated with the obligations and entitlements of the Transferee.
- 8.7 Without prejudice to anything contained in Clause 8.2 and Clause 8.3 above, all assets, properties

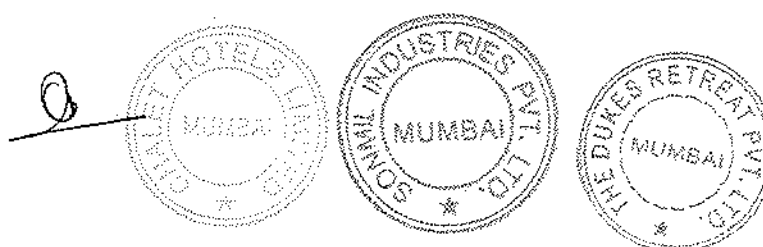


and undertaking of Dukes as on the Appointed Date – Stage 2 Amalgamation, whether or not included in the books of Dukes and all assets and properties which are acquired by Dukes on or after the Appointed Date – Stage 2 Amalgamation but prior to the Effective Date – Stage 2 Amalgamation, shall be deemed to be, and shall become, the assets and properties of Chalet, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in Chalet from the Effective Date – Stage 2 Amalgamation pursuant to the provisions of Sections 230 to 232 of the Act.

- 8.8 Pursuant to this Scheme, all benefits, entitlements, and incentives of any nature whatsoever (including sales tax concessions and incentives) of Dukes to the extent statutorily available, shall be claimed by Chalet and without the imposition of any fees, charges, taxes, or levy. Such benefits shall relate back to the Appointed Date – Stage 2 Amalgamation as if Chalet was originally entitled to such benefits, subject to compliance by Chalet with all the terms entitled and conditions upon which such benefits were made available to Dukes. With respect to admissibility of claim under Section 43B or similar provisions of the Income Tax Act, 1961 or such provisions becoming admissible in the period after the Appointed Date – Stage 2 Amalgamation on discharging liabilities pertaining to Dukes, Chalet shall be entitled to such claims in the same manner and to the same extent as Dukes would have been entitled to deduction but for the amalgamation.
- 8.9 Upon the transfer of each of the benefits, entitlements, and incentives of any nature whatsoever of Dukes to Chalet pursuant to the order of the NCLT/Governmental Authority, as the case may be, Chalet shall file the relevant notifications and communications, if any required, for the record of the appropriate authorities which shall take them on record.
- 8.10 With effect from the Appointed Date – Stage 2 Amalgamation, all intellectual properties, labels, brands, trademarks, trade names, service marks, copyrights, designs, software and computer programmes, databases, domain names, including those pending registrations and applications for brands, trademarks, labels, trade names, service marks, copyrights, patents, designs, software and computer programs, databases and domain names, whether owned or used by Dukes, shall, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in Chalet pursuant to the provisions of Sections 230 to 232 of the Act.
- 8.11 All the insurance policies registered in the name of Dukes shall without any further act, instrument, or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of Chalet and accordingly, the name of Chalet shall be deemed to be substituted as the insured in all such insurance policies and the insurance companies shall record the name of Chalet in all the insurance policies registered in the name of Dukes.

Assumption/Transfer of Liabilities

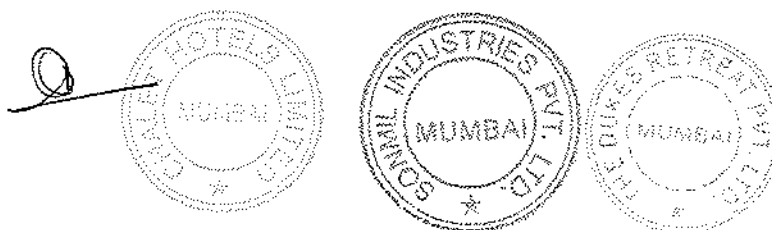
- 8.12 Upon the coming into effect of this Scheme and with effect from the Appointed Date – Stage 2 Amalgamation, all debts, liabilities, duties and obligations of Dukes shall, pursuant to the order of the NCLT/Governmental Authority, as the case may be, under Sections 232 of the Companies Act, without any further act or deed, be transferred/assumed or deemed to be transferred/assumed to and vested in and assumed by Chalet so as to become the debts, liabilities, duties and obligations of Chalet subject to Clause 8.15. It shall not be necessary to obtain the consent of any third party or other Person who is a party to any contract or arrangement by virtue of which, such debts, liabilities, duties, and obligations have arisen, in order to give effect to the provisions of this Clause of this Scheme.



- 8.13 All debts, liabilities, duties and obligations of Dukes as on the Appointed Date – Stage 2 Amalgamation, whether or not provided in the books, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to Dukes on or after the Appointed Date – Stage 2 Amalgamation till and prior to the Effective Date – Stage 2 Amalgamation, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by Chalet by virtue of this Scheme.
- 8.14 Where any such debts, loans raised, liabilities, duties, and obligations of Dukes as on the Appointed Date – Stage 2 Amalgamation have been discharged or satisfied by Dukes as the case may be after the Appointed Date – Stage 2 Amalgamation and prior to the Effective Date – Stage 2 Amalgamation, such discharge or satisfaction shall be deemed to be for and on account of Chalet.
- 8.15 All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by Dukes in the ordinary course of its business after the Appointed Date – Stage 2 Amalgamation and prior to the Effective Date – Stage 2 Amalgamation shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Chalet and to the extent they are outstanding on the Effective Date – Stage 2 Amalgamation, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred/assumed to and vested in or be deemed to have been transferred/assumed to and vested in Chalet and shall become the loans and liabilities, duties and obligations of Chalet which shall meet, discharge and satisfy the same.
- 8.16 With effect from the Appointed Date – Stage 2 Amalgamation and upon the Scheme becoming effective, all taxes, duties, cess payable by Dukes including all advance tax payments, tax deducted at source or any refunds / credit / claims relating thereto shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds / credit / claims on account of Chalet.
- 8.17 In respect of share application money (if any) received by Dukes and against which the issuance of securities and against which the issue of shares is pending, the same shall with effect from the Appointed Date-Stage 2 Amalgamation be transferred/assumed or stand vested and recorded pursuant to this Scheme and/or be deemed to be transferred/assumed to or vested in Chalet without requiring any deed or instrument of conveyance and shall become the property and an integral part of Chalet and Chalet shall issue and allot such securities, credited as fully paid up, to the Persons (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee) who had infused such share application money as if such issue and allotment of equity shares were carried out by Dukes.

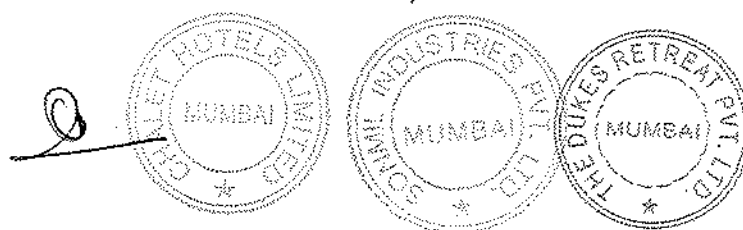
Encumbrances

- 8.18 The transfer and vesting of the properties, assets, liabilities, and undertakings of Dukes to and in Chalet in the manner as provided herein, shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent and subject to the terms hereinafter provided.
- 8.19 All the existing securities, charges, encumbrances or liens (the "Encumbrances"), if any, created by Dukes after the Appointed Date – Stage 2 Amalgamation, over the properties, assets, undertakings or any part thereof transferred to Chalet by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of Dukes, shall, after the Effective Date – Stage 2 Amalgamation, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date – Stage 2 Amalgamation and as are transferred to Chalet, and such Encumbrances shall not relate or attach to any of the other assets of Chalet,



provided however that no Encumbrances shall have been created by Dukes over their assets after the date of filing of the Scheme without the prior written consent of the Board of Directors of Chalet.

- 8.20 Subject to Clause 8.19 above, the existing Encumbrances over the assets, all debts, liabilities, duties and obligations of Dukes as on the Appointed Date – Stage 2 Amalgamation, whether or not provided in the books of Dukes, and all debts and loans raised, and duties, liabilities and obligations incurred, or which arise or accrue to Dukes on or after the Appointed Date – Stage 2 Amalgamation till the Effective Date – Stage 2 Amalgamation, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by Chalet by virtue of this Scheme.
- 8.21 Notwithstanding anything contained under the Scheme, any reference in any security documents or arrangements to Dukes and its assets and properties, shall be construed as a reference to Chalet without enlarging the scope or extent of such security documents or arrangements and the extent of such assets and properties in any manner including not extending to any of the assets or properties of Chalet prior to the Appointed Date – Stage 2 Amalgamation and all security documents or arrangements of Chalet shall continue as is without enlarging the scope or extent of such security documents or arrangement in any manner including not extending to any assets of Dukes. Without prejudice to the foregoing provisions, Dukes and Chalet may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the RoC to give formal effect to the above provisions, if required.
- 8.22 Upon the coming into effect of this Scheme, Chalet alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of the Scheme.
- 8.23 It is expressly provided that no other term or condition of the liabilities transferred to Chalet is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.



PART D

GENERAL TERMS & CONDITIONS

9. CONSIDERATION

Stage 1 Amalgamation

- 9.1 Given that Sonmil is a wholly owned subsidiary of Chalet, and the entire paid-up share capital of Sonmil is either directly or beneficially owned by Chalet, therefore there shall be no issue of shares as consideration for the amalgamation of Sonmil with Chalet.

Stage 2 Amalgamation

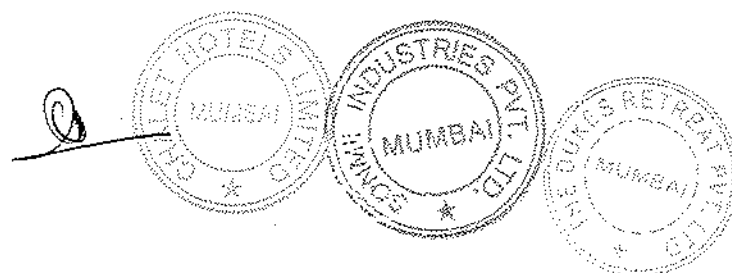
- 9.2 On and from Effective Date - Stage 1 Amalgamation, Dukes shall become a wholly owned subsidiary of Chalet, and the entire paid-up share capital of Dukes shall be directly owned by Chalet, therefore there shall be no issue of shares as consideration for the amalgamation of Dukes with Chalet.

Cancellation of Chalet's shareholding in the Transferors

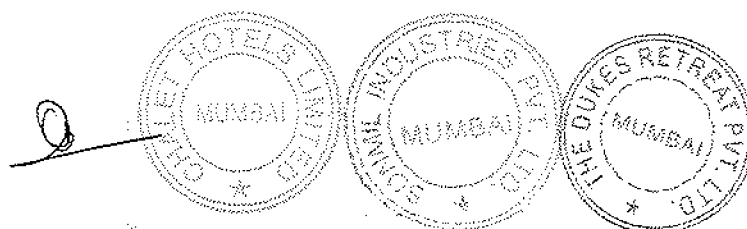
- 9.3 Notwithstanding anything contained under this Scheme, Chalet's shareholding in the Transferors shall stand cancelled under all circumstances and without any further act, instrument or deed and there shall be no consideration whether in the form of issue of shares or otherwise that would be applicable in respect of any such cancellation.
- 9.4 The cancellation of Chalet's shareholding in the Transferors shall be effected as an integral part of this Scheme itself, without having to follow the process under Section 66 of the Act or any other applicable provisions of the Act and the order of the Hon'ble National Company Law Tribunal sanctioning the Scheme shall be deemed as an order passed under Section 66 of the Act in respect of cancellation of such shares and without prejudice to the generality, the Transferee or the Transferor (if applicable) shall not be required to use the words "AND REDUCED" as part of its corporate name and such use is dispensed with.
- 9.5 The reduction and cancellation of securities premium (if any) of the Transferors shall be effected as an integral part of this Scheme itself, without having to follow the process under Section 66 r/w section 52 of the Act or any other applicable provisions of the Act and the order of the Hon'ble National Company Law Tribunal sanctioning the Scheme shall be deemed as an order passed under Section 66 r/w section 52 of the Act in respect of reduction of securities premium account and without prejudice to the generality, the Transferee or the Transferor (if applicable) shall not be required to use the words "AND REDUCED" as part of its corporate name and such use is dispensed with.

10. ACCOUNTING TREATMENT IN THE BOOKS OF THE PARTIES

- 10.1 The accounting treatment of the Stage 1 and Stage 2 Amalgamation shall be as of the respective Appointed Date i.e. Appointed Date – Stage 1 or Appointed Date – Stage 2.
- 10.2 Amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in accordance with accounting prescribed under Indian Accounting Standard (IND AS) 103 as specified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015 and the Ind AS Transition Facilitation Group Clarifications, or any other relevant or related requirement under the Companies Act, as may be applicable.



- 10.3 In accordance with "Pooling of interest method" laid down by Appendix C of Ind AS 103 (Business Combination under common control), all the assets, liabilities and reserves of the Transferor Companies as on the Appointed date and transferred to and vested in the Transferee Company pursuant to the scheme shall be recorded by the Transferee Company at their respective book values as appearing in the consolidated financial statements of the Transferee Company prior to the merger and in the same form.
- 10.4 The intragroup assets and liabilities, inter-corporate deposits / loans and advances and other receivables / payables between the Transferee Company and the Transferor Companies will stand cancelled and there shall be no further obligation in that behalf. The value of all the investments held by the Transferee Company in the Transferor Companies shall stand cancelled pursuant to amalgamation and there shall be no further rights and obligations in that behalf.
- 10.5 In case of any differences in accounting policies followed by Transferor Companies from that of Transferee Company, accounting policies followed by the Transferee Company shall prevail and the impact of the same till the date immediately preceding the Appointed Date – Stage 1 or Appointed Date – Stage 2 Amalgamation (as the case may be) shall be quantified and be appropriately adjusted and reported in accordance with accounting policies followed by the Transferee Company to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.
- 10.6 On the Scheme becoming effective, the financial information in the financial statements of the transferee company in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business acquisition had occurred after that date, the prior period information shall be restated only from that date.
- 11. REORGANISATION OF THE AUTHORISED SHARE CAPITAL OF THE TRANSFEROR COMPANIES AND COMBINATION OF AUTHORISED SHARE CAPITAL**
- 11.1 Upon, sanction of the Part B of the Scheme, the authorized share capital of Sonmil shall be reclassified/reorganized such that each equity share of Rs. 100/- (Rupees Hundred only) of Sonmil shall stand reclassified/reorganized as 10 (Ten) equity shares of Rs. 10/- (Rupees Ten each only) each.
- 11.2 Upon, sanction of the Part C of the Scheme, the authorized share capital of Dukes shall be reclassified/reorganized such that each equity share of Rs. 1000/- (Rupees Thousand only) of Dukes shall stand reclassified/reorganized as 100 (Hundred) equity shares of Rs. 10/- (Rupees Ten each only) each.
- 11.3 It is clarified that the approval of the equity shareholders of the Transferor Companies to this Scheme shall be deemed to be their consent/approval to the reclassification of the authorized share capital envisaged under this Clause of the Scheme, as required under Sections 13, 61 and other applicable provisions of the Companies Act.
- 11.4 Upon sanction of this Scheme, the authorised share capital of Chalet as on the Effective Date – Stage 1 Amalgamation shall stand increased without any further act, instrument, or deed on the part of Chalet including payment of stamp duty and fees payable to RoC, by an amount equivalent to the authorised share capital of Sonmil.
- 11.5 Upon sanction of this Scheme, the authorised share capital of Chalet as on the Effective Date – Stage 2 Amalgamation shall stand increased without any further act, instrument, or deed on the part of Chalet including payment of stamp duty and fees payable to RoC, by an amount equivalent



to the authorised share capital of Dukes.

- 11.6 As a result of combination of the authorised capital as set out under Clauses 11.1 and 11.2 above, the memorandum of association and articles of association of Chalet (relating to the authorized share capital), as applicable, shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of Chalet to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) including but not limited to under Sections 13, 14, 61, 64 of the Companies Act, or compliance under the applicable provisions of the Companies Act, would be required to be separately passed for this purpose. Accordingly, Clause V of the Memorandum of Association of Chalet shall automatically stand amended and replaced in its entirety so as to read as under:

Clause V of the Memorandum of Association of Chalet

The Authorized Share Capital of the Company is Rs.600,91,00,000 (Six Hundred Crore and Ninety One Lakhs) divided into 38,49,10,000 (Thirty Eight Crores Forty Nine Lakhs and Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten) each, 20,000, 0.00% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.100,000/- (Rupees One Lakh) each and 1,600, 0.001% Non-Cumulative Redeemable Preference Shares of Rs.100,000/- (Rupees One Lakh) each, with the rights, privileges and conditions attaching thereto as provided by the Articles of Association of the Company for the time being with power of the Company to increase or reduce such capital original or increased with or without any preference, priority or special privileges or subject to any postponement of rights or to any conditions or restrictions, and so that unless then conditions of issue otherwise expressly declare, any issue of shares, whether declared to be preference or otherwise shall be subject to the power hereinbefore contained.

12. DISSOLUTION OF THE TRANSFERORS

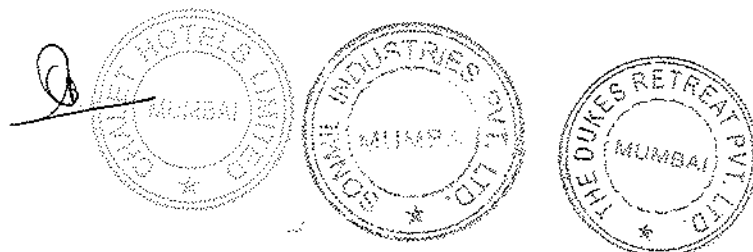
- 12.1 With effect from the Effective Date – Stage 1 Amalgamation, Sonmil shall stand dissolved without being wound up, without any further act or deed.
- 12.2 With effect from the Effective Date – Stage 2 Amalgamation, Dukes shall stand dissolved without being wound up, without any further act or deed.

13. ACTIONS OF THE TRANSFERORS AND PROFITS

- 13.1 The Boards of the Transferors or any of the committee(s) thereof, if any, shall take such actions as may be necessary or desirable for the purpose of giving effect to the provisions of this Scheme.
- 13.2 Upon the Scheme becoming effective, on and from the Appointed Date – Stage 1 Amalgamation, the profits of Sonmil shall belong to and be the profits of Chalet and will be available to Chalet for being disposed of in any manner as it thinks fit.
- 13.3 Upon the Scheme becoming effective, on and from the Appointed Date – Stage 2 Amalgamation, the profits of Dukes shall belong to and be the profits of Chalet and will be available to Chalet for being disposed of in any manner as it thinks fit.

14. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

- 14.1 With effect from the Appointed Date – Stage 1 Amalgamation and up to and including the Effective Date – Stage 1 Amalgamation, Sonmil shall carry on their respective business and activities with



reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of Chalet alienate charge, mortgage, encumber or otherwise deal with or dispose of the assets forming part of the business of Sonmil. During this period, Sonmil undertakes to carry on and shall be deemed to have carried on their business activities and stand possessed and shall be deemed to have held and stood possessed of the properties, assets and profits pertaining to Chalet, for and on account of and in trust for Chalet.

- 14.2 With effect from the Appointed Date – Stage 2 Amalgamation and up to and including the Effective Date – Stage 2 Amalgamation, Dukes shall carry on their respective business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of Chalet alienate charge, mortgage, encumber or otherwise deal with or dispose of the assets forming part of the business of Dukes. During this period, Dukes undertake to carry on and shall be deemed to have carried on their business activities and stand possessed and shall be deemed to have held and stood possessed of the properties, assets and profits pertaining to Dukes, for and on account of and in trust for Chalet.

15. EMPLOYEES OF THE TRANSFERORS

Stage 1 Amalgamation

- 15.1 From the Effective Date – Stage 1 Amalgamation, all staff and employees, if any, who are in employment of Sonmil on the date immediately preceding the Effective Date – Stage 1 Amalgamation, shall be deemed on and from the Appointed Date – Stage 1 Amalgamation, to have become staff and employees of Chalet without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Chalet shall not be less favorable than those applicable to them with reference to their employment in Sonmil as on Effective Date – Stage 1 Amalgamation.
- 15.2 On and from the Effective Date – Stage 1 Amalgamation and with effect from the Appointed Date – Stage 1 Amalgamation, the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund, employee state insurance scheme or any other special fund or trusts (hereinafter collectively referred as "Funds"), if any, created or existing for the benefit of the staff and employees of Sonmil for any and all purposes whatsoever in relation to the administration or operation of such Fund(s) or in relation to the obligation to make contributions to the said Fund(s) in accordance with the provisions thereof, if any, to the end and intent that all rights, duties, powers and obligations of Sonmil in relation to such Fund(s) shall become those of Chalet. It is clarified that the services of the staff and employees of Sonmil will be treated as having been continuous for the purpose of the said Fund(s).

Stage 2 Amalgamation

- 15.3 From the Effective Date – Stage 2 Amalgamation, all staff and employees, if any, who are in employment of Dukes on the date immediately preceding the Effective Date – Stage 2 Amalgamation, shall be deemed on and from the Appointed Date – Stage 2 Amalgamation, to have become staff and employees of Chalet without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Chalet shall not be less favorable than those applicable to them with reference to their employment in Dukes as on Effective Date – Stage 2 Amalgamation.
- 15.4 On and from the Effective Date – Stage 2 Amalgamation and with effect from the Appointed Date – Stage 2 Amalgamation, the Scheme becoming effective, the Funds, if any, created or existing for the benefit of the staff and employees of Dukes for any and all purposes whatsoever in relation



to the administration or operation of such Fund(s) or in relation to the obligation to make contributions to the said Fund(s) in accordance with the provisions thereof, if any, to the end and intent that all rights, duties, powers and obligations of Dukes in relation to such Fund(s) shall become those of Chalet. It is clarified that the services of the staff and employees of Dukes will be treated as having been continuous for the purpose of the said Fund(s).

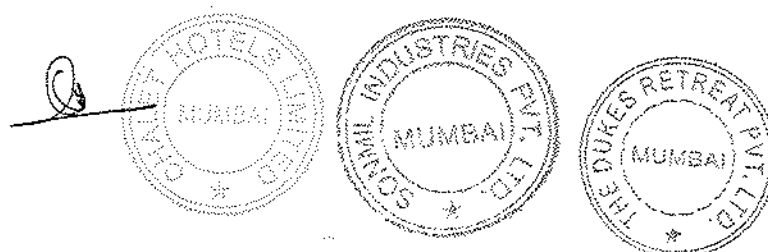
16. LEGAL PROCEEDINGS

- 16.1 All legal proceedings of whatsoever nature by or against the respective Transferors pending on and/or arising after the Appointed Date – Stage 1 Amalgamation or Appointed Date – Stage 2 Amalgamation, (as applicable) shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Chalet in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the respective Transferors.
- 16.2 Chalet shall be entitled to have all such legal proceedings initiated by or against the respective Transferors as provided in Clause 16.1 above transferred to its name from the Effective Date – Stage 1 Amalgamation or Effective Date – Stage 2 Amalgamation (respectively) which will be deemed to have come into effect from the Appointed Date – Stage 1 Amalgamation or Appointed Date – Stage 2 Amalgamation (as the case may be) and to have the same continued, prosecuted and enforced by or against Chalet as the case may be, to the exclusion of the respective Transferors.

17. TREATMENT OF TAXES

Stage 1 Amalgamation

- 17.1 With effect from the Appointed Date – Stage 1 Amalgamation and from the Effective Date – Stage 1 Amalgamation, all taxes, duties, cess payable by Sonmil including all advance tax payments, tax deducted at source or any refunds / credit / claims relating thereto shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds / credit / claims on account of Chalet.
- 17.2 With effect from the Appointed Date – Stage 1 Amalgamation and from the Effective Date – Stage 1 Amalgamation, all unavailed credits and exemptions including any input credits, margin money, retention money, deposit with statutory authorities, other deposits and benefit of carried forward losses (if any) and other statutory benefits, including in respect of income tax (including MAT), SGST, IGST, CGST under GST laws, CENVAT, customs, VAT, sales tax, service tax to which Sonmil respectively are entitled to, shall be available to and vest in Chalet without any further act or deed.
- 17.3 From the Effective Date – Stage 1 Amalgamation, the concerned Parties are expressly permitted to revise and file their respective income tax returns, including tax deducted at source, returns and certificates, any returns under the GST laws, sales tax/ value added tax returns, service tax returns and other tax returns for the period commencing on and from the Appointed Date – Stage 1 Amalgamation, and to claim refunds/ credits, pursuant to the provisions of this Scheme and in accordance with the Applicable Laws. Further, in case where the concerned Parties, if for any reason are unable to file their revised returns before the due date as per the provisions under Section 139(5) of the Income Tax Act, 1961, the concerned Parties be permitted to file their revised tax returns after the expiry of the due date as prescribed.
- 17.4 Chalet shall be entitled to file/ revise its income tax returns, TDS certificates, TDS returns, and



other statutory returns, if required, and shall have the right to claim *inter alia* refunds, advance tax credits, credit of tax under Section 115JB/115JAA of the Income Tax Act, 1961, credit of tax deducted / collected at source, credit of taxes paid/ withheld, if any, as may be required consequent to implementation of this Scheme.

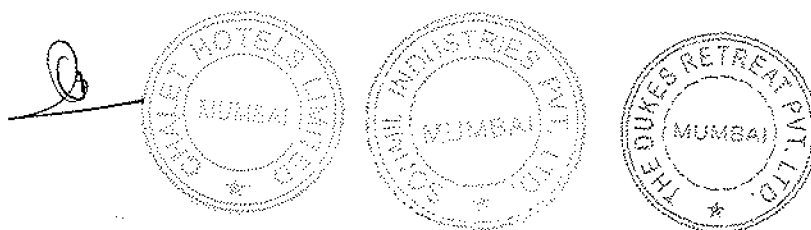
Stage 2 Amalgamation

- 17.5 With effect from the Appointed Date – Stage 2 Amalgamation and from the Effective Date – Stage 2 Amalgamation, all taxes, duties, cess payable by Dukes including all advance tax payments, tax deducted at source or any refunds / credit / claims relating thereto shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds / credit / claims on account of Chalet.
- 17.6 With effect from the Appointed Date – Stage 2 Amalgamation and upon the Effective Date – Stage 2 Amalgamation, all unavailed credits and exemptions including any input credits, margin money, retention money, deposit with statutory authorities, other deposits, and benefit of carried forward losses (if any) and other statutory benefits, including in respect of income tax (including MAT), SGST, IGST, CGST under GST laws, CENVAT, customs, VAT, sales tax, service tax, to which Dukes respectively are entitled to, shall be available to and vest in Chalet without any further act or deed.
- 17.7 From the Effective Date – Stage 2 Amalgamation, the concerned Parties are expressly permitted to revise and file their respective income tax returns, including tax deducted at source, returns and certificates, any returns under the GST laws, sales tax/ value added tax returns, service tax returns and other tax returns for the period commencing on and from the Appointed Date – Stage 2 Amalgamation, and to claim refunds/ credits, pursuant to the provisions of this Scheme and in accordance with the Applicable Laws. Further, in case where the concerned Parties, if for any reason are unable to file their revised returns before the due date as per the provisions under Section 139(5) of the Income Tax Act, 1961, the concerned Parties be permitted to file their revised tax returns after the expiry of the due date as prescribed.
- 17.8 Chalet shall be entitled to file/ revise its income tax returns, TDS certificates, TDS returns, and other statutory returns, if required, and shall have the right to claim *inter alia* refunds, advance tax credits, credit of tax under Section 115JB/115JAA of the Income Tax Act, 1961, credit of tax deducted / collected at source, credit of taxes paid/ withheld, if any, as may be required consequent to implementation of this Scheme.

18. CONTRACTS.

Stage 1 Amalgamation

- 18.1 Subject to the provisions of this Scheme, from the Effective Date – Stage 1 Amalgamation and subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature to which Sonmil is a party to and which is subsisting or having effect on the Effective Date – Stage 1 Amalgamation, shall be in full force and effect against or in favor of Chalet and may be enforced by or against Chalet as fully and effectually as if, Chalet had been a party thereto in place of Sonmil.
- 18.2 Chalet may at any time after the Effective Date – Stage 1 Amalgamation in accordance with the provisions hereof, if so required under any law or if it is otherwise considered necessary or expedient, execute deeds, confirmations or other writings or confirmations or enter into any tripartite arrangements, confirmations, or novation's, to which Sonmil will, if necessary, also be



party in order to give formal effect to the provisions of this Scheme if so required or becomes necessary. Chalet shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of Sonmil and to implement or carry out all formalities required to give effect to the provisions of this Scheme.

Stage 2 Amalgamation

18.3 Subject to the provisions of this Scheme, from the Effective Date – Stage 2 Amalgamation and subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature to which Dukes are a party to and which is subsisting or having effect on the Effective Date – Stage 2 Amalgamation, shall be in full force and effect against or in favor of Chalet and may be enforced by or against Chalet as fully and effectually as if, Chalet had been a party thereto in place of Dukes.

18.4 Chalet may at any time after the Effective Date – Stage 2 Amalgamation in accordance with the provisions hereof, if so required under any law or if it is otherwise considered necessary or expedient, execute deeds, confirmations or other writings or confirmations or enter into any tripartite arrangements, confirmations, or novation's, to which Dukes will, if necessary, also be party in order to give formal effect to the provisions of this Scheme if so required or becomes necessary. Chalet shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of Dukes and to implement or carry out all formalities required to give effect to the provisions of this Scheme.

19. VALIDITY OF EXISTING RESOLUTIONS.

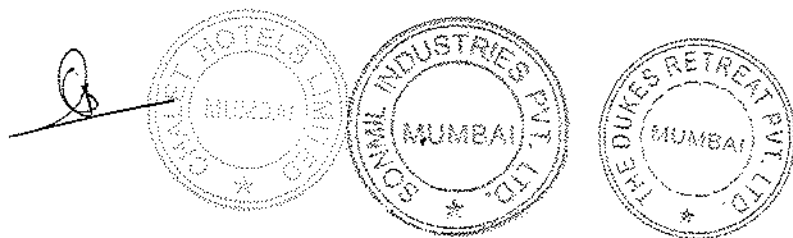
Upon the coming into effect of the Scheme, the resolutions of each of the Transferors as are considered necessary by the Board of Transferee which are validly subsisting on the Effective Date, be considered as resolutions of Chalet. If any such resolutions have any monetary limits approved under the provisions of the Companies Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Transferee, shall be added to the limits, if any, under the like resolutions passed by Transferee.

20. SAVING OF CONCLUDED TRANSACTIONS

Transfer and vesting of the assets, liabilities and obligations of the respective Transferors (as applicable) and continuance of any legal proceedings by or against Chalet shall not in any manner affect any transaction or legal proceedings already completed by any of the Transferors till the Appointed Date – Stage 1 Amalgamation, Appointed Date – Stage 2 Amalgamation (as applicable) to the extent that Chalet shall accept all such acts, deeds and things done and executed by and/or on behalf of the respective Transferors (as applicable) as acts, deeds and things done and executed by and on behalf of such Transferors (as applicable).

21. APPLICATION TO NCLT/GOVERNMENTAL AUTHORITY

The Parties shall make all necessary applications under Sections 230 to 232 and other applicable provisions of the Companies Act to the NCLT/Governmental Authority, as the case may be, as applicable, as decided by the Board of the companies for seeking approval of the Scheme and for dissolution of the Transferors without being wound up.



22. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 22.1 The Parties by their respective Boards of Directors, may assent to/make and/or consent to any modifications/amendments of any kind to the Scheme or to any conditions or limitations that the NCLT/Governmental Authority, as the case may be, as applicable and/or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e., the Board of Directors).
- 22.2 The Parties by their respective Board of Directors are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever or provide clarifications for carrying the Scheme into effect, whether by reason of any directive or order of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith and the same shall be binding on all Parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 22.3 The Parties by their respective Board of Directors may jointly modify, vary, or withdraw this Scheme at any time prior to the Effective Date – Stage 1 Amalgamation or Effective Date – Stage 2 Amalgamation (as applicable) at any time.
- 22.4 Any modification to the Scheme by the Parties after receipt of sanction by the NCLT, shall be made only with the prior approval of the NCLT.

23. CONDITIONALITY OF THE SCHEME

- 23.1 This Scheme is and shall be conditional upon and subject to:
- (i) The Scheme being approved by the requisite majority in number and value of the various class of shareholders of the Parties, as may be directed by the NCLT/Governmental Authority.
 - (ii) The Scheme being sanctioned by the NCLT under Sections 230 to 232 and other applicable provisions of the Act and the Scheme being sanctioned/approved by Governmental Authority (if required).
 - (iii) Certified copies of the orders of the NCLT/Governmental Authority sanctioning the Scheme, being filed with the RoC in respect of all or each of Stage 1 Amalgamation and Stage 2 Amalgamation.
 - (iv) The requisite consent, approval, or permission of any other statutory or regulatory authority including depository(ies), if any and which by law may be necessary for the implementation of this Scheme.
- 23.2 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect in the same order as mentioned in this Scheme, i.e., Part B would be given effect first, followed by Part C. Further, the Scheme would be given effect to as per its terms only if is approved in its entirety unless specifically agreed otherwise by the Board of the Parties.
- 23.3 The Scheme will be operative from the Effective Date and with respect to each stage of amalgamation shall be operative from the Effective Date – Stage 1 Amalgamation or Effective Date – Stage 2 Amalgamation (as applicable) but with effect from the Appointed Date – Stage 1 Amalgamation or Appointed Date – Stage 2 Amalgamation (as applicable).



24. EFFECT OF WITHDRAWAL OF THIS SCHEME

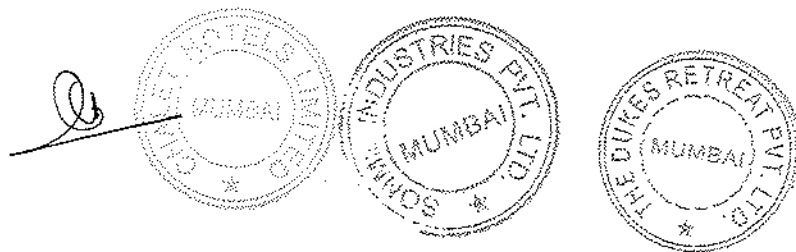
In the event the Scheme is withdrawn by the Parties in the manner as provided in Clause 22.3, then in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such a case, each Party shall bear and pay its respective costs, charges, and expenses for and in connection with the Scheme.

25. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Parties arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne in such manner as may be mutually agreed between the Parties and without prejudice to such mutual agreement between the Parties, any cash balances lying to the account of any of the Transferors may be utilised towards meeting such costs, charges, taxes including duties, levies and all other expenses, if any.

26. RESIDUAL PROVISIONS

- 26.1 From the date of coming into operation of the Scheme, Chalet shall be entitled to operate all bank accounts relating to the Transferors and realize all monies and complete and enforce all subsisting contracts and transactions in respect of the Transferors, in the name of the Transferors. .
- 26.2 All approvals, permits, sanctions, statutory and other registers of any authorities as well as any record maintained by any statutory or other authority shall upon request of the Transferee be modified by the relevant authorities to record the impact on such registers and records by virtue of this Scheme.
- 26.3 Any error, mistake, omission, commission, which is apparent and/or absurd in the Scheme should be read in a manner which is appropriate to the intent and purpose of the Scheme and in line with the rationale as mentioned herein above.



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF CHALET HOTELS LIMITED HELD ON WEDNESDAY, OCTOBER 25, 2023 AT THE WESTIN HYDERABAD MINDSPACE, RAHEJA IT PARK HITEC CITY, MADHAPUR, HYDERABAD, TELANGANA 500081.

To consider and approve the amalgamation of (a) Sonmil Industries Private Limited, wholly owned subsidiary of the Company with and into the Company; and (b) The Dukes Retreat Private Limited, subsidiary of the Company with and into the Company.

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and any other provisions of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), and the requirements, if any, under the SEBI Regulations, as applicable from time to time, and the Memorandum of Association and the Articles of Association of the Company and subject to the requisite approval of the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Tribunal**") and also subject to such other approvals that the Tribunal may require to be obtained including without limitation the approvals from the shareholders and creditors of (i) Company, (ii) Sonmil Industries Private Limited ("**Sonmil**") and (iii) The Dukes Retreat Private Limited ("**Dukes**") and taking into consideration the approval of the Audit Committee, the Board of Directors of the Company, hereby approves the proposed amalgamation of firstly (i) Sonmil into Chalet ("**Stage 1 Amalgamation**") and secondly (ii) Dukes into Chalet ("**Stage 2 Amalgamation**") ("**Proposed Amalgamation**"), with an Appointed Date being set out in the Composite Scheme of Arrangement and Amalgamation ("**Scheme**") which shall come into operation on the date which is the date on which all the conditions (taken together) specified in the Scheme are satisfied and further, the Scheme, in terms of the draft placed before the Board of Directors at the meeting, duly initialed by the Company Secretary for the purpose of identification, be and is hereby approved for the Proposed Amalgamation, subject to and along with such further changes as may be suggested/ required/ directed by the Tribunal)/ any other authority.

RESOLVED FURTHER THAT Mr. Ravi C. Raheja (DIN: 00028044), Mr. Neel C. Raheja (DIN: 00029010), Mr. Sanjay Sethi (DIN: 00641243), Directors of the Company, Mr. Milind Wadekar, Chief Financial Officer, Ms. Purnima Pavle, Financial Controller - Accounts and Finance and Ms. Christabelle Baptista, GM – Legal and Company Secretary be and are hereby severally authorised to make such modifications or alterations or amendments to the draft Scheme which does not amount to a material change to the substance of the Scheme post discussions with the lawyers or any other legal advisors and consultants and to further make such alterations and changes in the Scheme as may be necessary or expedient to satisfy the requirements or conditions imposed by the Tribunal, while sanctioning the said Scheme or any other statutory requirements without further need to seek the approval of the Board for such amendments.

RESOLVED FURTHER THAT Mr. Ravi C. Raheja, Mr. Neel C. Raheja, Mr. Sanjay Sethi, Directors of the Company, Mr. Milind Wadekar, Chief Financial Officer, Ms. Purnima Pavle, Financial Controller - Accounts and Finance and Ms. Christabelle Baptista, GM – Legal and Company Secretary, be and are hereby severally authorised to take all necessary steps, in connection with the sanction of the Scheme and enabling the Scheme to come into effect including without limitation to the following:

- a) procuring a certificate from the Statutory Auditors of the Company stating clearly that the accounting treatment in the Scheme is in conformity with the prescribed Accounting Standards.
- b) to file a Notice of Admission with the Tribunal.
- c) subject to the directions of the Tribunal, finalize and send notices along with explanatory statements to the Members and creditors, as applicable and required, seeking their approval for the Scheme,



Chalet Hotels Limited

to decide the cut-off date, convene meetings either physically or virtually, conduct e-voting process, conduct the Postal Ballot (if required) for Members and/or creditors as may be required under the Companies Act, 2013 or any other applicable law, appoint a Scrutinizer(s), appoint an agency, decide the calendar of events, receive the Scrutinizer's register and report and other related papers with requisite details, or to do all other acts, deeds and things as may be required or deemed necessary in this regard.

- d) subject to the directions of the Tribunal, to act as the Chairperson for any meetings of the equity shareholders, preference shareholders and the creditors of the Company that may be required by the Tribunal to be held for the purposes of approving the Scheme (with or without modification) and executing, affirming and filing affidavits and Chairperson's Reports of such meetings wherever applicable.
- e) to file a petition for confirmation of the Scheme by the Tribunal and getting confirmation from the Tribunal.
- f) to execute, affirm and file any other application or petition or any other documents with or before the Tribunal, and/or any other judicial or statutory body including but not limited to the Superintendent of Stamps/ Collector of Stamps, to appear before any authority and to do all acts, deeds and things as may be considered necessary or expedient in relation thereto.
- g) to file such applications, undertakings or any other documents whatsoever as may be necessary or required to give intimation of/effect to the Scheme with applicable statutory, regulatory and revenue authorities including but not limited to the Central/State Government(s), Local/Municipal Authorities, Competition Commission of India, Reserve Bank of India, Stock Exchanges, Registrar of Companies, Regional Director, Official Liquidator, Income Tax authorities, Indirect Tax Authorities, Employees' State Insurance and Provident Fund Authorities, Superintendent of Stamps/Collector of Stamps, Sub-Registrar of Assurances and all other statutory authorities as may be necessary.
- h) to publish notice of the Proposed Amalgamation embodied in the Scheme in the newspapers and in the respective Government Gazette.
- i) obtain approval and/or consents of banks, financial institutions and other authorities or entities or agencies, as may be required or to do all other acts, deeds and things as may be required or deemed necessary in this regard.
- j) to settle any question or difficulty that may be with regard to the implementation of the above Scheme, and to give effect to the above resolution.
- k) making any modifications / alterations / changes therein as may be necessary, desirable, suggested, prescribed, expedient and appropriate for satisfying the requirement or conditions including for giving effect to the outcome of any proposed corporate actions which have commenced but not yet completed imposed by such authorities.
- l) to incur and reimburse such expenses as may be necessary in relation to the above or the Proposed Amalgamation.
- m) to communicate the changes in the corporate structure pursuant to the sanction of the Scheme to customers, vendors, banks or any State / Central Government Authority/ies and all other concerned persons, as may be required.
- n) to file necessary e-forms, returns etc., with the relevant Authority, from time to time to give effect to the said order passed thereby.
- o) appoint or engage or ratify the appointment/engagement of any third-party intermediaries including without limitation, legal advisor, accountants, statutory auditors, or any other advisors or consultants in connection with the Scheme.



Chalet Hotels Limited

- p) appoint one or more attorney(s)/representatives and delegate to them any or all of the powers or functions entrusted to them under this resolution, as well as to revoke, remove such persons and to appoint any other person(s) from time to time to act on their behalf.
- q) approve withdrawal of the Scheme (or where applicable, re-filing) at any stage including in case of any changes and/or modifications required to be made in the Scheme or any conditions required to be imposed, whether by any Members, creditors, Tribunal or any other court of competent jurisdiction or tribunal, or any other authority or forum, which are in their discretion not acceptable, and to do all such acts, deeds and things as it may deem necessary and desirable in connection therewith and incidental thereto.
- r) affix the Common Seal of the Company, wherever required, under the authority of the authorised signatories in the manner mentioned in the Articles of Association of the Company.
- s) generally to do all such things and execute all such documents and other writings as may be required or necessary to give effect to the Scheme, to ratify, sign and deliver such documents including but not limited to the Scheme, notices/applications, other filings to be made before the Tribunal or any other authority, carry out any amendments thereto from time to time as and when they become necessary and to execute, sign and deliver on behalf of the Company, any and all plaints, pleadings, papers, proceedings, applications, written statements, petitions, vakalatnamas, affidavits, replies, rejoinders, advertisements, announcements, disclosures and all other writings required in respect of any proceedings in relation to the Scheme, any other letters of undertaking, declarations, agreements, forms, notices, indemnities, writings and other papers which may be required in relation to the Scheme and also to approve, finalise, execute and deliver or cause to be executed and delivered on behalf of the Company, any request letters, receipts, notices, undertakings, mandates, agreements, assignments, certificates, declarations, forms, powers of attorney and all other deeds, documents, instruments and writings in relation to the Scheme, carry out, negotiate, finalise any amendments to the Scheme as may be directed or required by the Tribunal / Competition Commission of India or any other authority issue notices, file forms with relevant regulatory or other authorities, and implement the Scheme; and to do all such acts, deeds and things which are incidental and / or ancillary thereto including filings before the Tribunal / Competition Commission of India / any other authority, and in each case delegate the aforesaid powers in favour of such persons as he/she may deem fit.

RESOLVED FURTHER THAT a copy of this resolution be furnished, certified as a true copy, by any one of the Directors of the Company or the Company Secretary."

CERTIFIED TO BE TRUE

For Chalet Hotels Limited


Christabelle Baptista

Company Secretary

Membership No. A17817

Address: Raheja Tower, Plot No.C-30, Block 'G',
Next to Bank of Baroda, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Date: November 23, 2023

Place: Mumbai



Chalet Hotels Limited

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai – 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Private and confidential

The Board of Directors
Chalet Hotels Limited
Raheja Tower, Plot No. C-30, Block – G
Next to Bank of Baroda
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051

08 July 2024

Independent Auditor's Certificate in relation to proposed accounting treatment in the books of Chalet Hotels Limited as specified in the Proposed Composite Scheme of Arrangement and Amalgamation of Sonmil Industries Private Limited (Stage I Amalgamation) and The Dukes Retreat Private Limited (Stage II Amalgamation) with Chalet Hotels Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and the rules framed thereunder

1. This certificate is issued in accordance with the terms of our engagement letter dated 19 June 2023.
2. We have been requested by the management of Chalet Hotels Limited ("the Company" or "Transferee Company") to issue a certificate in relation to the proposed accounting treatment specified in Clause 10 of the proposed Composite Scheme of Arrangement and Amalgamation of **Sonmil Industries Private Limited (Stage I Amalgamation) and The Dukes Retreat Private Limited (Stage II Amalgamation)** with the Transferee Company and their respective shareholders and creditors ("Proposed Scheme"), extract of which is reproduced in Annexure A to this certificate, in terms of the provisions of Section 230 to 232 of the Companies Act, 2013 ("the Act") read with other applicable provisions of the Act and the rules framed thereunder with reference to its compliance with the applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant Rules issued thereunder and other Generally Accepted Accounting Principles in India.
3. The Proposed Scheme is approved by the Board of Directors of the Transferee Company and the Transferor Company on 25 October 2023 and 20 November 2023 respectively and is subject to approval of the respective shareholders, creditors, the National Company Law Tribunal ("NCLT") and statutory and regulatory authorities, as applicable. The appointed date for the purpose of the Proposed Scheme is 1 April 2024 for Stage I Amalgamation and a date, falling after Effective Date – Stage I Amalgamation as fixed by the Board of Directors of the Transferee, for Stage II Amalgamation.

Registered Office:

Independent Auditor's Certificate in relation to proposed accounting treatment in the books of Chalet Hotels Limited as specified in the Proposed Composite Scheme of Arrangement and Amalgamation of Sonmil Industries Private Limited (Stage I Amalgamation) and The Dukes Retreat Private Limited (Stage II Amalgamation) with Chalet Hotels Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the companies act, 2013 and the rules framed thereunder (Continued)

Management's Responsibility

4. The preparation of the extract on accounting treatment of the Proposed Scheme as reproduced in the Annexure A and its compliance with the relevant provision of the Act, laws and regulations, including the applicable Ind AS read with the Rules made, issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the management of the companies involved, including the preparation and maintenance of all accounting and other relevant supporting records and documents.
5. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the extract on accounting treatment of the Proposed Scheme as reproduced in Annexure A and applying an appropriate basis of preparation, and making estimates that are reasonable in the circumstances.
6. The Company's management is also responsible for ensuring that the Company complies with the requirements of Companies Act, 2013 and providing all relevant information with respect to the Proposed Scheme to the NCLT.

Auditor's Responsibility

7. Pursuant to the requirements of provisions of Section 232 of the Companies Act, 2013, our responsibility is to provide a reasonable assurance whether the proposed accounting treatment, in the books of the Transferee Company, as specified in Clause 10 of Part D of the Proposed Scheme - and as reproduced in Annexure A to this certificate is in conformity with the Ind AS prescribed under Section 133 of the Act read with the rules issued thereunder and other Generally Accepted Accounting Principles in India.
8. We conducted our examination of the proposed accounting treatment referred to in Clause 10 of the Proposed Scheme and as reproduced in Annexure A in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



Independent Auditor's Certificate in relation to proposed accounting treatment in the books of Chalet Hotels Limited as specified in the Proposed Composite Scheme of Arrangement and Amalgamation of Sonmil Industries Private Limited (Stage I Amalgamation) and The Dukes Retreat Private Limited (Stage II Amalgamation) with Chalet Hotels Limited and their respective shareholders and creditors pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the companies act, 2013 and the rules framed thereunder (Continued)

Opinion

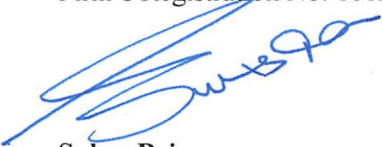
10. As per Section 232(6) of the Act, the Proposed Scheme has to provide for the appointed dates from which the Proposed Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 1 April 2024 for Stage I Amalgamation and a date, falling after Effective Date – Stage I Amalgamation as fixed by the Board of Directors of the Transferee, for Stage II Amalgamation in the Proposed Scheme.

Based on our examination and according to the information and explanations given to us and appropriate representations obtained from the Company, the proposed accounting treatment referred to in Clause 10 of the Proposed Scheme and as reproduced in Annexure A to this certificate, signed and stamped by us for the purpose of identification only, is in conformity with Ind AS 103 'Business Combinations' i.e. the applicable Accounting Standards prescribed under Section 133 of the Act and other Generally Accepted Accounting Principles in India.

Restriction on use

11. This certificate is issued at the request of the management of the Transferee Company solely for the purpose of onward submission to NCLT and any other regulatory authority in relation to the Proposed Scheme pursuant to the requirements of Sections 230 to 232 of the Act and relevant Rules thereunder. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022


Suhas Pai
Partner
Membership No.: 119057
UDIN: 24119057BKFICG7797



Place: Mumbai
Date: 08 July 2024

Annexure A**EXTRACT FROM THE SCHEME OF ARRANGEMENT AND AMALGAMATION
AMONGST CHALET HOTELS LIMITED AND THE DUKES RETREAT PRIVATE
LIMITED AND SONMIL INDUSTRIES PRIVATE LIMITED AND THEIR RESPECTIVE
SHAREHOLDERS AND CREDITORS**

(Scheme of Arrangement)

10. ACCOUNTING TREATMENT IN THE BOOKS OF THE PARTIES

10.1 The accounting treatment of the Stage 1 and Stage 2 Amalgamation shall be as of the respective Appointed Date i.e. Appointed Date – Stage 1 or Appointed Date – Stage 2.

10.2 Amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in accordance with accounting prescribed under Indian Accounting Standard (IND AS) 103 as specified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015 and the Ind AS Transition Facilitation Group Clarifications, or any other relevant or related requirement under the Companies Act, as may be applicable.

10.3 In accordance with “Pooling of interest method” laid down by Appendix C of Ind AS 103 (Business Combination under common control), all the assets, liabilities and reserves of the Transferor Companies as on the Appointed date and transferred to and vested in the Transferee Company pursuant to the scheme shall be recorded by the Transferee Company at their respective book values as appearing in the consolidated financial statements of the Transferee Company prior to the merger and in the same form.

10.4 The intragroup assets and liabilities, inter-corporate deposits / loans and advances and other receivables / payables between the Transferee Company and the Transferor Companies will stand cancelled and there shall be no further obligation in that behalf. The value of all the investments held by the Transferee Company in the Transferor Companies shall stand cancelled pursuant to amalgamation and there shall be no further rights and obligations in that behalf.

10.5 In case of any differences in accounting policies followed by Transferor Companies from that of Transferee Company, accounting policies followed by the Transferee Company shall prevail and the impact of the same till the date immediately preceding the Appointed Date – Stage 1 or Appointed Date – Stage 2 Amalgamation (as the case may be) shall be quantified and be appropriately adjusted and reported in accordance with accounting policies followed by the Transferee Company to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.



SIGNED FOR
IDENTIFICATION BY
SUHAS PAI

FOR BSR & Co. LLP

**Chalet Hotels Limited**

10.6 On the Scheme becoming effective, the financial information in the financial statements of the transferee company in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business acquisition had occurred after that date, the prior period information shall be restated only from that date.

CERTIFIED TO BE TRUE

For Chalet Hotels Limited



Authorised Signatory

Place: Mumbai

Date: 08 July 2024



SIGNED FOR IDENTIFICATION

BY SUHAS PAI



FOR BSR & CO. LLP