

NOTICE – SECURED CREDITORS**COSMOS IMPEX (INDIA) PRIVATE LIMITED**

Registered Office	:	Cosmos House, 85 / 2, Atladra, Padra Road, Vadodara-390012
Tel No.	:	9898074658
CIN	:	U29255GJ1994PTC021035
Website	:	www.cosmos.in
E-mail	:	finance@cosmos.in
PAN	:	AAACC7621C

**MEETING OF THE SECURED CREDITORS
OF****COSMOS IMPEX (INDIA) PRIVATE LIMITED**

*(convened pursuant to the Order dated [June 9th, 2025]
passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench)*

MEETING:

Day	Saturday
Date	26 th July, 2025
Time	2:00 P.M
Mode	Through Video Conferencing /Other Audio-Visual Means

REMOTE E-VOTING:

Start Day, Date and Time	Wednesday, 23 rd July, 2025
End Day, Date and Time	Friday, 25 th July, 2025
Cut-off Date for E-Voting	Friday, 28 th February, 2025

INDEX

Sr. No.	Contents	Page No.
1.	Notice convening the meeting of the Secured Creditors of Cosmos Impex (India) Private Limited under the directions of the Hon'ble National Company Law Tribunal, Ahmedabad Bench	1 - 9
2.	Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	10 - 50
3.	Annexure 1 Scheme of arrangement between Cosmos Engitech Private Limited ("Demerged Company"/ "Applicant Company 1") And Cosmos Impex (India) Private Limited ("Resulting Company" / "Transferor Company" / "Applicant Company 2") And Nexco Engitech Private Limited ("Transferee Company" / "Applicant Company 3") and their respective members and creditors ("the Scheme")	51 - 110
4.	Annexure 2 Copy of report on recommendation of share entitlement ratio for demerger of CA Snehal Shah, Registered Valuer, certifying the share exchange ratio and consideration for the Slump Sale of the Demerged Undertaking.	111 - 126
5.	Annexure 3 Copy of the report adopted by the Board of Directors of Cosmos Engitech Private Limited, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.	127 - 128
6.	Annexure 4 Copy of the report adopted by the Board of Directors of Cosmos Impex (India) Private Limited, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.	129 - 130
7.	Annexure 5 Copy of the report adopted by the Board of Directors of Nexco Engitech Private Limited, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.	131 - 132

8.	Annexure 6 Copy of the unaudited financial results of Cosmos Engitech Private Limited for the quarter ended 30/09/2024.	133 - 152
9.	Annexure 7 Copy of the unaudited financial results of Cosmos Impex (India) Private Limited for the quarter ended 30/09/2024.	153 - 170
10.	Annexure 8 Copy of the unaudited financial results Nexco Engitech Private Limited for the period ended 28/02/2025.	171 - 175

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH,
AT AHMEDABAD
C.A. (CAA)/ 15 (AHM) 2025**

In the matter of the Companies Act,
2013;

And

In the matter of Sections 230 - 232
read with other relevant provisions of
the Companies Act, 2013;

And

In the matter of Cosmos Engitech
Private Limited

In the matter of Cosmos Impex (India)
Private Limited

In the matter of Nexco Engitech
Private Limited

And

In the matter of Scheme of
Arrangement of Cosmos Engitech
Private Limited, Cosmos Impex
(India) Private Limited and Nexco
Engitech Private Limited

**COSMOS IMPEX (INDIA) PRIVATE LIMITED
(CIN: U29255GJ1994PTC021035)**

A company incorporated under the
Provisions of the Companies Act, 1956
Having its registered office at
Cosmos House 85/2, Atladra,
Padra Road Vadodara 390012

**.... Applicant Company 2/
Resulting Company/ Transferor Company**

NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS
OF COSMOS IMPEX (INDIA) PRIVATE LIMITED

To,

the Secured Creditors of Cosmos Impex (India) Private Limited ('Applicant Company No. 2 / Resulting Company/ Transferor Company'):

NOTICE is hereby given that by an Order dated June 9, 2025 ("**Order**"), the Hon'ble National Company Law Tribunal Bench, at Ahmedabad ("**NCLT**") has, *inter alia*, directed a meeting to be held of the Secured Creditors of **Cosmos Impex (India) Private Limited** (hereinafter referred to as the "**Applicant Company No. 2**" or the "**Resulting Company**" or the "**Transferor Company**") , as the context may admit) for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Arrangement of Cosmos Engitech Private Limited (hereinafter referred to as the "**Applicant Company No. 1**" / the "**Demerged Company**") with Cosmos Impex (India) Private Limited (hereinafter referred to as the "**Applicant Company No. 2**" / the "**Transferor Company**" / the "**Resulting Company**" as the context may admit) with Nexco Engitech Private Limited (hereinafter referred to as the "**Applicant Company No. 3**" / the "**Transferee Company**") ("**Scheme**") pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and the other applicable provisions thereof and applicable rules thereunder.

In pursuance of the Order and as directed therein further, this Notice is hereby given that a meeting of the Secured Creditors of the Resulting Company will be held on July 26, 2025 at 2:00 p.m. IST (1400 hours) through Video Conferencing ("**VC**")/Other Audio-Visual Means ("**OAVM**") ("**Meeting**") in compliance with the applicable provisions of the Companies Act, 2013 ("**Companies Act**"); and General Circulars No. 14/2020 dated April 8, 2020; No. 17/2020 dated April 13, 2020; No. 20/2020 dated May 5, 2020; No. 22/2020 dated June 15, 2020; No. 33/2020 dated September 28, 2020; No. 39/2020 dated December 31, 2020; No. 10/2021 dated June 23, 2021; No. 20/2021 dated December 8, 2021; No.21/2021 dated December 14, 2021; No. 2/2022 dated May 5, 2022 and No. 11/2022 dated December 28, 2022, No. 9/2023 dated September 25, 2023 and 9/2024 dated 19th September, 2024 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as the "**MCA Circulars**"), and the said Secured Creditors are requested to attend the Meeting. At the Meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Companies Act, 2013, the rules and regulations made thereunder ("**Act**") and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to the requisite approval of the Hon'ble National Company Law Tribunal, Bench at Ahmedabad ("**NCLT**") or subject to such other approvals, permissions and sanctions of regulatory and other authorities or tribunals, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory

or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of arrangement between Cosmos Engitech Private Limited ("Demerged Company") and Cosmos Impex (India) Private Limited ("Resulting Company" / "Transferor Company"/ "the Company") and Nexco Engitech Private Limited ("Transferee Company") and their respective members and creditors ("the Scheme") as per the draft enclosed to this Notice, be and is hereby approved.

RESOLVED FURTHER THAT *the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT or tribunals while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."*

TAKE FURTHER NOTICE that since this Meeting is held, pursuant to the Order passed by the NCLT and in compliance with the MCA Circulars, through VC/OAVM, physical attendance of the Secured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Secured Creditors will not be available for the present Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, authorized representatives of institutional/corporate Creditors may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting, provided that such Secured Creditor sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting.

TAKE FURTHER NOTICE that

- a) in compliance with the provisions of (i) MCA Circulars; (ii) Sections 108 and 230 of the Companies Act read with the rules framed thereunder; the Transferee Company has provided the facility of voting by remote e-voting and e-voting at the Meeting so as to enable the Secured Creditors to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by

Secured Creditors of the Resulting Company to the Scheme shall be carried out only through remote e-voting and e-voting at the Meeting;

- b) in compliance with the aforesaid MCA Circulars and the Order passed by NCLT, (a) the aforesaid Notice, (b) the Scheme, (c) the explanatory statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made thereunder, and (d) the enclosures as indicated in the Index (collectively referred to as “**Particulars**”), are being sent (i) through electronic mode to those Secured Creditors whose e-mail ids are registered the Resulting Company; and (ii) through registered post or speed post or courier, physically, to those Secured Creditors who have not registered their e-mail ids with the Resulting Company. The aforesaid Particulars are being sent to all the Secured Creditors whose names appear in the record of the Resulting Company as on February 28, 2025;
- c) the Secured Creditors may note that the aforesaid Particulars will be available on the website of Central Depository Services (India) Limited (“**CDSL**”) at www.evotingindia.com;
- d) copies of the aforesaid Particulars can be obtained free of charge, between 10:30 a.m. to 12:30 p.m. on all working days from Thursday, June 26, 2025, at the registered office of the Resulting Company, up to the date of the Meeting, at Cosmos House, 85 / 2, Atladra, Padra Road, Vadodara-390012, or from the office of its counsel, CS Raimeen Maradiya, 1213-1214, Ganesh Glory, Nr. Jagatpur Crossing, Beside Ganesh Genesis, off. S.G. Highway, Ahmedabad-382481
- e) The Resulting Company has extended the remote e-voting facility for its Secured Creditors to enable them to cast their votes electronically. The instructions for remote e-voting and e-voting at the Meeting are appended to the Notice. The Secured Creditors, opting to cast their votes by remote e-voting and voting during the Meeting through VC/ OAVM are requested to read the instructions in the Notes below carefully. In case of remote e-voting, the votes should be cast in the manner described in the instructions from Wednesday, July 23, 2025 [9:00 a.m. IST (0900 hours)] to Friday, July 25, 2025 [5:00 p.m. IST (1700 hours)];
- f) the NCLT has appointed Mr. Naresh Jindal, Chartered Accountant to be the Chairman of the Meeting including for any adjournment or adjournments thereof;
- g) the statutory auditor (or his authorized representative who is qualified to be an auditor) of the Resulting Company shall be attending the Meeting through VC/OAVM;

- h) Mr. Mandeep Singh Saluja, Advocate has been appointed as the scrutinizer to scrutinize the e-voting during the Meeting and remote e-voting process in a fair and transparent manner;
- i) the scrutinizer shall after the conclusion of e-voting at the Meeting, first download the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and submit his combined report to the Chairman of the Meeting. The scrutinizer's decision on the validity of the votes shall be final. The results of the votes cast through remote e-voting and e-voting during the Meeting will be announced on or before close of business hours on Monday, July 28, 2025. The results, together with the scrutinizer's report, will be displayed at the registered office of the Resulting Company, and on the website of CDSL at www.evotingindia.com;
- j) the Scheme, if approved at the Meeting, will be subject to the subsequent approval of NCLT; and
- k) a copy of the explanatory statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made thereunder, the Scheme and the other enclosures as indicated in the Index are enclosed.

CA Naresh Jindal
Chairman appointed for the Meeting

Dated this June 17, 2025

Registered office: Cosmos House, 85/2, Atladra,
Padra Road, Vadodara,
Gujarat, India - 390012.

Notes:

1. General instructions for accessing and participating in the Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting.

- (a) Pursuant to the Order passed by the NCLT read with MCA Circulars, Meeting of the Secured Creditors of the Resulting Company will be held through VC/OAVM.
- (b) Since, this Meeting is held, pursuant to the Order passed by the NCLT and in compliance with the MCA Circulars, through VC/OAVM, physical attendance of the Secured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Secured Creditors will not be available for the present Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, authorized representatives of institutional/corporate Creditors may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting, provided that such Secured Creditors sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting, as the case may be. The corporate Creditors can also upload documents in CDSL e-voting system for verification by scrutinizer.
- (c) The proceedings of this Meeting would be deemed to have been conducted at the registered office of the Company located at Cosmos House, 85/2, Atladra, Padra Road, Vadodara, Gujarat, India - 390012.
- (d) The quorum for the said meeting shall be counted for the purpose of reckoning the quorum under Section 103 of the Act as well as Section 230(6) of the Companies Act, 2013
- (e) The aforesaid Particulars are being sent (i) through electronic mode to those Secured Creditors whose e-mail ids are registered with the Resulting Company; and (ii) through registered post or speed post or courier, physically, to those Secured Creditors who have not registered their e-mail ids with the Resulting Company. The aforesaid Particulars are being sent to all the Secured creditors whose names appear in the register of members/list of beneficial owners as on February 28, 2025.
- (f) CDSL, the Resulting Company's e-voting agency, will provide the facility for voting by the Secured Creditor through remote e-voting, for participation in the Meeting through VC/OAVM and e-voting during the Meeting.

- (g) All the documents referred to in the accompanying explanatory statement, shall be available for inspection through electronic mode during the proceedings of the Meeting. Secured Creditors seeking to inspect copies of the said documents may send an email at finance@cosmos.in. Further, all the documents referred to in the accompanying explanatory statement shall also be open for inspection by the Secured Creditors at the registered office of the Resulting Company between 10:30 a.m. to 12:30 p.m. from Thursday, June 26, 2025, on all working days up to the date of the Meeting.
- (h) The Notice convening the Meeting will be published through advertisement in English Daily "Business Standard" Gujarat Edition and Gujarati daily "Loksatta" Gujarat Edition.
- (i) The Scheme shall be considered approved by the Secured Creditors of the Resulting Company, if the resolution mentioned in the Notice has been approved by Secured Creditors voting at the Meeting through VC/OAVM in terms of the provisions of Sections 230 – 232 of the Companies Act.
- (j) Since the Meeting will be held through VC/OAVM in accordance with the Order passed by NCLT and MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
- (k) The voting rights of the Secured Creditors holder shall be in proportion to the value of its debt as per the records of the Resulting Company as on the February 28, 2025.
- (l) A person, whose name is recorded in the list of the Secured Creditors of the Resulting Company as on February 28, 2025, i.e., Cut-Off Date, only shall be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting.
- (m) All grievances connected with the facility for voting by electronic means may be addressed to CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

2. Procedure for joining the Meeting through VC/OAVM
CDSL e-Voting System – For Remote e-voting and e-voting during AGM/EGM

Kindly follow the instructions for Creditor's Remote voting electronically provided as under.

- i. The voting period begins on Wednesday, July 23, 2025 [9:00 a.m. IST (0900 hours)] to Friday, July 25, 2025 [5:00 p.m. IST (1700 hours)]. The e-voting module shall be disabled for voting thereafter.

- ii. Voters should log on to the e-voting website www.evotingindia.com during the voting period.
- iii. Click on Shareholders/ Members.
- iv. Enter your User ID as **XXXXXXXXXX**
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. Enter your password as **XXXXXXXXXX**
- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Select the EVSN of **<<Company name as registered in the e-Voting system (www.evotingindia.com)>>** on which you choose to vote.
- ix. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xi. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiii.
- xiv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

INSTRUCTIONS FOR CREDITORS ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:

1. Creditors will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Creditors may access the same using Remote voting credentials. The link for VC/OAVM will be available in Members login where the EVSN of Company will be displayed.
2. Creditors are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further Creditors will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Creditors who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, membered, email id, mobile number at (company email id). The Members who do not wish to speak during the meeting but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, member id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those Creditors who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for Remote e-voting.
2. Only those Creditors, who are present in the Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the Meeting.
3. If any Votes are cast by the Creditors through the e-voting available during the Meeting and if the same Creditors have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Creditors attending the meeting.
4. Creditors who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

If you have any queries or issues regarding attending Meeting & e-Voting from the e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact on 1800 21 09911

Encl.: As above

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH,
AT AHMEDABAD
C.A. (CAA)/ 15 (AHM) 2025**

In the matter of the Companies Act,
2013;

And

In the matter of Sections 230 - 232
read with other relevant provisions of
the Companies Act, 2013;

And

In the matter of Cosmos Engitech
Private Limited

In the matter of Cosmos Impex (India)
Private Limited

In the matter of Nexco Engitech
Private Limited

And

In the matter of Scheme of
Arrangement of Cosmos Engitech
Private Limited, Cosmos Impex
(India) Private Limited and Nexco
Engitech Private Limited

**COSMOS IMPEX (INDIA) PRIVATE LIMITED
(CIN: U29255GJ1994PTC021035)**

A company incorporated under the
Provisions of the Companies Act, 1956
Having its registered office at
Cosmos House 85/2, Atladra,
Padra Road Vadodara 390012

**.... Applicant Company 2/
Resulting Company/ Transferor Company**

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to the Order dated June 9, 2025 passed by the Hon'ble National Company Law Tribunal Bench, at Ahmedabad ("**NCLT**"), in C.A. (CAA)/15(AHM) 2025 ("**Order**"), a meeting of the Secured Creditors of Cosmos Impex (India) Private Limited (hereinafter referred to as the "**Resulting Company/ Transferor Company**", (as the context may admit) is being convened through Video Conferencing ("**VC**")/Other Audio-Visual Means ("**OAVM**"), on July 26, 2025 at 2:00 p.m, for the purpose of considering, and if thought fit, approving with or without modification(s), the scheme of arrangement between Cosmos Engitech Private Limited ("Demerged Company") And Cosmos Impex (India) Private Limited ("Resulting Company" / "Transferor Company") And Nexco Engitech Private Limited (Transferee Company) and their respective members and creditors ("the Scheme"). The Demerged Company, Resulting Company /Transferor Company and the Transferee Company are together referred to as the "**Companies**" or "**Parties**", as the context may admit. A copy of the Scheme, which has been, *inter alios*, approved by the Board of Directors of the Resulting Company at their respective meetings, all held on March 10, 2025 is enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
2. The Scheme, *inter alia*, provides for arrangement between Demerged Company and Resulting Company / Transferor Company and Transferee Company, with effect from the Appointed Date (*as defined in the Scheme*), pursuant to the provision of Sections 230 – 232 and/or other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "**Act**") and in accordance with Section 2(19AA) of the Income Tax Act, 1961.
3. In terms of the Order, the quorum for the said meeting shall be counted for the purpose of reckoning the quorum under Section 103 of the Act as well as Section 230(6) of the Companies Act, 2013.
4. Further in terms of the Order, the NCLT, has appointed CA Naresh Jindal, to be the Chairman of the meeting including for any adjournment or adjournments thereof.
5. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Rules**").
6. As stated earlier, NCLT by its Order has, *inter alia*, directed that a meeting of the Secured Creditors of the Resulting Company shall be convened through VC/OAVM, on Saturday, July 26, 2025 at 2:00 P.M IST (1400 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme ("**Meeting**"). Secured Creditors would be entitled to vote either through remote e-voting or e-voting at the Meeting.

7. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the Secured Creditors, of the Resulting Company, voting through remote e-voting and e-voting at the Meeting, agree to the Scheme.
8. If the entries in the records/registers of the Resulting Company in relation to the number or value, as the case may be, of the Secured Creditors are disputed, the Chairman of the Meeting shall determine the number or value, as the case may be, for the purposes of the said Meeting.

Particulars of the Demerged Company

9. The Applicant Company 1 is private limited company, limited by shares, incorporated on September 4, 1996, under the Companies Act, 1956 bearing Corporate Identification Number U29199GJ1996PTC030628 and having its registered office at Cosmos House 85/2, Atladra, Padra Road, Vadodara, Gujarat, India- 390012, registered with Registrar of Companies, Ahmedabad, Gujarat and PAN: AAACC7647J. The e-mail address of the Demerged Company is finance@cosmos.in.
10. The objects for which the Demerged Company has been established are set out in its clause (III) (A) of Memorandum of Association. The main objects of the Demerged Company are as follows:
 1. *"To carry on the business as manufactures, fabricators, assemblers, processors, finishers, repairers, buyers, sellers, importers, let on hire, purchase and dealers in any kind of machine tools, machine tools including drilling, boring and tapping machines, milling machines, lathe machines, grinding machines, gear cutting and gear grinding machines, and tools for metal cutting and metal working, hammers, and forging machines, welding machines, and equipments, welding electrodes, press, sheet, metal shaping machines and equipments, wire working and converting machines, weighing machines and weights, printing machines, cutting machines wood working machines, sewing machine and machine tools of all types, sizes and description.*
 2. *To manufacture, fabricate, assemble, buy, sell, market, let on hire, import, export, repair, maintain and deal in all kinds and description of automobile, whether propelled or assisted by means of petrol, spirit, gas, mineral oil, electricity, animal, atomic or any kind of fuel or power or energy including autcycles, motorcycles, scooters, mopeds, motor cars, auto rickshaws, trucks, tractors, delivery vans, tankers, lorries, buses, minibuses, metador tempo, motor boats, motor launches or other vehicles and their spare parts, components, accessories and ancillary equipments, including automotive equipments, axles, hydraulic jacks, airbrakes equipments, suspension units, pressed steel cabs, bearing, piston rings, crank shafts, truckbodies, tyres and tubes.*
 3. *To carry on in India or elsewhere the business as manufacturers, producers, fabricators, processors, buyers, sellers, assemblers, importers, exporters and dealers in electrical, electronic or electromechanical. or mechanical equipments, appliances, machineries,*

their components, accessories, spare parts and systems required for industrial, agricultural, domestic or other purposes including all types of meters, measuring instruments, testing instruments, calibrating instruments, protection, auxiliary and other relays, sonic or ultra sonic equipments, radars, computers, minicomputers, data processing equipments, micro processor based equipments, microwave equipments, control system or equipments, equipments required for atomic reactors and space applications, control systems, audio. visual communication equipments, image and document production equipments, broadcasting and cinematographic equipments, testroom equipments, scientific instruments, medical and surgical equipments oscilloscopes, electric motors of all types, electric furnaces, cremation furnaces, instrument transformers, current transformers, potential transformers, power line carrier communication equipments, telemetering equipments, bus ducts, tap changers, tensile testing equipments, switches, switch and control boards, control panels, time switches, radio control switches, circuit breaker of all types, switch gears and control gears, porcelain insulators, starters, boosters, rectifiers, low and high voltage. transformers, vacuum guages, television sets, tape recorders, video games, receiver sets, auslifiers, audio systems, calculators, electronic components including capacitors, transistors, electric and electromechanical parts, printed circuit boards, diodes, resistors, indicators, transformers, ferrites tubes, television tubes, picture tubes, incandescent lamp, miniature lamps and tubes, integrated circuits, thyristors, lamination sheets, stampings all types of insulating materials, fuses, floppy disc, magnetic tapes, magnetic disc, record players, changers, zip fasteners, watches, water filters valves, pressure vessels and guages, heat exchangers, dehumidifiers and corrosion control equipments and arms and ammunition required for defence.

4. *To carry on the business of operational rental activities by acquiring, modifying, constructing, developing, improving, owning, managing, and providing on rent or on such alternative methods including lease of plant, machinery, equipment, vehicles, furniture, properties and other assets, whether tangible or intangible, to individuals, partnerships, corporations, and other entities for industrial, commercial, or domestic purposes; to structure, execute, and manage such agreements with flexible terms tailored to clients' requirements, including short-term and long-term options; and to offer related services such as maintenance, repair, and replacement of such assets, housekeeping, ensuring optimal performance and utility throughout the tenure of the agreement.*
5. *To engage in the business of purchasing, modifying, constructing, improving, developing, selling, distributing, and dealing in all types of properties, equipment, machinery, and related accessories, including but not limited to industrial, commercial, or domestic, or domestic assets. The Company have the authority to export, sell, and otherwise deal in such assets as well as provide for after-sales services,*

maintenance, and support to ensure customer satisfaction and the proper functioning of assets. Additionally, the Company may enter into agreements, partnerships, or collaborations with other entities to enhance its business operations and expand its market reach.

6. *To purchase, acquire by any means, hold, create, enter into any agreement relating to, deal and participate in, underwrite and sell or dispose of by any means, securities, swap instruments and rights of all kinds including, without limitation, foreign currencies, precious metals, shares, stocks, gilts, commodities, equities, debentures, debenture stock, bonds, notes, commercial paper, risk management instruments, money market instruments, loans, and securities as are similar to, or are derivatives of any of the foregoing directly through participation in related business or funds.”*

11. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Demerged Company as on September 30, 2024 was as follows:

Particulars	Amount (in Rupees)
<u>Authorized Capital</u>	
10,00,000 equity shares of INR 10 each	1,00,00,000
Total	1,00,00,000
<u>Issued, subscribed and Paid up Share Capital</u>	
7,17,586 equity shares of INR 10 each	71,75,860
Total	71,75,860

Particulars of the Resulting Company /Transferor Company

12. The Applicant Company 2 is a private limited Company, incorporated under the provisions of the Companies Act, 1956 with the name of Cosmos Impex (India) Private Limited (“Resulting Company/Transferor Company”) on January 10, 1994, under the Companies Act, 1956 bearing Corporate Identification Number U29255GJ1994PTC021035 and having its registered office at Cosmos House 85/2, Atladra, Padra Road, Vadodara, Gujarat, India- 390012, registered with Registrar of Companies, Ahmedabad, Gujarat and PAN: AAACC7621C. The e-mail address of the Resulting Company /Transferor Company. Company is finance@cosmos.in.
13. The objects for which the Resulting Company/Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Transferor Company have been established are set out in its clause (III) (A)

of Memorandum of Association. The main objects of the Transferee Company are as follows:

1. *“To Carry on the business of manufacturers, representatives, marketers, agents, traders, exporters, importers, factors, consigners, consignees and dealers of all kinds, types and sizes plants and machinery, chemicals, electronics and electrical items, articles, goods, merchandise and defence purpose/use in India or elsewhere.*
2. *To carry on the business of operational rental activities by acquiring, modifying, constructing, developing, improving, owning, managing, and providing on rent or on such alternative methods including lease of plant, machinery, equipment, vehicles, furniture, properties and other assets, whether tangible or intangible, to individuals, partnerships, corporations, and other entities for industrial, commercial, or domestic purposes; to structure, execute, and manage such agreements with flexible terms tailored to clients' requirements, including short-term and long-term options; and to offer related services such as maintenance, repair, and replacement of such assets, housekeeping, ensuring optimal performance and utility throughout the tenure of the agreement.*
3. *To engage in the business of purchasing, modifying, constructing, improving, developing, selling, distributing, and dealing in all types of properties, equipment, machinery, and related accessories, including but not limited to industrial, commercial or domestic assets. The Company shall have the authority to export, sell, and otherwise deal in such assets, as well as provide after-sales services, maintenance, and support to ensure customer satisfaction and the proper functioning of the assets. Additionally, the Company may enter into agreements, partnerships, or collaborations with other entities to enhance its business operations and expand its market reach.*
4. *To purchase, acquire by any means, hold and create, enter into any arrangement relating to, deal and participate in, underwrite and sell or dispose of by any means, securities, swap instruments and rights of all kinds including, without limitation, foreign currencies, precious metals, shares, stocks, gilts, commodities, equities, debentures, debenture stock, bonds, notes, commercial paper, risk management instruments, money market deposits, money market instruments, loans, and securities as are similar to, or are derivatives of any of the foregoing directly through participation in related business or funds.”*

14. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Resulting/Transferor Company as on September 30, 2024 was as follows:

Share Capital	Amount (In INR)
Authorised Capital	
7,60,00,000 equity shares of INR 10 each	76,00,00,000

Share Capital	Amount (In INR)
TOTAL	76,00,00,000
Issued, subscribed and paid-up Capital	
7,42,34 999 equity shares of INR 10 each	74,23,49,990
TOTAL	74,23,49,990

Particulars of the Transferee Company

15. The Applicant Company 3 is a private limited Company, incorporated under the provisions of the Companies Act, 2013 with the name of Nexco Engitech Private Limited ("Transferee Company") on February 28, 2025, under the Companies Act, 2013 bearing Corporate Identification Number U27900GJ2025PTC159636 and having its registered office at 85/2, Atladara, Padra Road, Vadodara, Atladara, Vadodara, Vadodara- 390012, Gujarat, registered with Registrar of Companies, Ahmedabad, Gujarat. The Transferee Company is a wholly owned subsidiary of the Transferor Company and PAN: AAKCN2271M. The e-mail address of the Transferee Company is finance@cosmos.in.
16. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferor Company have been established are set out in its clause (III) (A) of Memorandum of Association. The main objects of the Transferee Company are as follows:
 1. *"To carry on the business as manufactures, fabricators, assemblers, processors, finishers, repairers, buyers, sellers, importers, let on hire, purchase and dealers in any kind of machine tools, machine tools including drilling, boring and tapping machines, milling machines, lathe machines, grinding machines, gear cutting and gear grinding machines, and tools for metal cutting and metal working, hammers, and forging machines, welding machines, and equipments, welding electrodes, press, sheet, metal shaping machines and equipments, wire working and converting machines, weighing machines and weights, printing machines, cutting machines wood working machines, sewing machine and machine tools of all types, sizes and description.*
 2. *To manufacture, fabricate, assemble, buy, sell, market, let on hire, import, export, repair, maintain and deal in all kinds and description of automobile, whether propelled or assisted by means of petrol, spirit, gas, mineral oil, electricity, animal, atomic or any kind of fuel or power or energy including autocycles, motorcycles, scooters, mopeds, motor cars, auto rickshaws, trucks, tractors, delivery vans, tankers, lorries, buses, minibuses, matador tempo, motor boats, motor launches or other vehicles and their spare parts, components, accessories and ancillary equipments, including automotive equipments, axles, hydraulic jacks, airbrakes equipments, suspension units, pressed steel cabs, bearing,*

piston rings, crank shafts, truck bodies, tyres and tubes.

3. *To carry on in India or elsewhere the business as manufacturers, producers, fabricators, processors, buyers, sellers, assemblers, importers, exporters and dealers in electrical, electronic or electromechanical. or mechanical equipments, appliances, machineries, their components, accessories, spare parts and systems required for industrial, agricultural, domestic or other purposes including all types of meters, measuring instruments, testing instruments, calibrating instruments, protection, auxillary and other relays, sonic or ultrasonic equipments, radars, computers, minicomputers, data processing equipments, microprocessor based equipments, microwave equipments, control system or equipments, equipments required for atomic reactors and space applications, control systems, audio visual communication equipments, image and document production equipments, broadcasting and cinematographic equipments, testroom equipments, scientific instruments, medical and surgical equipments oscilloscopes, electric motors of all types, electric furnaces, cremation furnaces, instrument transformers, current transformers, potential transformers, power line carrier communication equipments, telemetering equipments, bus ducts, tap changers, tensile testing equipments, switches, switch and control boards, control panels, time switches, radio control switches, circuit breaker of all types, switch gears and control gears, porcelain insulators, starters, boosters, rectifiers, low and high voltage. transformor8, vacuum guages, television sets, tape recorders, video games, receiver sets, auslifiers, audio systems, calculators, electronic components including capacitors, transistors, electric and electromechanical parts, printed circuit boards, diodes, resistors, indicators, transformers, ferrites tubes, television tubes, picture tubes, incandescent lamp, miniature lamps and tubes, integrated circuits, thyristors, lamination sheets, stampings all types of insulating materials, fuses, floppy disc, magnetic tapes, magnetic disc, record players, changers, zip fasteners, watches, water filters valves, pressure vessels and guages, heat exchangers, dehumidifiers and corrosion control equipments and arms and ammunition required for defence.”*

17. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Resulting/Transferor Company as on February 28, 2025, was as follows:

Share Capital	Amount (In INR)
Authorised Capital	
5,00,000 equity shares of INR 10 each	50,00,000
TOTAL	50,00,000
Issued, subscribed and paid-up Capital	

Share Capital	Amount (In INR)
10,000 equity shares of INR 10 each	1,00,000
TOTAL	1,00,000

Rationale for the Scheme

- 3.1 The Demerged Company have 2 (two) distinct business segments viz. (a) Engineering business segment and (b) Leasing and Investment business segment. **“Engineering Business”** means providing design, manufacturing, and technical solutions for industrial and commercial needs. It focuses on fabrication, mechanical engineering, automation, or providing turnkey solutions, which involve managing entire projects from concept through to execution. It involves trading of machinery, machine tools, and related equipment. **“Leasing and Investment Business”** means and involves renting assets like equipment or property without ownership risks, with the lessor handling maintenance. The business also focuses on managing and growing capital through investments in various financial assets.
- 3.2 The Board of Directors of the Companies are of the opinion that the proposed arrangement, shall enable all the Companies to focus on specific businesses and shall be beneficial to the members, creditors and employees of each of these Companies and will be in the public interest. It shall enhance operational flexibility and will enable Companies to have sharp focus, retain and attract best talent and bring better value to the stakeholders. This will accelerate profitable growth and industry recognition in respective areas.
- 3.3 This scheme would enable the Companies to enhance operational efficiencies, ensuring synergies through pooling of the financial, managerial, personnel capabilities and skills.
- 3.4 The Board of Directors of the Companies are of the opinion that the Scheme would result in increase in the value for its members in long run. Further, the proposed arrangement would inter alia achieve the following objectives:
 - I. facilitate each business to be effectively integrated for achieving growth for each of the verticals independently;
 - II. enhance management focus;
 - III. facilitate investment by strategic players;
 - IV. create a platform to enhance financial flexibility to pursue growth;
 - V. unlocking of value.
- 3.5 This Scheme has been drawn up to comply with the conditions relating to **“Demerger”** as defined under Section 2(19AA) of the Income tax Act, 1961 and **“Slump Sale”** as defined under provisions of the Income tax Act, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of the

Income tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

Relationship among Companies who are parties to the Scheme.

18. The Transferee Company is the wholly owned subsidiary of the Transferor Company. The entire paid-up equity share capital of the Transferee company is held by the Transferor Company and its nominees.
19. The entire paid-up equity share capital of the Demerged company and Resulting Company are held by the Common Shareholders.

Corporate Approvals and action taken in relation to the Scheme

20. The Scheme along with report on recommendation share entitlement ratio for demerger of CA Snehal Shah, Registered Valuer, certifying the share exchange ratio and consideration for the Slump Sale of the Demerged Undertaking in respect of the proposed Scheme was placed before the Board of Directors of the Demerged Company at its meeting held on March 10, 2025. None of the directors of the Demerged Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting. report on recommendation share entitlement ratio for demerger of CA Snehal Shah, Registered Valuer is attached as **Annexure 2**.
21. The Scheme was placed before the Board of Directors of the Resulting/ Transferor Company at its meeting held on March 10, 2025. None of the directors of the Transferor Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.
22. The Scheme was placed before the Board of Directors of the Transferee Company at its meeting held on March 10, 2025. None of the directors of the Transferee Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.
23. The Companies would obtain the respective necessary approvals/sanctions/no objection(s) from the regulatory or other Governmental Authorities in respect of the Scheme in accordance with law, if so required.
24. C.A. (CAA)/15 (AHM) 2025 along with annexures thereto (which includes the Scheme) was jointly e-filed by the Companies with the NCLT, on March 27, 2025.

Salient extracts of the Scheme

25. Certain clauses of the Scheme are extracted below:

5.11 **“Demerged Undertaking”** means the Engineering Business, as a going concern as of the Appointed Date, including all the activities, approvals, assets, business, certificates, contracts, interest, licences and powers, properties, rights, titles, undertakings, and all Liabilities, and employees, of the Engineering Business or pertaining to or related to the Engineering Business, whatsoever nature and kind and wherever situated. Without prejudice to the generality of the foregoing, the Demerged Undertaking shall include, without being limited to, the following:

- a) Immovable Assets that form part of the Engineering Business;
- b) Movable Assets forming part of the Engineering Business;
- c) Permissions for the purpose of carrying on the Engineering Business or in connection therewith that form part of the Engineering Business;
- d) Commercial Rights and Documents forming part of Engineering Business;
- e) IP Rights that form part of the Engineering Business;
- f) Arrangements forming part of the Engineering Business;
- g) Books and Records that form part of the Engineering Business;
- h) The Demerged Liabilities;
- i) The Transferred Employees;
- j) Proceedings that form part of the Engineering Business and such other Proceedings relating to the Engineering Business as determined by the Board of the Companies; and
- k) any assets, Liabilities, agreements, arrangements, activities, operations, employees, properties or rights that are determined by the Board of the Companies, relating to or forming part of the Engineering Business or which are necessary for conduct of, or the activities or operations of, the Engineering Business. It is clarified that the assets, properties, liabilities, etc., included in clauses (a) to (k) above are in accordance with the requirements of Section 2(19AA) and other relevant sections of the IT Act.

It is further clarified that in the event there is any ambiguity on whether a particular asset, liability, right, benefit, privilege, contract, debt, record, etc., as noted above, pertains to or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking, then such ambiguity shall be resolved by mutual agreement between the Board of the Companies;

5.13 **“Demerger Appointed Date”** means the opening of business on March 1st, 2025, or such other date as may be mutually agreed by the Board of the Demerged Company and the Resulting Company and conveyed to the National Company Law Tribunal (“NCLT”) in writing;

5.14 **“Effective Date 1”** means the last date on which the Parties mutually acknowledge in writing that all the conditions and matters referred to in Clause 34.1 to Clause 34.3 of the Scheme have occurred or have been fulfilled, obtained or waived, as applicable, in accordance with this

Scheme; References in this Scheme to the date of “coming into effect of this Scheme” or “upon the Scheme becoming effective” or “upon effectiveness of the Scheme” shall mean the Effective Date 1;

5.15 **“Effective Date 2”** means the last date on which the Parties mutually acknowledge in writing that all the conditions and matters referred to in Clause 34.1, Clause 34.2 and Clause 34.4 of the Scheme have occurred or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme; References in this Scheme to the date of “coming into effect of this Scheme” or “upon the Scheme becoming effective” or “upon effectiveness of the Scheme” shall mean the Effective Date 2;

5.34 **“Slump Sale Appointed Date”** shall mean the opening of business as on March 2nd, 2025 or such other date as may be mutually agreed by the Board of the Transferor Company and the Transferee Company and conveyed to the National Company Law Tribunal (“NCLT”) in writing.

PART – II: TRANSFER AND VESTING OF DEMERGED UNDERTAKING OF DEMERGED COMPANY INTO RESULTING COMPANY

9. TRANSFER AND VESTING OF DEMERGED UNDERTAKING INTO RESULTING COMPANY

9.1 Upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the Demerged Undertaking shall, without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in Resulting Company or be deemed to have been demerged from the Demerged Company and transferred to and vested in the Resulting Company as a going concern, so as to become as and from the Demerger Appointed Date, the undertaking of the Resulting Company without any further act or deed.

9.2 Upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, the Movable Assets forming part of the Demerged Undertaking, shall stand transferred by Demerged Company to Resulting Company pursuant to the provisions of Section 230 to 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of Resulting Company as an integral part of the Demerged Undertaking.

9.3 Without prejudice to the generality of Clause 9.2 and in respect of Movable Assets other than those dealt with in Clause 9.2 above, forming part of the Demerged Undertaking, shall stand transferred to and vested in Resulting Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act to the end and intent that the right of Demerged Company to recover or realize the same stands transferred to Resulting Company, and that appropriate entries should be passed in their respective books to record the aforesaid change, without any notice

or other intimation to any person. Resulting Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said Movable Assets stand transferred to and vested in Resulting Company and be paid or made good or held on account of the Resulting Company as the person entitled thereto.

- 9.4 *Without prejudice to the generality of the foregoing, all assets, estate, rights, title, interest and authorities held by the Demerged Company on the Demerger Appointed Date in relation to the Demerged Undertaking, not otherwise specified in Clauses 9.1, 9.2 and 9.3 above, shall also, with effect from the Demerger Appointed Date, without any further act, instrument or deed, stand transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.*
- 9.5 *Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, all the rights, title, interest and claims of Demerged Company in any Immovable Assets forming part of the Demerged Undertaking, shall, pursuant to provisions of Section 230 to 232 of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in, Resulting Company on the same terms and conditions as applicable to the Demerged Company. The rights, title, interest and claims of Demerged Company in the Immovable Assets forming part of the Demerged Undertaking shall stand transferred to the Resulting Company either under the Scheme, or by way of a separate conveyance or agreement without payment of consideration.*
- 9.6 *For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, all Permissions issued to or granted to or executed in favour of Demerged Company, and the rights and benefits under the same, in so far as they relate to the Demerged Undertaking, all IP Rights of the Demerged Company forming part of the Demerged Undertaking and all Commercial Rights And Documents forming part of the Demerged Undertaking shall be transferred to and vested in or deemed to have transferred to or vested in Resulting Company and the concerned grantors, licensors and executors of the Permissions, IP Rights and Commercial Rights And Documents shall, as necessary, endorse, transfer to, amend to include, novate in favour of, substitute and/or record, in accordance with law, Resulting Company on Permissions, IP Rights and Commercial Rights And Documents as to empower and facilitate the approval and vesting of the Demerged Undertaking in Resulting Company and continuation of operations forming part of Demerged Undertaking in Resulting Company without hindrance and that such Permissions, IP Rights and Commercial Rights And Documents shall remain in full force and effect in favour of or against Resulting Company , as the case may be, and may be enforced*

as fully and effectually as if, instead of Demerged Company, Resulting Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any person (including any third party or Governmental Authority) is required to give effect to the provisions of this Scheme, the said any person (including any third party or Governmental Authority) shall take on record the drawn up order of the NCLT sanctioning the Scheme and undertake all necessary acts required to ensure that there is no break in the validity and enforceability of Permissions, IP Rights and Commercial Rights And Documents in each case by the Resulting Company in respect of the Demerged Undertaking. Resulting Company shall be entitled to undertake and carry out the business pertaining to the Demerged Undertaking pursuant to the effectiveness of this Scheme in accordance with Clause 34 on its own account pending the transfer of any Permissions, IP Rights and Commercial Rights And Documents (in each case in respect of the Demerged Undertaking) in the name of the Resulting Company and would be entitled to make any applications, requests and the like in this regard including for endorsement, transfer, amendment, novation, substitution and/or recording in the name of Resulting Company.

- 9.7 *All Permissions allotted/granted/issued/given/sanctioned to Demerged Company by any Governmental Authority or by any other person or enjoyed by or availed of by the Demerged Company in so far as they relate to the Demerged Undertaking shall, without any further act or deed, vest with and be available to Resulting Company on the same terms and conditions as if the same had been allotted/granted/ issued/given/sanctioned to Resulting Company.*
- 9.8 *Upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, all Liabilities of Demerged Company forming part of the Demerged Undertaking ("Demerged Liabilities") shall without any further act, instrument or deed be transferred to Resulting Company and shall thereupon become the Liabilities of Resulting Company which it undertakes to redeem, repay, meet, discharge and satisfy to the exclusion of Demerged Company such that Demerged Company shall in no event be responsible or liable in relation to any such Demerged Liabilities. Resulting Company shall keep Demerged Company indemnified at all times from and against all such Liabilities and from and against all Proceedings in respect thereto. It shall not be necessary to obtain the consent of any person who is a party to any Permissions, Commercial Rights And Documents or Arrangements by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.*
- 9.9 *In so far as Liabilities (including loans and borrowings) of Demerged Company are concerned, the Liabilities and such amounts pertaining to the Liabilities, if any, which are to be transferred to Resulting Company in terms of Clause 9 hereof, shall, without any further act or deed, become Liabilities of Resulting Company, and all rights, powers, Liabilities in relation thereto shall stand transferred to and vested in and*

shall be exercised by or against Resulting Company as if it had entered into or incurred such Liabilities. Thus, the primary obligation to redeem, repay, meet, discharge and satisfy such Liabilities shall be that of Resulting Company.

- 9.10 *Where any of the Liabilities of Demerged Company as on the Demerger Appointed Date which are deemed to be transferred to Resulting Company , have been partially or fully redeemed, repaid, met, discharged or satisfied by Demerged Company after the Demerger Appointed Date, such redemption, repayment, meeting, discharging and satisfaction shall be deemed to have been for and on account of Resulting Company and all Liabilities incurred by Demerged Company for the operations of the Demerged Undertaking after the Demerger Appointed Date shall be deemed to have been incurred for and on behalf of Resulting Company and to the extent they are outstanding on the effectiveness of the Scheme in accordance with Clause 34, shall also without any further act or deed be and stand transferred to Resulting Company and shall become the Liabilities of Resulting Company.*
- 9.11 *In so far as the existing Encumbrances in respect of the Demerged Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets (including Movable Assets and Immovable Assets) comprised in the Demerged Undertaking which have been Encumbered in respect of the Demerged Liabilities as transferred to Resulting Company pursuant to this Scheme. Provided that if any of the assets (including Movable Assets and Immovable Assets) comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Demerged Liabilities, such assets (including Movable Assets and Immovable Assets) shall remain un-Encumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets (including Movable Assets and Immovable Assets). The absence of any formal amendment which may be required by a lender or trustee or person shall not affect the operation of the above.*
- 9.12 *Subject to the other provisions of this Scheme, in so far as the assets (including Movable Assets and Immovable Assets) forming part of the Demerged Undertaking are concerned, the Encumbrances, over such assets (including Movable Assets and Immovable Assets), to the extent they relate to any Liabilities of the Demerged Company pertaining to the Retained Business of Demerged Company shall, as and from the effectiveness of the Scheme in accordance with Clause 34, and with effect from the Demerger Appointed Date without any further act, instrument or deed be released and discharged from the same and shall no longer be available as Encumbrances in relation to Liabilities of Demerged Company pertaining to the Retained Business of Demerged Company which are not transferred to Resulting Company pursuant to the Scheme (and which shall continue with Demerged Company).*

- 9.13 *In so far as the assets (including Movable Assets and Immovable Assets) of the Retained Business of Demerged Company are concerned, the Encumbrances over such assets (including Movable Assets and Immovable Assets), to the extent they relate to any Liabilities forming part of the Demerged Undertaking shall, without any further act, instrument or deed be released and discharged from such Encumbrances. The absence of any formal amendment which may be required by a lender or trustee or person in order to give effect to such release shall not affect the operation of this Clause 9.13.*
- 9.14 *In so far as the existing Encumbrances in respect of Liabilities relating to the Retained Business of Demerged Company are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with Demerged Company only on the assets (including Movable Assets and Immovable Assets) relating to the Retained Business of Demerged Company and the assets (including Movable Assets and Immovable Assets) of the Demerged Undertaking shall stand released therefrom.*
- 9.15 *Without any prejudice to the provisions of the foregoing Clauses, Demerged Company and Resulting Company shall enter into and execute such other deeds, instruments, documents and/ or writings and/ or do all acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the provisions of this Clause 9, if required.*
- 9.16 *Subject to Clause 34 and with effect from the Demerger Appointed Date, Demerged Company alone shall be liable to redeem, repay, meet, discharge and satisfy all Liabilities pertaining to the Retained Business of Demerged Company and Resulting Company shall not have any Liabilities of the Retained Business of Demerged Company. Further, subject to the effectiveness of this Scheme in accordance with Clause 34 and with effect from the Demerger Appointed Date, Resulting Company alone shall be liable to redeem, repay, meet, discharge and satisfy Demerged Liabilities, which have been transferred to it in terms of this Scheme, and Demerged Company shall not have any Demerged Liabilities.*
- 9.17 *The foregoing provisions shall operate, notwithstanding anything to the contrary contained in Commercial Rights And Documents (including any instrument, deed or writing or the terms of sanction or issue or any security documents), all of which shall be deemed to have been modified and/ or superseded by the provisions of this Clause 9.*
- 9.18 *It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the Demerged Liabilities transferred to the Resulting Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.*
- 9.19 *All cheques and other negotiable instruments, pay orders, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment*

which are in the name of Demerged Company after the effectiveness of this Scheme in accordance with Clause 34, in so far as the same forms part of the Demerged Undertaking, shall be deemed to have been in the name of Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company or received through electronic transfers and shall be accepted by the relevant bankers and credited to the accounts of the Resulting Company. Similarly, the banker(s) of Resulting Company shall honour all cheques, negotiable instruments, pay orders, electronic fund transfer instructions issued by Demerged Company (in relation to the Demerged Undertaking) for payment after the effectiveness of this Scheme in accordance with Clause 34. If required, the bankers of Demerged Company and/ or Resulting Company shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of Demerged Company by Resulting Company in relation to the Demerged Undertaking for such time as may be determined to be necessary by the Board of Demerged Company and Resulting Company for presentation and deposit of cheques, negotiable instruments, pay order and electronic transfers that have been issued/ made in the name of Demerged Company.

- 9.20 *On and from the date of effectiveness of this Scheme in accordance with Clause 34, Resulting Company shall have access to and benefit of all Books and Records in relation to the Demerged Undertaking which the Demerged Company has the access to and benefit of.*

10. CONSIDERATION FOR DEMERGER

- 10.1 *On the date of effectiveness of this Scheme, in accordance with Clause 34, and in consideration for the Demerger of the Demerged Undertaking pursuant to Clause 9 of this Scheme, Resulting Company shall issue and allot 1 equity shares of face value of INR 10 each, credited as fully paid up, to all the shareholder of the Demerged Company in proportion to every 2 equity shares held by them in the Demerged Company of face value of INR 10 each ("Share Entitlement Ratio") in accordance with Section 2(19AA) of the IT Act, 1961 and other provisions of the Applicable Law.*
- 10.2 *In case any member's shareholding in the Demerged Company is such that on the basis of the aforesaid, the member is entitled to a fraction of shares, such fractional entitlements may be dealt with in a manner as the Board may deem fit to be in the best interests of the shareholders of the Demerged Company and the Resulting Company.*
- 10.3 *The equity shares to be issued to the members of the Demerged Company as above shall be subject to the provisions of memorandum of association and articles of association of the Resulting Company and shall rank pari passu with the existing equity shares of the Resulting Company in all respects.*

**PART – III SLUMP SALE OF DEMERGED UNDERTAKING FROM TRANSFEROR
COMPANY TO TRANSFEREE COMPANY**

19. TRANSFER OF DEMERGED UNDERTAKING

19.1 For the purposes of this Part III, “Immediately upon effectiveness of Part II of the Scheme” will be determined mutually by the Board of Directors of the Transferor Company and the Transferee Company.

19.2 With effect from the Slump Sale Appointed Date and Immediately upon effectiveness of Part II of the Scheme, the Demerged Undertaking, together with its assets, properties, liabilities, rights, benefits and interests therein, shall, pursuant to the provisions of Sections 230 to 232 of the Act and other provisions under the Act, as may be applicable, and without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in the Transferee Company, free of charges, on a going concern basis in consideration for the issuance of the Transferee Company’s shares and debentures as set out hereinafter in this Part III of the Scheme, so as to vest in the Transferee Company, all rights, title and interest pertaining to the Demerged Undertaking.

20. TRANSFER AND VESTING OF DEMERGED UNDERTAKING INTO TRANSFEREE COMPANY

20.1 Without prejudice to the generality of Clause 19.1 above, upon the Scheme becoming effective, and with effect from the Slump Sale Appointed Date and Immediately upon effectiveness of Part II of the Scheme:

20.1.1 Upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the Demerged Undertaking shall, without any further act or deed, be transferred to and vested in Transferee Company or be deemed to have been transferred from the Transferor Company and transferred to and vested in the Transferee Company as a going concern, so as to become as and from the Slump Sale Appointed Date, the undertaking of the Transferee Company without any further act or deed.

20.1.2 Upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, the Movable Assets forming part of the Demerged Undertaking, shall stand transferred by Transferor Company to Transferee Company pursuant to the provisions of Section 230 to 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of Transferee Company as an integral part of the Demerged Undertaking.

20.1.3 Without prejudice to the generality of Clause 20.1.2 and in respect of Movable Assets other than those dealt with in Clause 20.1.2 above, forming part of the Demerged Undertaking, shall stand transferred to and vested in Transferee Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act to the end and intent that the

right of Transferor Company to recover or realize the same stands transferred to Transferee Company, and that appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to any person. Transferee Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said Movable Assets stand transferred to and vested in Transferee Company and be paid or made good or held on account of the Transferee Company as the person entitled thereto.

- 20.1.4 Without prejudice to the generality of the foregoing, all assets, estate, rights, title, interest and authorities held by the Transferor Company on the Slump Sale Appointed Date in relation to the Demerged Undertaking, not otherwise specified in Clauses 20.1.1, 20.1.2 and 20.1.3 above, shall also, with effect from the Slump Sale Appointed Date, without any further act, instrument or deed, stand transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.*
- 20.1.5 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, all the rights, title, interest and claims of Transferor Company in any Immovable Assets forming part of the Demerged Undertaking, shall, pursuant to provisions of Section 230 to 232 of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in, upon payment of applicable stamp duty and/or registration charges, Transferee Company on the same terms and conditions as applicable to the Transferor Company. The rights, title, interest and claims of Transferor Company in the Immovable Assets forming part of the Demerged Undertaking shall stand transferred to the Transferee Company either under the Scheme, or by way of a separate conveyance or agreement without payment of consideration.*
- 20.1.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, all Permissions issued to or granted to or executed in favour of Transferor Company, and the rights and benefits under the same, in so far as they relate to the Demerged Undertaking, all IP Rights of the Transferor Company forming part of the Demerged Undertaking and all Commercial Rights And Documents forming part of the Demerged Undertaking shall be transferred to and vested in or deemed to have transferred to or vested in Transferee Company and the concerned grantors, licensors and executors of the Permissions, IP Rights and Commercial Rights And Documents shall, as necessary, endorse, transfer to, amend to include, novate in favour of, substitute and/or record, in accordance with law, Transferee Company on Permissions, IP Rights and Commercial Rights And Documents as to empower and facilitate the approval and vesting of the Demerged Undertaking in Transferee Company and continuation of*

operations forming part of Demerged Undertaking in Transferee Company without hindrance and that such Permissions, IP Rights and Commercial Rights And Documents shall remain in full force and effect in favour of or against Transferee Company , as the case may be, and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any person (including any third party or Governmental Authority) is required to give effect to the provisions of this Scheme, the said any person (including any third party or Governmental Authority) shall take on record the drawn up order of the NCLT sanctioning the Scheme and undertake all necessary acts required to ensure that there is no break in the validity and enforceability of Permissions, IP Rights and Commercial Rights And Documents in each case by the Transferee Company in respect of the Demerged Undertaking. Transferee Company shall be entitled to undertake and carry out the business pertaining to the Demerged Undertaking pursuant to the effectiveness of this Scheme in accordance with Clause 34 on its own account pending the transfer of any Permissions, IP Rights and Commercial Rights And Documents (in each case in respect of the Demerged Undertaking) in the name of the Transferee Company and would be entitled to make any applications, requests and the like in this regard including for endorsement, transfer, amendment, novation, substitution and/or recording in the name of Transferee Company.

20.1.7 Upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, all Permissions allotted/ granted/ issued/ given/ sanctioned to Transferor Company by any Governmental Authority or by any other person or enjoyed by or availed of by the Transferor Company in so far as they relate to the Demerged Undertaking shall, without any further act or deed, vest with and be available to Transferee Company on the same terms and conditions as if the same had been allotted/ granted/ issued/ given/ sanctioned to Transferee Company.

20.1.8 Upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, all Liabilities of Transferor Company forming part of the Demerged Undertaking (“Demerged Liabilities”) shall without any further act, instrument or deed be transferred to Transferee Company and shall thereupon become the Liabilities of Transferee Company which it undertakes to redeem, repay, meet, discharge and satisfy to the exclusion of Transferor Company such that Transferor Company shall in no event be responsible or liable in relation to any such Demerged Liabilities. Transferee Company shall keep Transferor Company indemnified at all times from and against all such Liabilities and from and against all Proceedings in respect thereto. It shall not be necessary to obtain the consent of any person who is a party to any Permissions, Commercial Rights and Documents or Arrangements by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

- 20.1.9 *In so far as Liabilities (including loans and borrowings) of Transferor Company are concerned, the Liabilities and such amounts pertaining to the Liabilities, if any, which are to be transferred to Transferee Company in terms of Clause 20 hereof, shall, without any further act or deed, become Liabilities of Transferee Company, and all rights, powers, Liabilities in relation thereto shall stand transferred to and vested in and shall be exercised by or against Transferee Company as if it had entered into or incurred such Liabilities. Thus, the primary obligation to redeem, repay, meet, discharge and satisfy such Liabilities shall be that of Transferee Company.*
- 20.1.10 *Where any of the Liabilities of Transferor Company as on the Slump Sale Appointed Date which are deemed to be transferred to Transferee Company, have been partially or fully redeemed, repaid, met, discharged or satisfied by Transferor Company after the Slump Sale Appointed Date, such redemption, repayment, meeting, discharging and satisfaction shall be deemed to have been for and on account of Transferee Company and all Liabilities incurred by Transferor Company for the operations of the Demerged Undertaking after the Slump Sale Appointed Date shall be deemed to have been incurred for and on behalf of Transferee Company and to the extent they are outstanding on the effectiveness of the Scheme in accordance with Clause 34, shall also without any further act or deed be and stand transferred to Transferee Company and shall become the Liabilities of Transferee Company.*
- 20.1.11 *In so far as the existing Encumbrances in respect of the Demerged Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets (including Movable Assets and Immovable Assets) comprised in the Demerged Undertaking which have been Encumbered in respect of the Demerged Liabilities as transferred to Transferee Company pursuant to this Scheme. Provided that if any of the assets (including Movable Assets and Immovable Assets) comprised in the Demerged Undertaking which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the Demerged Liabilities, such assets (including Movable Assets and Immovable Assets) shall remain un-Encumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets (including Movable Assets and Immovable Assets). The absence of any formal amendment which may be required by a lender or trustee or person shall not affect the operation of the above.*
- 20.1.12 *Subject to the other provisions of this Scheme, in so far as the assets (including Movable Assets and Immovable Assets) forming part of the Demerged Undertaking are concerned, the Encumbrances, over such assets (including Movable Assets and Immovable Assets), to the extent they relate to any Liabilities of the Transferor Company pertaining to the Retained Business of Transferor Company shall, as and from the effectiveness of the Scheme in accordance with Clause 34, and with effect from the Slump Sale Appointed Date without any further act,*

instrument or deed be released and discharged from the same and shall no longer be available as Encumbrances in relation to Liabilities of Transferor Company pertaining to the Retained Business of Transferor Company which are not transferred to Transferee Company pursuant to the Scheme (and which shall continue with Transferor Company).

- 20.1.13 In so far as the assets (including Movable Assets and Immovable Assets) of the Retained Business of Transferor Company are concerned, the Encumbrances over such assets (including Movable Assets and Immovable Assets), to the extent they relate to any Liabilities forming part of the Demerged Undertaking shall, without any further act, instrument or deed be released and discharged from such Encumbrances. The absence of any formal amendment which may be required by a lender or trustee or person in order to give effect to such release shall not affect the operation of this Clause.*
- 20.1.14 In so far as the existing Encumbrances in respect of Liabilities relating to the Retained Business of Transferor Company are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with Transferor Company only on the assets (including Movable Assets and Immovable Assets) relating to the Retained Business of Transferor Company and the assets (including Movable Assets and Immovable Assets) of the Demerged Undertaking shall stand released therefrom.*
- 20.1.15 Without any prejudice to the provisions of the foregoing Clauses, Transferor Company and Transferee Company shall enter into and execute such other deeds, instruments, documents and/ or writings and/ or do all acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the provisions of this Clause 20, if required.*
- 20.1.16 Subject to Clause 34 and with effect from the Slump Sale Appointed Date, Transferor Company alone shall be liable to redeem, repay, meet, discharge and satisfy all Liabilities pertaining to the Retained Business of Transferor Company and Transferee Company shall not have any Liabilities of the Retained Business of Transferor Company. Further, subject to the effectiveness of this Scheme in accordance with Clause 34 and with effect from the Slump Sale Appointed Date, Transferee Company alone shall be liable to redeem, repay, meet, discharge and satisfy Demerged Liabilities, which have been transferred to it in terms of this Scheme, and Transferor Company shall not have any Demerged Liabilities.*
- 20.1.17 The foregoing provisions shall operate, notwithstanding anything to the contrary contained in Commercial Rights and Documents (including any instrument, deed or writing or the terms of sanction or issue or any security documents), all of which shall be deemed to have been modified and/ or superseded by the provisions of this Clause 20.*
- 20.1.18 It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the Demerged Liabilities transferred to the Transferee*

Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

- 20.1.19 All cheques and other negotiable instruments, pay orders, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of Transferor Company after the effectiveness of this Scheme in accordance with Clause 34, in so far as the same forms part of the Demerged Undertaking, shall be deemed to have been in the name of Transferee Company and credited to the account of Transferee Company, if presented by Transferee Company or received through electronic transfers and shall be accepted by the relevant bankers and credited to the accounts of the Transferee Company. Similarly, the banker(s) of Transferee Company shall honour all cheques, negotiable instruments, pay orders, electronic fund transfer instructions issued by Transferor Company (in relation to the Demerged Undertaking) for payment after the effectiveness of this Scheme in accordance with Clause 34. If required, the bankers of Transferor Company and/ or Transferee Company shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of Transferor Company by Transferee Company in relation to the Demerged Undertaking for such time as may be determined to be necessary by the Board of Transferor Company and Transferee Company for presentation and deposit of cheques, negotiable instruments, pay order and electronic transfers that have been issued/ made in the name of Transferor Company.*
- 20.1.20 On and from the date of effectiveness of this Scheme in accordance with Clause 34, Transferee Company shall have access to and benefit of all Books and Records in relation to the Demerged Undertaking which the Transferor Company has the access to and benefit of.*

27. CONSIDERATION FOR SLUMP SALE

- 27.1 On the date of effectiveness of this Scheme, in accordance with Clause 34, and in consideration for the Slump Sale of the Demerged Undertaking pursuant to Clause 19 and Clause 34 of this Scheme, Transferee Company shall pay a consideration of INR 5,58,65,00,000/- (Rupees Five hundred fifty-eight crore, sixty five lakh) accordance with Section 2(42C) of the IT Act, 1961 and other provisions of the Applicable Law. The consideration would be discharged by the Transferee Company, without any further application, deed, action or thing, by way of issuance and allotment of following securities of the Transferee Company to the Transferor Company:*
- a) 3,35,19,000 (Three crore, thirty-five lakh, nineteen thousand) equity shares each of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up.*
 - b) 1,67,59,500 (One crore, sixty-seven lakh, fifty-nine thousand, five hundred) redeemable preference shares of a face value of INR 10*

(Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up on key terms and conditions as specified in “Annexure A”.

- c) 55,86,500 (Fifty-five lakh, eighty-six thousand, five hundred) compulsorily convertible debentures of a face value of INR 100 (Rupees Hundred only), credited as fully paid up on key terms and conditions as specified in “Annexure B”.*

27.2 The equity shares to be issued to the Transferor Company as above shall be subject to the provisions of memorandum of association and articles of association of the Transferee Company and shall rank pari passu with the existing equity shares of the Transferee Company in all respects.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Accounting treatment

A. ACCOUNTING TREATMENT FOR DEMERGER

- 11.1 In the books of the Demerged Company*
 - 11.1.1 Notwithstanding anything contained in any other clause in the Scheme, on the effectiveness of the Scheme in accordance with Clause 34, the Demerged Company shall give effect to the Demerger in its books of account in accordance with applicable Accounting Standard, as notified under Section 133 of the Act, as may be amended from time to time.*
 - 11.1.2 The Demerged Company shall reduce from its books of accounts, the carrying amount of assets (including Movable assets and Immovable assets) and Liabilities pertaining to the Demerged Undertaking transferred to and vested in the Resulting Company.*
 - 11.1.3 The difference, i.e., the excess or shortfall, as the case may be, of the value of assets transferred over the value of Liabilities transferred pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to the Scheme shall be adjusted against Reserves and Surplus of the Demerged Company.*
- 11.2 In the books of the Resulting Company:*
 - 11.2.1 On the Scheme taking effect, Resulting Company shall account for the Demerger of the Demerged Undertaking to Resulting Company in its books of accounts with effect from the Demerger Appointed Date as under:*
 - 11.2.2 In the absence of authoritative and specific guidance on Demerger accounting, the Resulting Company shall account for Demerger of the Demerged Undertaking to the Resulting Company in its books of accounts in compliance with the generally accepted accounting principles.*
 - 11.2.3 Accordingly, the Resulting Company shall account for the Demerger by allocating the consideration to individual identifiable assets and liabilities of the Demerged Undertaking on the basis of their fair values*

at the Demerger Appointed Date. The identifiable assets and liabilities may include assets and liabilities not recorded in the financial statements of the Demerged company.

- 11.2.4 The difference between the aggregate of the consideration paid over the value of Net Assets of the Demerged Undertaking and after giving effect to Clause 11.2.5 shall be treated as goodwill in the books of the Resulting Company. If the amount of aggregate of the consideration transferred is less than amount of Net Assets of the Demerged Undertaking and after giving effect to Clause 11.2.5 shall be treated as capital reserve.*
- 11.2.5 All inter-company balances and obligations (including investments held by the Resulting Company in the Demerged Company, loans and advances, outstanding balances or other obligations) between the Resulting Company and Demerged Company shall be cancelled and there shall be no obligation/ outstanding in that behalf.*
- 11.2.6 The Resulting Company shall issue and allot equity shares to shareholders of Demerged company in accordance with clause 10 and credit the aggregate face value of such equity shares to its share capital account.*
- 11.2.7 In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference, if any, will be quantified and shall be adjusted in the Reserves, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy;*
- 11.2.8 Notwithstanding the above, the Board of the Resulting Company in consultation with its statutory auditors, is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit in accordance with the prescribed accounting standards as applicable to Resulting Company.*

B. ACCOUNTING TREATMENT FOR SLUMP SALE

- 30. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFeree COMPANY**
- 30.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities comprised in the Demerged Undertaking of the Transferor Company transferred to the Transferee Company pursuant to this Scheme on the values as appearing in the books of Transferor Company.*
- 30.2 The consideration and, the difference, if any, in the value of consideration and net value of assets and liabilities of the Demerged Undertaking, shall be accounted in accordance with principles as laid down in the applicable accounting standards, the applicable provisions of the Act and generally accepted accounting principles in India.*

31. **ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY**

31.1 Notwithstanding anything contained in any other clause in the Scheme, on the effectiveness of the Scheme in accordance with Clause 34, the Transferor Company shall give effect to the Slump Sale in its books of account in accordance with applicable Accounting Standard, as notified under Section 133 of the Act, as may be amended from time to time. The accounting in the books of accounts of the Transferor company is as follows:

- a) The Transferor Company shall reduce from its books of accounts, the carrying amount of assets (including Movable Assets and Immovable Assets) and liabilities pertaining to the Demerged Undertaking transferred to and vested in the Transferor Company.
- b) The difference, i.e., the excess or shortfall, as the case may be, of the value of assets transferred over the value of liabilities transferred pertaining to the Demerged Undertaking and demerged from the Transferor Company pursuant to the Scheme shall be adjusted against Reserves and Surplus of the Demerged Company.

Effect of the Scheme on various parties

26. The effect of the proposed Scheme on the stakeholders of the Demerged Company would be as follows:

- (a) **Shareholders**
All the shareholder of the Demerged Company will get shares of the Resulting company as prescribed in the clause 10 of the Scheme
- (b) **Creditors, Deposit Holders and Debenture Holders**

With effect from the Effective Date, all the Creditors related to demerged undertaking will be the creditors of the Resulting Company.

As on date, the demerged Company has no outstanding Secured debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.

As on date, the demerged Company has no outstanding public deposits and therefore, the effect of the Scheme on any such deposit holders or deposit trustee(s) does not arise.

- (c) **Employees, Staff and Workmen along with Directors & KMP**

As stated in Clause 13 of the Scheme and with effect from the Effective Date, all employees forming part of the Demerged Undertaking will be the employee of the Resulting Company

Upon the Scheme becoming effective, no change in the Director and KMP of the Demerged Company.

27. The effect of the proposed Scheme on the stakeholders of the Resulting Company would be as follows:

(a) Shareholders

All the shareholders of the Demerged Company will get shares of the Resulting company as prescribed in the clause 10 of the Scheme

(b) Creditors, Deposit Holders and Debenture Holders

Under the Scheme, with effect from the Effective Date for Demerger, all the Creditors related to demerged undertaking will be the creditors of the Resulting Company and Subsequently, with effect from the Effective Date for Slump Sale, all the Creditors related to demerged undertaking will be the creditors of the Transferee Company

As on date, the Resulting Company has no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.

As on date, the Resulting Company has no outstanding public deposits and therefore, the effect of the Scheme on any such deposit holders or deposit trustee(s) does not arise.

(c) Employees, Staff and Workmen along with Directors & KMP

As stated in Clause 13 of the Scheme and with effect from the Effective Date of Demerger, all employees forming part of the Demerged Undertaking will be the employees of the Resulting Company.

As stated in Clause 21 of the Scheme and with effect from the Effective Date of Slump Sale, all employees forming part of the Demerged Undertaking will be the employee of the Transferee Company.

Upon the Scheme becoming effective, no change in the Director and KMP of the Demerged Company.

28. The effect of the proposed Scheme on the stakeholders of the Transferee Company would be as follows:

(d) *Shareholders*

Transferor company is the only shareholder of the Transferee Company. Transferee Company issued securities to the Transferor Company as per the clause 27. There is no change in shareholding pattern.

(e) *Creditors, Deposit Holders and Debenture Holders*

Under the Scheme, with effect from the Effective Date for Slump Sale, all the Creditors related to demerged undertaking will be the creditors of the Transferee Company

As on date, the Transferee Company has no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.

As on date, the Transferee Company has no outstanding public deposits and therefore, the effect of the Scheme on any such deposit holders or deposit trustee(s) does not arise.

(f) *Employees, Staff and Workmen along with Directors & KMP*

As stated in Clause 21 of the Scheme and with effect from the Effective Date of Slump Sale, all employees forming part of the Demerged Undertaking will be the employee of the Transferee Company.

Upon the Scheme becoming effective, no change in the Director and KMP of the Demerged Company.

29. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of Demerged Company, Resulting Company/Transferor Company and Transferee Company, in their respective meetings, all held on March 10, 2025 respectively, have adopted a report, *inter alia*, explaining the effect of the Scheme on its shareholders and key managerial personnel, amongst others. Copy of the Reports adopted by the respective Board of Directors of the Demerged Company, Resulting Company/ Transferor Company and Transferee Company are enclosed as **Annexure 3, Annexure 4 and Annexure 5** respectively.

Other matters

30. No investigation proceedings have been instituted or are pending in relation to the Companies under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956.
31. No proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against any of the Companies.
32. To the knowledge of the respective Companies, no winding up proceedings have been filed or pending against any of the Companies under the Act or the corresponding provisions of the Companies Act, 2013.
33. There is no capital restructuring or debt restructuring being undertaken pursuant to this Scheme.
34. Appointed date for Demerger is 1st March, 2025 and Appointed date for Slump Sale is 2nd March, 2025.
35. Effective date is when certified copies of the order(s) of the Tribunal, sanctioning the Scheme, being filed with the Registrar of Companies, Gujarat, by all the Companies.
36. The unaudited financial results of the Demerged Company, Resulting Company/Transferor Company for the half year ended 30/09/2024 are enclosed as **Annexure 6 and Annexure 7** respectively and the unaudited financial results of the Transferee Company for the period ended on 28/02/2025 is enclosed as **Annexure 8**.
37. As per the books of accounts of (as on February 28, 2025) the Demerged Company, the amount due to the unsecured creditors is Rs. 7,41,72,898/-.
38. As per the books of accounts of (as on February 28, 2025) the Resulting Company, the amount due to the unsecured creditors is Rs. 57,18,47,698/-.
39. As per the books of accounts of (as on February 28, 2025) the Transferee Company, there are no unsecured creditors.
40. The name and address of the promoter of the Demerged Company, including its shareholding in the Demerged Company as on February 28, 2025 is as under:

Sr. No.	Name and Address of the Promoters	No. of Shares held in the Demerged Company	% of holding
1.	NIMISH ARVIND SHAH Address : Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	72,910	10.16%
2.	VEENITA NIMISH SHAH Address : Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	1,19,225	16.61%
3.	ADITYA NIMISH SHAH Address : Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	71,772	10.00%
4.	TEJAS NIMISH SHAH Address : Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	71,772	10.00%
5.	VELAGA NAGESH Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara - 391410 Gujarat	75,789	10.56%
6.	VELAGA NEETU Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara - 391410 Gujarat	1,16,375	16.22%
7.	VELAGA ABHISHEK Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara - 391410 Gujarat	71,758	10.00%
8.	VELAGA AAYUSH Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara - 391410 Gujarat	71,758	10.00%

9.	RAJESH PRADHAN Address : 102 / 3 / C Nilamber, Bellisimo,Besides Spring Country-2, Vasna Bhayli Road, Bhayli, Vadodara - 391410 Gujarat	24,700	3.44%
10.	BINA KHAMBHAITA Address : 2 / 1 Lakshya, Near Vadodara Architech, Collage, Bil Vadodara- 391410 Gujarat	21,527	3.00%
	Total	7,17,586	100.00%

41. The name and address of the promoters of the Resulting Company including their shareholding in the Resulting Company as on February 28, 2025 are as under:

Sr. No.	Name and Address of the Promoters	No. of Shares held in the Resulting Company	% of holding
1.	NIMISH ARVIND SHAH Address : Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	1,05,73,587	14.24%
2.	VEENITA NIMISH SHAH Address : Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	90,93,787	12.25%
3.	ADITYA NIMISH SHAH Address : Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	74,25,950	10.00%
4.	TEJAS NIMISH SHAH Address : Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	74,25,950	10.00%

5.	VELAGA NAGESH Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	1,12,58,975	15.17%
6.	VELAGA NEETU Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	74,23,500	10.00%
7.	VELAGA ABHISHEK Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	79,18,400	10.67%
8.	VELAGA AAYUSH Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	79,18,400	10.67%
9.	RAJESH PRADHAN Address : 102 / 3 / C Nilamber, Bellisimo, Besides Spring Country-2, Vasna Bhayli Road, Bhayli, Vadodara - 391410 Gujarat	29,69,400	4.00%
10.	BINA KHAMBHAITA Address : 2 / 1 Lakshya, Near Vadodara Architech, Collage, Bil Vadodara- 391410 Gujarat	22,27,050	3.00%
	Total	7,42,34,999	100%

42. The name and address of the promoters of the Transferee Company including their shareholding in the Transferee Company as on February 28, 2025 are as under:

Sr. No.	Name and Address of the Promoters	No. of Shares held in the Transferee Company	% of holding
1.	COSMOS IMPEX (INDIA) PRIVATE LIMITED Address : Cosmos House 85/2, Atladra, Padra Road,	9,999	99.99%

	Vadodara, Gujarat, India-390012		
2.	NAGESH VELAGA (ON BEHALF OF COSMOS IMPEX (INDIA) PRIVATE LIMITED Address : 2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	1	0.01%
	Total	10,000	100%

All the shareholders of the Demerged Company and Resulting Company are the same.

None of the aforesaid promoters of the Demerged Company and Resulting Company are holding any shares in any of the Transferee Company except Mr. Nagesh Velaga (On Behalf of Cosmos Impex (India) Private Limited) is the nominee shareholder.

43. The names and addresses of the directors of the Demerged Company as on June 15, 2025 are as follows:

Sr. No.	Name and Designation	Address	DIN
1.	Nimish Arvindlal Shah (Director)	Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	00372897
2.	Nagesh Velaga (Director)	2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	00373006
3.	Neetu Nagesh Velaga (Whole-Time Director)	2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	00372852
4.	Veenita Nimish Shah (Whole-Time Director)	Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	00372951
5.	Abhishek Nagesh Velaga (Whole-Time Director)	2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	03637382

6.	Aditya Nimish Shah (Whole-Time Director)	Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	07409108
----	---	---	----------

44. The names and addresses of the directors of the Resulting Company as on June 15, 2025 are as follows:

Sr. No.	Name and Designation	Address	DIN
1.	Nimish Arvindlal Shah (Director)	Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	00372897
2.	Nagesh Velaga (Managing Director)	2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	00373006
3.	Abhishek Nagesh Velaga (Whole-Time Director)	2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	03637382
4.	Aditya Nimish Shah (Whole-Time Director)	Nandan Villa 221, Bil Chapad Road, Bil Vadodara-391410 Gujarat	07409108
5.	Aayush Nagesh Velaga (Whole-Time Director)	2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	09543169
6.	Rajesh Satish Pradhan (Whole-Time Director)	102 / 3 / C Nilamber, Bellissimo,Besides Spring Country-2, Vasna Bhayli Road, Bhayli, Vadodara - 391410 Gujarat	00534607
7.	Bina Jaysukhbhai Khambhaita (Whole-Time Director)	2 / 1 Lakshya, Near Vadodara Architech, Collage, Bil Vadodara- 391410 Gujarat	02739562

45. The names and addresses of the directors of the Transferee Company as on June 15, 2025 are as follows:

Sr. No.	Name and Designation	Address	DIN
1.	Nimish Arvindlal Shah (Director)	Nandan Villa 221, Bil Chapad Road, Bil	00372897

		Vadodara-391410 Gujarat	
2.	Nagesh Velaga (Director)	2 / 3 Abhaay Villa, Bil Chapad Road, Bil Vadodara -391410 Gujarat	00373006

46. The details of the shareholding of the Directors and the Key Managerial Personnel (hereinafter referred to as the “**KMP**”) of the Demerged Company in the Companies as on February 28, 2025 are as follows:

Sr. No.	Name of the Director and KMP	Position	Equity Shares held in (No. of Shares of Rs. 10/-)		
			Demerged Company	Resulting Company	Transferee Company
1.	Nimish Arvindlal Shah	Director	72,910	1,05,73,587	Nil
2.	Nagesh Velaga	Director	75,789	1,12,58,975	1 *
3.	Neetu Nagesh Velaga	Whole-time director	1,16,375	74,23,500	Nil
4.	Veenita Nimish Shah	Whole-time director	1,19,225	90,93,787	Nil
5.	Abhishek Nagesh Velaga	Whole-time director	71,758	79,18,400	Nil
6.	Aditya Nimish Shah	Whole-time director	71,772	74,25,950	Nil

* Nagesh Velaga is the nominee of Cosmos Impex (India) Private Limited

47. The details of the shareholding of the Directors and the Key Managerial Personnel (hereinafter referred to as the “**KMP**”) of the Resulting Company in the Companies as on February 28, 2025 are as follows:

Sr. No.	Name of the Director and KMP	Position	Equity Shares held in (No. of Shares of Rs. 10/-)		
			Demerged Company	Resulting Company	Transferee Company
1.	Nimish Arvindlal Shah	Director	72,910	1,05,73,587	Nil
2.	Nagesh Velaga	Managing Director	75,789	1,12,58,975	1 *

3.	Abhishek Nagesh Velaga	Whole-time director	71,758	79,18,400	Nil
4.	Aditya Nimish Shah	Whole-time director	71,772	74,25,950	Nil
5.	Aayush Nagesh Velaga	Whole-time director	71,758	79,18,400	Nil
6.	Rajesh Satish Pradhan	Whole-time director	24,700	29,69,400	Nil
7.	Bina Jaysukhbhai Khambhaita	Whole-time director	21,527	22,27,050	Nil
8.	Deepika Sanjaybhai Chavda	Company Secretary	Nil	Nil	Nil

* Nagesh Velaga is the nominee of Cosmos Impex (India) Private Limited

48. The details of the shareholding of the Directors and the Key Managerial Personnel (hereinafter referred to as the “KMP”) of the Transferee Company in the Companies as on February 28, 2025 are as follows:

Sr. No.	Name of the Director and KMP	Position	Equity Shares held in (No. of Shares of Rs. 10/-)		
			Demerged Company	Resulting Company	Transferee Company
9.	Nimish Arvindlal Shah	Director	72,910	1,05,73,587	Nil
10.	Nagesh Velaga	Director	75,789	1,12,58,975	1*

* Nagesh Velaga is the nominee of Cosmos Impex (India) Private Limited

49. The pre-arrangement and post-arrangement shareholding pattern of the Companies as on June 15, 2025 are as under:

Pre-arrangement and post-arrangement Equity Shareholding Pattern of the Demerged Company

Sr. No.	Name of Equity Shareholders	pre-arrangement		post-arrangement	
		No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
1.	NIMISH ARVIND SHAH	72,910	10.16%	72,910	10.16%

2.	VEENITA NIMISH SHAH	1,19,225	16.61%	1,19,225	16.61%
3.	ADITYA NIMISH SHAH	71,772	10.00%	71,772	10.00%
4.	TEJAS NIMISH SHAH	71,772	10.00%	71,772	10.00%
5.	VELAGA NAGESH	75,789	10.56%	75,789	10.56%
6.	VELAGA NEETU	1,16,375	16.22%	1,16,375	16.22%
7.	VELAGA ABHISHEK	71,758	10.00%	71,758	10.00%
8.	VELAGA AAYUSH	71,758	10.00%	71,758	10.00%
9.	RAJESH PRADHAN	24,700	3.44%	24,700	3.44%
10.	BINA KHAMBHAITA	21,527	3.00%	21,527	3.00%
	Total	7,17,586	100.00%	7,17,586	100.00%

Pre-arrangement and post-arrangement Equity Shareholding Pattern of the Resulting Company

Sr. No.	Name of Equity Shareholders	pre-arrangement		post-arrangement	
		No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
1.	NIMISH ARVIND SHAH	1,05,73,587	14.24%	1,41,89,923	12.92%
2.	VEENITA NIMISH SHAH	90,93,787	12.25%	1,50,07,347	13.66%
3.	ADITYA NIMISH SHAH	74,25,950	10.00%	1,09,85,841	10.00%
4.	TEJAS NIMISH SHAH	74,25,950	10.00%	1,09,85,841	10.00%
5.	VELAGA NAGESH	1,12,58,975	15.17%	1,50,18,109	13.67%
6.	VELAGA NEETU	74,23,500	10.00%	1,31,95,700	12.01%
7.	VELAGA ABHISHEK	79,18,400	10.67%	1,14,77,597	10.45%
8.	VELAGA AAYUSH	79,18,400	10.67%	1,14,77,597	10.45%

9.	RAJESH PRADHAN	29,69,400	4.00%	41,94,520	3.82%
10.	BINA KHAMBHAITA	22,27,050	3.00%	32,94,789	3.00%
	Total	7,42,34,999	100.00%	10,98,27,265	100%

Pre-arrangement and post-arrangement Equity Shareholding Pattern of the Transferee Company

Sr. No.	Name of Equity Shareholders	pre-arrangement		post-arrangement	
		No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
1.	Nagesh Velaga	1*	0.01%	1*	0.0001%
2.	Cosmos Impex (India) Private Limited	9999	99.99%	3,35,28,999	99.9999%
	Total	10,000	100.00%	10,98,27,265	100%

* Nagesh Velaga is the nominee of Cosmos Impex (India) Private Limited

The pre- arrangement and post-arrangement capital structure of the Resulting Company (assuming the continuing capital structure as on June 15, 2025) are as under:

	pre- arrangement		post- arrangement	
AUTHORISED SHARE CAPITAL	Number of shares	Amount (In Rs.)	Number of shares	Amount (In Rs.)
Equity	7,60,00,000	76,00,00,000	111592265	1115922650
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL				
Equity	7,42,34 999	74,23,49,990	10,98,27,265	10,98,27,2650
Total	7,42,34 999	74,23,49,990	10,98,27,265	10,98,27,2650

The pre- arrangement and post-arrangement capital structure of the Transferee Company (assuming the continuing capital structure as on June 15, 2025) are as under:

	pre- arrangement		post- arrangement	
AUTHORISED SHARE CAPITAL	Number of shares	Amount (In Rs.)	Number of shares	Amount (In Rs.)
Equity	500000	5000000	3,35,29,000	33,52,90,000
Preference	0	0	1,67,59,500	16,75,95,000
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL				
Equity	10000	100000	3,35,29,000	33,52,90,000
Preference	0	0	1,67,59,500	16,75,95,000
Total	10000	100000	10,98,27,265	10,98,27,2650

50. Summary of Valuation

The Valuation Report Prepared By CA Snehal Shah, Registered Valuer, Recommends A Share Entitlement Ratio Pursuant To The Proposed Composite Scheme Of Arrangement Involving The Demerger Of The Engineering Division Of Cosmos Engitech Private Limited (“CEPL”) Into Cosmos Impex (India) Private Limited (“CIPL”) And Subsequent Slump Sale Of The Same Undertaking To Nexco Engitech Private Limited (“NEPL”), A Wholly Owned Subsidiary Of CIPL. The Share Entitlement Ratio Has Been Determined Based On Valuation Reports From Independent Valuers Appointed By The Companies. The Recommended Ratio Is 4,960 Fully Paid-Up Equity Shares Of CIPL For Every 100 Equity Shares Held In CEPL. The Report Concludes That This Ratio Is Fair, Reasonable, And Does Not Adversely Impact Any Shareholder, Including Minorities.

Regarding The Slump Sale, NEPL Will Issue Shares And Securities Worth ₹558.65 Crores To CIPL As Consideration For The Transfer Of The Engineering Division. Since NEPL Is A 100% Subsidiary Of CIPL And Will Remain So Post-Transaction, The Slump Sale Will Not Result In Any Effective Change In Shareholding Or Ownership Structure. The Transaction Aims To Enhance Business Focus, Operational Efficiency, And Long-Term Shareholder Value By Structurally Separating Distinct Business Verticals—Engineering And Leasing/Investment—Within The Group.

51. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

52. The following documents will be available for inspection by the equity shareholders/Creditors of the all Companies through electronic mode, basis the request being sent on finance@cosmos.in. Further, the following documents will also be open for inspection by the equity shareholders of the Demerged Company at its registered office at Cosmos House 85/2, Atladra, Padra Road, Vadodara, Gujarat, India, 390012, between 10.30 a.m. and 12.30 pm on all working days up to the date of the meeting:
- (i) Copy of the Order passed by NCLT in C.A. (CAA)/15(AHM) 2025, dated June 9, 2025, *inter alia*, directing the Demerged Company and Resulting Company to convene the meetings of its secured creditors and unsecured creditors;
 - (ii) Copy of C.A. (CAA)/15(AHM) 2022 (with annexures) jointly filed by the Companies before NCLT along with affidavit filed by the Companies before NCLT;
 - (iii) Copy of the Memorandum and Articles of Association of the Companies;
 - (iv) Copy of the audited financial results of the Demerged Company and Resulting Company for the year ended March 31, 2024;
 - (v) Copy of the unaudited financial results of the Demerged Company and Resulting Company for the half year ended September 30, 2024;
 - (vi) Copy of the unaudited results of the Transferee Company for the period ended February 28, 2025;
 - (vii) Copy of the resolution passed by the Board of Directors of the all Companies dated March 10, 2025;
 - (viii) Copy of each of the certificate issued by the auditor of the respective Companies to the effect that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.
 - (ix) Copy of report on recommendation of share entitlement ratio for demerger of CA Snehal Shah, Registered Valuer, certifying the share exchange ratio and consideration for the Slump Sale of the Demerged Undertaking.
 - (x) Copy of the certificates of Chartered Accountants, certifying the outstanding amount to the unsecured creditors of the all Companies as on February 28, 2025;

- (xi) Copies of Form No. GNL-1 filed by the respective Companies with the concerned Registrar of Companies, along with the challan, both dated June 13, 2025;
- (xii) Copy of the Scheme; and
- (xiii) Copy of the Reports of all Companies March 10, 2025 adopted by the Board of Directors of the respective Companies pursuant to the provisions of section 232(2)(c) of the Act;

The Secured Creditors shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed above.

- 53. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. Hard copies of the Particulars as defined in this Notice can be obtained free of charge within 1 (one) working day on a requisition being so made for the same by the creditors of the Demerged Company at the registered office of the Demerged Company or at the office of its PCS, Raimeen Maradiya, 1213-1214, Ganesh Glory, Nr. Jagatpur Crossing, Beside Ganesh Genesis, off. S.G. Highway, Ahmedabad-382481.
- 54. After the Scheme is approved, by the equity shareholders, Secured Creditors and unsecured creditors of the Resulting Company, it will be subject to the approval/sanction by NCLT or any other statutory or regulatory authorities as may be applicable.

Dated this June 17, 2025

CA Naresh Jindal
Chairman appointed for the Meeting

Registered office: Cosmos House 85/2, Atladra,
Padra Road, Vadodara, Gujarat,
India, 390012

SCHEME OF ARRANGEMENT
BETWEEN
COSMOS ENGITECH PRIVATE LIMITED
(DEMERGED COMPANY)
AND
COSMOS IMPEX (INDIA) PRIVATE LIMITED
(RESULTING COMPANY OR TRANSFEROR COMPANY)
AND
NEXCO ENGITECH PRIVATE LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE MEMBERS AND CREDITORS
(UNDER SECTION 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013)



1. PREAMBLE

1.1 This scheme is pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act (as defined hereinafter) and *inter alia* provides for the following:

- (i) demerger, transfer and vesting of the **Demerged Undertaking** (as defined hereinafter) from Cosmos Engitech Private Limited (hereinafter referred to as "**Demerged Company**") into Cosmos Impex Private Limited (hereinafter referred to as "**Resulting Company**") on a going concern basis, and issue of equity shares by the Resulting Company to the equity shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income Tax Act, 1961;
- (ii) Slump Sale, of the Demerged Undertaking from Cosmos Impex (India) Private Limited ("**Transferor Company**") to Nexco Engitech Private Limited (hereinafter referred to as the "**Transferee Company**") in accordance with the provisions of the Income Tax Act 1961, and
- (iii) various other matters consequential or otherwise integrally connected herewith.

2. BACKGROUND

2.1 **Cosmos Engitech Private Limited** is private limited company, limited by shares, incorporated on September 4, 1996, under the Companies Act, 1956 bearing Corporate Identification Number U29199GJ1996PTC030628 and having its registered office at Cosmos House 85/2, Atladra, Padra Road, Vadodara, Gujarat, India- 390012, registered with Registrar of Companies, Ahmedabad, Gujarat.

2.2 **Cosmos Impex (India) Private Limited** is private limited company, limited by shares, incorporated on January 10, 1994, under the Companies Act, 1956 bearing Corporate Identification Number U29255GJ1994PTC021035 and having its registered office at Cosmos House 85/2, Atladra, Padra Road, Vadodara, Gujarat, India- 390012, registered with Registrar of Companies, Ahmedabad, Gujarat.

2.3 **Nexco Engitech Private Limited** is a private company, limited by shares, incorporated on February 28, 2025, under the Companies Act, 2013 bearing Corporate Identification Number U27900GJ2025PTC159636 and having its registered office at 85/2, Atladara, Padra Road, Vadodara, Atladara, Vadodara, Vadodara- 390012, Gujarat, registered with Registrar of Companies, Ahmedabad, Gujarat. The Transferee Company is a wholly owned subsidiary of the Transferor Company.



3. RATIONALE OF THE SCHEME

- 3.1 The Demerged Company have 2 (two) distinct business segments viz. (a) Engineering business segment and (b) Leasing and Investment business segment. **"Engineering Business"** means providing design, manufacturing, and technical solutions for industrial and commercial needs. It focuses on fabrication, mechanical engineering, automation, or providing turnkey solutions, which involve managing entire projects from concept through to execution. It involves trading of machinery, machine tools, and related equipment. **"Leasing and Investment Business"** means and involves renting assets like equipment or property without ownership risks, with the lessor handling maintenance. The business also focuses on managing and growing capital through investments in various financial assets.
- 3.2 The Board of Directors of the Companies are of the opinion that the proposed arrangement, shall enable all the Companies to focus on specific businesses and shall be beneficial to the members, creditors and employees of each of these Companies and will be in the public interest. It shall enhance operational flexibility and will enable Companies to have sharp focus, retain and attract best talent and bring better value to the stakeholders. This will accelerate profitable growth and industry recognition in respective areas.
- 3.3 This scheme would enable the Companies to enhance operational efficiencies, ensuring synergies through pooling of the financial, managerial, personnel capabilities and skills.
- 3.4 The Board of Directors of the Companies are of the opinion that the Scheme would result in increase in the value for its members in long run. Further, the proposed arrangement would inter alia achieve the following objectives:
- I. facilitate each business to be effectively integrated for achieving growth for each of the verticals independently;
 - II. enhance management focus;
 - III. facilitate investment by strategic players;
 - IV. create a platform to enhance financial flexibility to pursue growth;
 - V. unlocking of value.
- 3.5 This Scheme has been drawn up to comply with the conditions relating to **"Demerger"** as defined under Section 2(19AA) of the Income tax Act and **"Slump Sale"** as defined under provisions of the Income tax Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of the Income tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

4. PARTS OF THE SCHEME

The Scheme is divided into following parts:

Part – I deals with definitions in the Scheme, interpretation of the Scheme and share capital of the Companies;

Part - II deals with the demerger of the Demerged Undertaking on a going concern basis into the Resulting Company and discharge of consideration by the Resulting Company in lieu thereof in accordance with Applicable Law;

Part – III deals with Slump Sale of the Demerged Undertaking into the Transferee Company and discharge of consideration by the Transferee Company to the Transferor Company in lieu thereof in accordance with Applicable Law; and

Part – IV deals with the General Terms and Conditions applicable to the Scheme.

PART – I: DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

5. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meanings respectively assigned against them:

- 5.1 **“Act”** means the Companies Act, 2013, the rules and regulations made thereunder and shall include any statutory modification or re-enactment thereof for the time being in force;
- 5.2 **“Applicable Law”** means any applicable approval, bye-law, clearance, decree, directive, guideline, judgment, law, notification, order, ordinance, regulation, requirement, rule, statute, or any similar form of determination by or decision of any Governmental Authority, or any interpretation or adjudication having the force of law of any of the foregoing, that is binding or applicable to a person, whether in effect as of the date on which this Scheme has been approved by the Board of the Companies or at any time thereafter including but not limited to any modification or re-enactment thereof for the time being in force;
- 5.3 **“Arrangements”** means without limitation, all rights to use and avail arrangements of all kind, benefits of assets (including Movable Assets and Immovable Assets) or properties or other interests held in trusts, easements, electricity and other services, email, engagements, facsimile, funds, internet, leased line connections and installations, liberties and advantages, privileges and all other rights, provisions, registrations, reserves, telephones, utilities, of whatsoever nature and wheresoever

situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Demerged Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Demerged Company;

5.4 **"Board"** in respect of a Company means the board of directors of such Company in office at the relevant time, and, unless it is repugnant to the context, shall include a committee duly constituted and authorized thereby or an individual duly authorized thereby;

5.5 **"Books and Records"** means without limitation, all books, catalogues, commercial and management, computer programmes, customer credit information, customer/ supplier pricing information, data, databases including databases for procurement, dossiers, drawings, engineering and process information, files, lists of present and former customers and suppliers including service providers, manuals, other customer information, papers, product master cards, product registrations, quotations, records, sales and advertising materials, software licenses (whether proprietary or otherwise), test reports, and all other books and records, whether in physical or electronic form;

5.6 **"Commercial Rights And Documents"** means without limitation, all agreement with customers, agreements (including tripartite agreements), agreements/ panchnamas for right of way, bids, bonds, clearances, concession agreements, contracts (including business contracts), deeds, documents (including security documents), equipment purchase agreements, expressions of interest, hire and purchase arrangements, insurance covers and claims, lease/ license agreements, letters of intent, memoranda of agreements/ understanding/ undertakings, operation and maintenance contracts, other arrangements, policies (including tariff policy), power purchase agreements, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, purchase orders/ service orders, schemes, tenancy rights, tenders, terms, undertakings, writing, all rights of commercial nature and all other interests relating to the goods or services and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;

5.7 **"Companies"** means Demerged Company, Resulting Company and Transferee Company acting, and **"Company"** shall mean any one of them as the context may require;

"CPs" shall have the meaning set out in Clause 34;



5.9 **"Demerged Company"** means Cosmos Engitech Private Limited (Corporate Identification Number: U29199GJ1996PTC030628), a private limited company, limited by shares, incorporated on September 4, 1996, under the Companies Act, 1956, and having its registered office at Cosmos House 85/2, Atladra, Padra Road, Vadodara, Gujarat, India-390012;

5.10 **"Demerged Liabilities"** shall have the meaning set out in Clause 9.8;

5.11 **"Demerged Undertaking"** means the Engineering Business, as a going concern as of the Appointed Date, including all the activities, approvals, assets, business, certificates, contracts, interest, licences and powers, properties, rights, titles, undertakings, and all Liabilities, and employees, of the Engineering Business or pertaining to or related to the Engineering Business, whatsoever nature and kind and wherever situated. Without prejudice to the generality of the foregoing, the Demerged Undertaking shall include, without being limited to, the following:

- a) Immovable Assets that form part of the Engineering Business;
- b) Movable Assets forming part of the Engineering Business;
- c) Permissions for the purpose of carrying on the Engineering Business or in connection therewith that form part of the Engineering Business;
- d) Commercial Rights and Documents forming part of Engineering Business;
- e) IP Rights that form part of the Engineering Business;
- f) Arrangements forming part of the Engineering Business;
- g) Books and Records that form part of the Engineering Business;
- h) The Demerged Liabilities;
- i) The Transferred Employees;
- j) Proceedings that form part of the Engineering Business and such other Proceedings relating to the Engineering Business as determined by the Board of the Companies; and
- k) any assets, Liabilities, agreements, arrangements, activities, operations, employees, properties or rights that are determined by the Board of the Companies, relating to or forming part of the Engineering Business or which are necessary for conduct of, or the activities or operations of, the Engineering Business. It is clarified that the assets, properties, liabilities, etc., included in clauses (a) to (k) above are in accordance with the requirements of Section 2(19AA) and other relevant sections of the IT Act.

It is further clarified that in the event there is any ambiguity on whether a particular asset, liability, right, benefit, privilege, contract, debt, record, etc., as noted above, pertains to or does not pertain to



the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking, then such ambiguity shall be resolved by mutual agreement between the Board of the Companies;

5.12 **"Demerger"** shall have the meaning set out in Clause 3.5 of the Scheme;

5.13 **"Demerger Appointed Date"** means the opening of business on March 1st, 2025, or such other date as may be mutually agreed by the Board of the Demerged Company and the Resulting Company and conveyed to the National Company Law Tribunal ("**NCLT**") in writing;

5.14 **"Effective Date 1"** means the last date on which the Parties mutually acknowledge in writing that all the conditions and matters referred to in Clause 34.1 to Clause 34.3 of the Scheme have occurred or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme; References in this Scheme to the date of **"coming into effect of this Scheme"** or **"upon the Scheme becoming effective"** or **"upon effectiveness of the Scheme"** shall mean the Effective Date 1;

5.15 **"Effective Date 2"** means the last date on which the Parties mutually acknowledge in writing that all the conditions and matters referred to in Clause 34.1, Clause 34.2 and Clause 34.4 of the Scheme have occurred or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme; References in this Scheme to the date of **"coming into effect of this Scheme"** or **"upon the Scheme becoming effective"** or **"upon effectiveness of the Scheme"** shall mean the Effective Date 2;

5.16 **"Encumbrance"** or to **"Encumber"** means without limitation, any assignment, attachment, charge (whether fixed or floating), claim, deed of trust, easement, hypothecation, lien, limitation, mortgage, options, or conferring any priority of payment in respect of any Liability of any person, pledge, pre-emptive right, restraint, security interest or other encumbrance or interest of any kind securing, title retention, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law;

5.17 **"Governmental Authority"** means and includes any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, board, branch, commission, departmental or public body or authority, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or



other organization have the force of law, or any stock exchange of India or any other country including the Registrar of Companies, Regional Director, Company Law Board, Competition Commission of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, NCLT, and such other sectoral regulators or authorities as may be applicable;

5.18 **"Immovable Assets"** means without limitation, all immovable properties and rights, title, and interest thereto i.e. benefits and interests of rental agreements for lease or license, buildings, bunk house, civil works, continuing rights, covenants, declarations, drains and culverts, etc. and all documents (including panchnamas, foundations for civil works, land, leasehold, leave and licensed, offices, receipts) of title, right of way, rights and easements in relation thereto and all rights, (tenancies or otherwise) including roads, title and interest, together with the buildings and structures standing thereon (whether freehold, warehouses, or other rights to use of premises), in connection with the aforesaid;

5.19 **"IP Rights"** means all intellectual property rights, including without limitation, all copyrights, designs, distribution network, domain names, patents, project designs, registrations, research and studies, service marks, software, source codes, special status, stability data, technical knowhow, title and interest, trade names, trade secrets, trademarks, all such other industrial or intellectual rights of whatsoever nature and all such rights of whatsoever description and nature, whether applied for, registered or existing at common law, and all goodwill associated with all of the foregoing;

5.20 **"IT Act" or "Income Tax Act"** means the Income Tax Act, 1961 as may be amended or supplemented from time to time (and any successor provisions or law), including any statutory modifications or re-enactments thereof together with all applicable by-laws, rules, regulations, orders, ordinances, directions including circulars and notifications and similar legal enactments, in each case issued under the Income Tax Act, 1961;

5.21 **"Liabilities"** means without limitation, all debts (whether in Indian Rupees or foreign currency), borrowings, debentures, debt securities, liabilities (including contingent liabilities, Tax Liabilities and pecuniary obligations under any licenses or certificates or permits or schemes deferred, loans raised and used (including general and multi-purpose loans), obligations incurred, commitments (including financial commitment), outstandings, duties of any kind, nature or description, obligations and undertakings of every kind or nature and the liabilities of



any description whatsoever whether present or future, and howsoever raised or incurred or utilized along with any charge, encumbrance, lien or security thereon;

5.22 **"Movable Assets"** means without limitation, all assets as are movable in nature whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (including accessories, advertisement and promotional material, air conditioners, appliances, capital work in progress, communication facilities, computers, fixed assets, fixtures, formulation, furniture, installations, inventories, office equipment, packing material, plant and machinery, raw material, stock in trade, stores and spares, tools and plants, vehicles), assets that are capable of transfer by manual or constructive delivery and/ or by endorsement and delivery, actionable claims, bills, bills of exchange, earnest monies and sundry debts, financial assets, investment and shares in entities, loans and advances, prepaid expenses, promissory notes, outstanding or recoverable in cash or in kind or for value to be received, receivables, funds, credits, cash and bank balances and deposits including accrued interest thereto with Governmental Authorities and other authorities and bodies, banks, customers and other persons, the benefits of any bank guarantees, performance guarantees and Tax Assets;

5.23 **"National Company Law Tribunal" or "NCLT"** means the National Company Law Tribunal at Ahmedabad having jurisdiction in relation to the Companies and/ or the **National Company Law Appellate Tribunal ("NCLAT")** as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under sections 230 to 232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 232 of the Act as may be applicable;

5.24 **"Parties"** means collectively the Demerged Company, Resulting Company/Transferee Company, Transferor Company and **"Party"** shall mean each of them, individually;

5.25 **"Permissions" or "Permits"** means without limitation, all advantages, allotments and interest entitlements, approvals (including environmental approvals, quality approvals, approval for commissioning of project etc.), authorities, awards, benefits (including income tax benefits, indirect tax benefits, service tax benefits), certificates (including no objection certificates), certifications (including quality certifications), clearances, concessions (including Tax concessions), consents (including environmental consents), contractor/tender pre-qualifications, credits



(including Tax credits such as export incentives, credits in respect of income tax, sales tax, VAT, GST, turnover tax, excise duty, service tax, etc), scrips, duty drawbacks, exemptions (including the right to deduction for the residual period, i.e., for the period remaining as on the Demerger Appointed Date out of the total period for which the deduction is available in law, if any), facilities, holiday/ benefit related to Tax (including income tax), incentives (including Tax incentives such as incentives, export incentives, in respect of income tax, sales tax, VAT, GST, turnover tax, excise duty and service tax), liberties, licenses, depreciation, deductions, losses (including Tax losses), permissions (including statutory and regulatory permissions), permits, powers of attorney, powers, privileges, quotas, registrations, right of way, rights, budgetary support under GST, sanctions, special status, subsidies, Tax deferrals and exemptions and other benefits (in each case including the benefit of any applications made for the same) and title, of every kind and description of whatsoever nature and the benefits thereto, allotted/granted/ issued/ given/ sanctioned by any Governmental Authority or any person;

- 5.26 **"Person"** means 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 unlimited liability company, an unlimited liability partnership firm, union, association or Governmental Authority or other entity that may be treated as a person under Applicable Laws;
- 5.27 **"Proceedings"** shall mean without limitation, all actions, demands, litigation, suits, appeals, assessments, arbitrations, legal, taxation, recovery or other proceedings of whatever nature, whether criminal or civil (including before any Governmental Authority), under any Applicable Law;
- 5.28 **"Registrar of Companies"** means the Registrar of Companies at Ahmedabad, Gujarat having jurisdiction over the Demerged Company, Resulting Company/Transferee Company and Transferor Company as the case may be;
- 5.29 **"Resulting Company" or "Transferor Company"** means Cosmos Impex (India) Private Limited (Corporate Identification Number U29255GJ1994PTC021035), a private limited company, incorporated on January 10, 1994, under the Companies Act, 1956, and having its registered office at Cosmos House 85/2, Atladra, Padra Road, Vadodara, Gujarat, India- 390012, registered with Registrar of Companies, Ahmedabad, Gujarat.



- 5.30 **"Retained Business of Demerged Company"** means all the undertakings, investments, businesses, activities and operations of Demerged Company, excluding the Demerged Undertaking.
- 5.31 **"Retained Business of Transferor Company"** means all the undertakings, investments, businesses, activities and operations of Transferor Company, excluding the Demerged Undertaking.
- 5.32 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Arrangement i.e., Demerger and Slump Sale in its present form as submitted to NCLT or this Scheme with such modification(s), if any made, as per Clause 33 of the Scheme;
- 5.33 **"Slump Sale"** means sale of an undertaking on a going concern basis as defined under Section 2(42C) of the Income Tax Act, 1961, for a lumpsum consideration without values being assigned to individual assets and liabilities;
- 5.34 **"Slump Sale Appointed Date"** shall mean the opening of business as on March 2nd, 2025 or such other date as may be mutually agreed by the Board of the Transferor Company and the Transferee Company and conveyed to the National Company Law Tribunal ("NCLT") in writing.
- 5.35 **"Tax" or "Taxes"** means and include any tax, whether direct or indirect, including buy back tax, central sales tax ("**CST**"), charges, customs duty, dividend distribution tax, duties (including stamp duties, excise duty, fees, foreign tax credit and equalization levy), goods and service tax ("**GST**"), income tax (including withholding tax ("**TDS**"), levies, local body taxes, octroi, service tax, tax collected at source ("**TCS**"), value added tax ("**VAT**"), or other similar assessments by or payable to any Governmental Authority, including in relation to (a) assets, capital gains, employment, entry, expenditure, foreign trade policy, gift, gross receipts, immovable property, imports, income, interest, licensing, movable property, municipal, payroll and franchise taxes, premium, profession, sales, services, transfer, use, wealth, withholding, and (b) any assessments, fines, interest, penalties or additions to Tax resulting from, attributable to or incurred in connection with any proceedings or late payments in respect thereof;
- 5.36 **"Tax Assets"** means without limitation, all Tax related assets whether present or future or contingent in nature under the applicable Tax Laws including but not limited to assets under the IT Act such as advance tax, TDS, TCS, minimum alternate tax credit, foreign tax credit, advance tax, self-assessment tax, regular assessment tax, GST input credits, service tax input credits, CENVAT credits, VAT/ sales tax/ entry tax credits or set-offs, all earnest monies, security deposits provisional payments, payment under protest or otherwise, and tax refunds and other assets of



every kind and of whatsoever nature including the benefits thereto, allotted/ granted/ issued/ given/ sanctioned by any Governmental Authority;

- 5.37 **"Tax Laws"** means Applicable Laws relating to Taxes;
- 5.38 **"Tax Liabilities"** means without limitation all Tax related liabilities whether present or deferred or future or contingent in nature under the applicable Tax Laws including but not limited to GST liability, service tax liabilities, VAT/ sales tax/ entry tax liability, liabilities under the IT Act, all earnest monies, security deposits provisional payments, payment under protest and any other Tax liabilities of whatsoever nature;
- 5.39 **"Tax Proceedings"** means any Proceedings under Tax Laws in relation to Taxes, Tax Returns, Tax Liabilities and/or Tax Assets;
- 5.40 **"Tax Return"** means any report, return, statement, claim for refund, declaration or other information filed or supplied, or required to be filed or supplied, to a Governmental Authority in connection with any Taxes under the applicable Tax Laws including but not limited to income tax returns, TDS / TCS certificates, TDS / TCS returns, GST returns, including any schedule or attachment thereto, and including any amendment thereof;
- 5.41 **"Transferee Company"** means Nexco Engitech Private Limited (Corporate Identification Number: U27900GJ2025PTC159636), a private company, incorporated on February 28, 2025, under the Act, and having its registered office at 85/2, Atladara, Padra Road, Vadodara, Atladara, Vadodara, Vadodara- 390012, Gujarat.
- 5.42 **"Transferred Employees"** means all employees, including fixed term hires and employees deputed on assignments whether in India or outside India, permanent employees, probationers, trainees and interns employed /engaged in connection with the Demerged Undertaking as on the Demerger Appointed Date, or which are otherwise determined by the Board of the Companies as being necessary for conduct of, or the activities or operations of, the Demerged Undertaking, including with respect to allocation of common employees engaged in the Demerged Undertaking as well as the Retained Business of Demerged Company.

6. INTERPRETATION

- 6.1 In this Scheme, unless inconsistent with the subject or context:
- 6.2 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 Act and other Applicable Law.
- 6.3 References to clauses, recitals, and schedules, unless otherwise provided, are to clauses, recitals, and schedules of and to this Scheme.



- 6.4 The headings herein shall not affect the construction of this Scheme.
- 6.5 Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, re-enacted, supplemented or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.
- 6.6 The singular shall include the plural and vice versa; and references to one gender includes all genders.
- 6.7 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 6.8 References to a person include any association, body corporate (whether incorporated), companies, firm, government, Governmental Authority, individual, organizations, partnership, state or agency of a state or any joint venture, third party, works council or employee representatives' body (whether or not having separate legal personality).
- 6.9 References in this Scheme to Rs. and INR are to Indian Rupees and USD or US\$ are to United States Dollar.

7. SHARE CAPITAL

- 7.1 The authorized, issued, subscribed and paid-up share capital of the Demerged Company as on September 30, 2024, is as under:

Particulars	Amount (INR)
Authorised Share Capital	
10,00,000 equity shares of INR 10 each	1,00,00,000
Total	1,00,00,000
Issued, Subscribed and Paid-up Share Capital	
7,17,586 equity shares of INR 10 each	71,75,860
Total	71,75,860

- 7.2 The authorized, issued, subscribed and paid-up share capital of the Resulting Company or Transferor Company as on September 30, 2024, is as under:

Particulars	Amount (INR)
Authorised Share Capital	
equity shares of INR 10 each	76,00,00,000



Total	76,00,00,000
Issued, Subscribed and Paid-up Share Capital	
equity shares of INR 10 each	74,23,49,990
Total	74,23,49,990

- 7.3 The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on September 30, 2024, is as under:

Particulars	Amount (INR)
Authorised Share Capital	
5,00,000 equity shares of INR 10 each	50,00,000
Total	50,00,000
Issued, Subscribed and Paid-up Share Capital	
10,000 equity shares of INR 10 each	1,00,000
Total	1,00,000

8. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

- 8.1 This Scheme in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal, shall become effective from the Appointed Date but shall be operative from the Effective Date 2.

PART - II: TRANSFER AND VESTING OF DEMERGED UNDERTAKING OF DEMERGED COMPANY INTO RESULTING COMPANY

9. TRANSFER AND VESTING OF DEMERGED UNDERTAKING INTO RESULTING COMPANY

- 9.1 Upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the Demerged Undertaking shall, without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in Resulting Company or be deemed to have been demerged from the Demerged Company and transferred to and vested in the Resulting Company as a going concern, so as to become as and from the Demerger Appointed Date, the undertaking of the Resulting Company without any further act or deed.

- 9.2 Upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, the Movable Assets forming part of the Demerged Undertaking, shall stand transferred by Demerged Company to Resulting Company pursuant to the provisions of Section 230 to 232 of the Act without requiring any deed or instrument of conveyance for 64



transfer of the same, and shall become the property of Resulting Company as an integral part of the Demerged Undertaking.

- 9.3 Without prejudice to the generality of Clause 9.2 and in respect of Movable Assets other than those dealt with in Clause 9.2 above, forming part of the Demerged Undertaking, shall stand transferred to and vested in Resulting Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act to the end and intent that the right of Demerged Company to recover or realize the same stands transferred to Resulting Company, and that appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to any person. Resulting Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said Movable Assets stand transferred to and vested in Resulting Company and be paid or made good or held on account of the Resulting Company as the person entitled thereto.

- 9.4 Without prejudice to the generality of the foregoing, all assets, estate, rights, title, interest and authorities held by the Demerged Company on the Demerger Appointed Date in relation to the Demerged Undertaking, not otherwise specified in Clauses 9.1, 9.2 and 9.3 above, shall also, with effect from the Demerger Appointed Date, without any further act, instrument or deed, stand transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.

- 9.5 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, all the rights, title, interest and claims of Demerged Company in any Immovable Assets forming part of the Demerged Undertaking, shall, pursuant to provisions of Section 230 to 232 of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in, Resulting Company on the same terms and conditions as applicable to the Demerged Company. The rights, title, interest and claims of Demerged Company in the Immovable Assets forming part of the Demerged Undertaking shall stand transferred to the Resulting Company either under the Scheme, or by way of a separate conveyance or agreement without payment of consideration.

- 9.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, all



Permissions issued to or granted to or executed in favour of Demerged Company, and the rights and benefits under the same, in so far as they relate to the Demerged Undertaking, all IP Rights of the Demerged Company forming part of the Demerged Undertaking and all Commercial Rights And Documents forming part of the Demerged Undertaking shall be transferred to and vested in or deemed to have transferred to or vested in Resulting Company and the concerned grantors, licensors and executors of the Permissions, IP Rights and Commercial Rights And Documents shall, as necessary, endorse, transfer to, amend to include, novate in favour of, substitute and/or record, in accordance with law, Resulting Company on Permissions, IP Rights and Commercial Rights And Documents as to empower and facilitate the approval and vesting of the Demerged Undertaking in Resulting Company and continuation of operations forming part of Demerged Undertaking in Resulting Company without hindrance and that such Permissions, IP Rights and Commercial Rights And Documents shall remain in full force and effect in favour of or against Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of Demerged Company, Resulting Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any person (including any third party or Governmental Authority) is required to give effect to the provisions of this Scheme, the said any person (including any third party or Governmental Authority) shall take on record the drawn up order of the NCLT sanctioning the Scheme and undertake all necessary acts required to ensure that there is no break in the validity and enforceability of Permissions, IP Rights and Commercial Rights And Documents in each case by the Resulting Company in respect of the Demerged Undertaking. Resulting Company shall be entitled to undertake and carry out the business pertaining to the Demerged Undertaking pursuant to the effectiveness of this Scheme in accordance with Clause 34 on its own account pending the transfer of any Permissions, IP Rights and Commercial Rights And Documents (in each case in respect of the Demerged Undertaking) in the name of the Resulting Company and would be entitled to make any applications, requests and the like in this regard including for endorsement, transfer, amendment, novation, substitution and/or recording in the name of Resulting Company.

- 9.7 All Permissions allotted/granted/issued/given/sanctioned to Demerged Company by any Governmental Authority or by any other person or enjoyed by or availed of by the Demerged Company in so far as they relate to the Demerged Undertaking shall, without any further act or deed, vest with and be available to Resulting Company on the same terms and



conditions as if the same had been allotted/granted/ issued/ given/sanctioned to Resulting Company .

9.8 Upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, all Liabilities of Demerged Company forming part of the Demerged Undertaking ("**Demerged Liabilities**") shall without any further act, instrument or deed be transferred to Resulting Company and shall thereupon become the Liabilities of Resulting Company which it undertakes to redeem, repay, meet, discharge and satisfy to the exclusion of Demerged Company such that Demerged Company shall in no event be responsible or liable in relation to any such Demerged Liabilities. Resulting Company shall keep Demerged Company indemnified at all times from and against all such Liabilities and from and against all Proceedings in respect thereto. It shall not be necessary to obtain the consent of any person who is a party to any Permissions, Commercial Rights And Documents or Arrangements by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

9.9 In so far as Liabilities (including loans and borrowings) of Demerged Company are concerned, the Liabilities and such amounts pertaining to the Liabilities, if any, which are to be transferred to Resulting Company in terms of Clause 9 hereof, shall, without any further act or deed, become Liabilities of Resulting Company, and all rights, powers, Liabilities in relation thereto shall stand transferred to and vested in and shall be exercised by or against Resulting Company as if it had entered into or incurred such Liabilities. Thus, the primary obligation to redeem, repay, meet, discharge and satisfy such Liabilities shall be that of Resulting Company.

9.10 Where any of the Liabilities of Demerged Company as on the Demerger Appointed Date which are deemed to be transferred to Resulting Company , have been partially or fully redeemed, repaid, met, discharged or satisfied by Demerged Company after the Demerger Appointed Date, such redemption, repayment, meeting, discharging and satisfaction shall be deemed to have been for and on account of Resulting Company and all Liabilities incurred by Demerged Company for the operations of the Demerged Undertaking after the Demerger Appointed Date shall be deemed to have been incurred for and on behalf of Resulting Company and to the extent they are outstanding on the effectiveness of the Scheme in accordance with Clause 34, shall also without any further act or deed be and stand transferred to Resulting Company and shall become the Liabilities of Resulting Company.



9.11 In so far as the existing Encumbrances in respect of the Demerged Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets (including Movable Assets and Immovable Assets) comprised in the Demerged Undertaking which have been Encumbered in respect of the Demerged Liabilities as transferred to Resulting Company pursuant to this Scheme. Provided that if any of the assets (including Movable Assets and Immovable Assets) comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Demerged Liabilities, such assets (including Movable Assets and Immovable Assets) shall remain un-Encumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets (including Movable Assets and Immovable Assets). The absence of any formal amendment which may be required by a lender or trustee or person shall not affect the operation of the above.

9.12 Subject to the other provisions of this Scheme, in so far as the assets (including Movable Assets and Immovable Assets) forming part of the Demerged Undertaking are concerned, the Encumbrances, over such assets (including Movable Assets and Immovable Assets), to the extent they relate to any Liabilities of the Demerged Company pertaining to the Retained Business of Demerged Company shall, as and from the effectiveness of the Scheme in accordance with Clause 34, and with effect from the Demerger Appointed Date without any further act, instrument or deed be released and discharged from the same and shall no longer be available as Encumbrances in relation to Liabilities of Demerged Company pertaining to the Retained Business of Demerged Company which are not transferred to Resulting Company pursuant to the Scheme (and which shall continue with Demerged Company).

9.13 In so far as the assets (including Movable Assets and Immovable Assets) of the Retained Business of Demerged Company are concerned, the Encumbrances over such assets (including Movable Assets and Immovable Assets), to the extent they relate to any Liabilities forming part of the Demerged Undertaking shall, without any further act, instrument or deed be released and discharged from such Encumbrances. The absence of any formal amendment which may be required by a lender or trustee or person in order to give effect to such release shall not affect the operation of this Clause 9.13.

9.14 In so far as the existing Encumbrances in respect of Liabilities relating to the Retained Business of Demerged Company are concerned, such Encumbrances shall, without any further act, instrument or deed be



continued with Demerged Company only on the assets (including Movable Assets and Immovable Assets) relating to the Retained Business of Demerged Company and the assets (including Movable Assets and Immovable Assets) of the Demerged Undertaking shall stand released therefrom.

9.15 Without any prejudice to the provisions of the foregoing Clauses, Demerged Company and Resulting Company shall enter into and execute such other deeds, instruments, documents and/ or writings and/ or do all acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the provisions of this Clause 9, if required.

9.16 Subject to Clause 34 and with effect from the Demerger Appointed Date, Demerged Company alone shall be liable to redeem, repay, meet, discharge and satisfy all Liabilities pertaining to the Retained Business of Demerged Company and Resulting Company shall not have any Liabilities of the Retained Business of Demerged Company. Further, subject to the effectiveness of this Scheme in accordance with Clause 34 and with effect from the Demerger Appointed Date, Resulting Company alone shall be liable to redeem, repay, meet, discharge and satisfy Demerged Liabilities, which have been transferred to it in terms of this Scheme, and Demerged Company shall not have any Demerged Liabilities.

9.17 The foregoing provisions shall operate, notwithstanding anything to the contrary contained in Commercial Rights And Documents (including any instrument, deed or writing or the terms of sanction or issue or any security documents), all of which shall be deemed to have been modified and/ or superseded by the provisions of this Clause 9.

9.18 It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the Demerged Liabilities transferred to the Resulting Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

9.19 All cheques and other negotiable instruments, pay orders, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of Demerged Company after the effectiveness of this Scheme in accordance with Clause 34, in so far as the same forms part of the Demerged Undertaking, shall be deemed to have been in the name of Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company or received through electronic transfers and shall be accepted by the relevant bankers and



credited to the accounts of the Resulting Company. Similarly, the banker(s) of Resulting Company shall honour all cheques, negotiable instruments, pay orders, electronic fund transfer instructions issued by Demerged Company (in relation to the Demerged Undertaking) for payment after the effectiveness of this Scheme in accordance with Clause 34. If required, the bankers of Demerged Company and/ or Resulting Company shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of Demerged Company by Resulting Company in relation to the Demerged Undertaking for such time as may be determined to be necessary by the Board of Demerged Company and Resulting Company for presentation and deposit of cheques, negotiable instruments, pay order and electronic transfers that have been issued/ made in the name of Demerged Company.

- 9.20 On and from the date of effectiveness of this Scheme in accordance with Clause 34, Resulting Company shall have access to and benefit of all Books and Records in relation to the Demerged Undertaking which the Demerged Company has the access to and benefit of.

10. CONSIDERATION FOR DEMERGER

- 10.1 On the date of effectiveness of this Scheme, in accordance with Clause 34, and in consideration for the Demerger of the Demerged Undertaking pursuant to Clause 9 of this Scheme, Resulting Company shall issue and allot 4960 equity shares of face value of INR 10 each, credited as fully paid up, to all the shareholders of the Demerged Company in proportion to 100 equity shares held by them in the Demerged Company of face value of INR 10 each ("**Share Entitlement Ratio**") in accordance with Section 2(19AA) of the IT Act, 1961 and other provisions of the Applicable Law.

In case any member's shareholding in the Demerged Company is such that on the basis of the aforesaid, the member is entitled to a fraction of shares, such fractional entitlements may be dealt with in a manner as the Board may deem fit to be in the best interests of the shareholders of the Demerged Company and the Resulting Company.

- 10.3 The equity shares to be issued to the members of the Demerged Company as above shall be subject to the provisions of memorandum of association and articles of association of the Resulting Company and shall rank pari passu with the existing equity shares of the Resulting Company in all respects.

11. ACCOUNTING TREATMENT

In the books of the **Demerged Company**



11.1.1 Notwithstanding anything contained in any other clause in the Scheme, on the effectiveness of the Scheme in accordance with Clause 34, the Demerged Company shall give effect to the Demerger in its books of account in accordance with applicable Accounting Standard, as notified under Section 133 of the Act, as may be amended from time to time.

11.1.2 The Demerged Company shall reduce from its books of accounts, the carrying amount of assets (including Movable assets and Immovable assets) and Liabilities pertaining to the Demerged Undertaking transferred to and vested in the Resulting Company.

11.1.3 The difference, i.e., the excess or shortfall, as the case may be, of the value of assets transferred over the value of Liabilities transferred pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to the Scheme shall be adjusted against Reserves and Surplus of the Demerged Company.

11.2 In the books of the **Resulting Company**:

11.2.1 On the Scheme taking effect, Resulting Company shall account for the Demerger of the Demerged Undertaking to Resulting Company in its books of accounts with effect from the Demerger Appointed Date as under:

11.2.2 In the absence of authoritative and specific guidance on Demerger accounting, the Resulting Company shall account for Demerger of the Demerged Undertaking to the Resulting Company in its books of accounts in compliance with the generally accepted accounting principles.

11.2.3 Accordingly, the Resulting Company shall account for the Demerger by allocating the consideration to individual identifiable assets and liabilities of the Demerged Undertaking on the basis of their fair values at the Demerger Appointed Date. The identifiable assets and liabilities may include assets and liabilities not recorded in the financial statements of the Demerged company.

11.2.4 The difference between the aggregate of the consideration paid over the value of Net Assets of the Demerged Undertaking and after giving effect to Clause 11.2.5 shall be treated as goodwill in the books of the Resulting Company. If the amount of aggregate of the consideration transferred is less than amount of Net Assets of the Demerged Undertaking and after giving effect to Clause 11.2.5 shall be treated as capital reserve.

11.2.5 All inter-company balances and obligations (including investments held by the Resulting Company in the Demerged Company, loans and advances, outstanding balances or other obligations) between the Resulting Company and Demerged Company shall be cancelled and there shall be no obligation/ outstanding in that behalf.



11.2.6 The Resulting Company shall issue and allot equity shares to shareholders of Demerged company in accordance with clause 10 and credit the aggregate face value of such equity shares to its share capital account.

11.2.7 In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference, if any, will be quantified and shall be adjusted in the Reserves, to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy;

11.2.8 Notwithstanding the above, the Board of the Resulting Company in consultation with its statutory auditors, is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit in accordance with the prescribed accounting standards as applicable to Resulting Company.

12. CONDUCT OF DEMERGED UNDERTAKING OF DEMERGED COMPANY TILL THE EFFECTIVENESS OF THE SCHEME

12.1 In the period (if any) between the Demerger Appointed Date and effectiveness of the Scheme in accordance with Clause 34:

12.1.1 the Demerged Company shall be deemed to be carrying on its business and activities relating to the Demerged Undertaking, and shall be deemed to hold and possess of all its estates, properties, rights, title, interest, Arrangements, Permissions, Commercial Rights and Documents and investments and assets (including Movable Assets and Immovable Assets) forming part of the Demerged Undertaking, for, on account of, and in trust for Resulting Company.

12.1.2 any of the rights, powers, authorities or privileges attached, related or forming part of the Demerged Undertaking, exercised by the Demerged Company shall be deemed to have been exercised by Demerged Company for and on behalf of, and in trust for Resulting Company.

12.1.3 any of the Liabilities attached, related or forming part of the Demerged Undertaking that have been undertaken, redeemed, repaid, met, discharged and satisfied by Demerged Company shall be deemed to have been undertaken, redeemed, repaid, met, discharged and satisfied for and on behalf of Resulting Company.

12.2 With effect from the date of approval of this Scheme by the respective Board and up to and including its effectiveness in accordance with Clause 34:

12.2.1 Demerged Company undertakes that it will preserve and carry on the business of the Demerged Undertaking and hold its said assets (including



Movable Assets and Immovable Assets) with reasonable diligence and business prudence and shall not undertake Liabilities in respect of, or sell, transfer, alienate, charge, mortgage, or Encumber, the Demerged Undertaking or any part thereof or recruit new employees or conclude settlements with union or employees without the concurrence of Resulting Company or undertake substantial expansion or change the general character or nature of the business of the Demerged Undertaking or any part thereof save and except in each case:

- a) if the same is in its ordinary course of business; or
- b) if the same is expressly permitted by this Scheme; or
- c) if the prior written consent of the Resulting Company has been obtained;

12.2.2 Demerged Company shall not vary the terms and conditions of employment of any of the employees in relation to the Demerged Undertaking except in the ordinary course of business or with the prior written consent of Resulting Company;

12.2.3 Neither Demerged Company nor Resulting Company shall take, enter into, perform or undertake, as applicable:

- (i) any material decision in relation to its business and affairs and operations as forming part of Demerged Undertaking,
- (ii) any Arrangements, Commercial Rights And Documents or transaction, unless it is in the ordinary course of business as carried on by it, or if the same is expressly permitted by this Scheme, or prior written consent of the Board of the other Company is obtained or is as mutually agreed between Demerged Company and Resulting Company in writing.

12.3 Demerged Company and Resulting Company shall be entitled, pending sanction of the Scheme, to apply to the Central/ State Government and all other Governmental Authorities concerned as are necessary under any Applicable Law or rules for such Permissions, which may be required pursuant to this Scheme.

12.4 All the profits or income accruing or arising to Demerged Company and expenditure or losses arising or incurred or suffered by Demerged Company which form part of Demerged Undertaking, for the period (if any) between the Demerger Appointed Date and the effectiveness of the Scheme in accordance with Clause 34 shall, for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of Resulting Company, except for income or profits or losses or expenditure accruing to the Retained Business of Demerged Company. Subject to the foregoing, the Demerged Company shall be entitled to declare and pay dividends, whether interim or final,



to their shareholders in respect of the accounting period prior to the Demerger Appointed Date.

- 12.5 Upon the effectiveness of this Scheme in accordance with Clause 34, Resulting Company shall commence and carry on and shall be authorized to carry on the Engineering Business which was earlier carried on by Demerged Company.

13. EMPLOYEES (INCLUDING WORKMEN)

- 13.1 With effect from the Effective Date 1, the Resulting Company undertakes to engage, without any interruption in service, all employees forming part of the Demerged Undertaking, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company immediately prior to the Effective Date 1. The Resulting Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The Resulting Company agrees that the services of all such employees with the Demerged Company prior to the Demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking, shall be decided mutually by the Board of the Demerged Company and Resulting Company, and shall be final and binding on all concerned.

- 13.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Resulting Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged Company.

- 13.3 In so far as the existing benefits or funds created by the Demerged Company for the employees of the Retained Business of Demerged Company are concerned, the same shall continue and Demerged Company shall continue to contribute to such benefits or funds in



accordance with the provisions thereof, and such benefits or funds, if any, shall subject to Clause 13.2 above, be held inter alia for the benefit of the employees of the Retained Business of Demerged Company and Resulting Company shall have no Liability in respect thereof.

14. LEGAL PROCEEDINGS

14.1 Upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, all Proceedings (including but not limited to Tax Proceedings) by or against Demerged Company in relation to Demerged Undertaking whether pending on the Demerger Appointed Date or which may be instituted any time thereafter, the same 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 Proceedings may be continued, prosecuted and enforced by or against Resulting Company, as the case may be in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Demerged Company in relation to Demerged Undertaking as if this Scheme had not been made.

14.2 In case of any Proceedings which are to be initiated or may be initiated by or against Demerged Company to the extent it pertains to Demerged Undertaking, Resulting Company shall be made party thereto and shall prosecute or defend such Proceedings in co-operation with Demerged Company and any (i) payment and expenses made thereto shall be the Liability of Resulting Company and the Resulting Company shall reimburse and indemnify the Demerged Company against all Liabilities incurred by the Demerged Company in respect thereof.; and (ii) payment received as recovery/refund by the Demerged Company in relation to such Proceedings shall be transferred to Resulting Company .

14.3 Resulting Company undertakes to have all Proceedings initiated by or against Demerged Company referred to in Clause 14.1 above transferred to its name as soon as is reasonably possible after the effectiveness of this Scheme in accordance with Clause 34 and to have the same continued, prosecuted and enforced by or against Resulting Company to the exclusion of Demerged Company to the extent permissible under the Applicable Law. Both Companies shall make relevant applications in that behalf.

14.4 In case of any Proceedings which are initiated or to be initiated or may be initiated by or against Demerged Company in relation to Demerged Undertaking, which is the responsibility of the Resulting Company and for which the Resulting Company has not been made a party in accordance with Clause 14.2 or which has not be transferred to the name



of Resulting Company in accordance with Clause 14.3, the Demerged Company shall (unless the Board of Resulting Company and Demerged Company shall determine to otherwise assign control of a Proceeding) defend the same in good faith and in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the Resulting Company shall reimburse and indemnify the Demerged Company against all Liabilities incurred by the Demerged Company in respect thereof, and in the event the Demerged Company receives any recovery/refund of claim in relation to such Proceedings, it will transfer such amount to the Resulting Company.

- 14.5 In case of any Proceedings which are to be initiated or may be initiated by or against Resulting Company in relation to Retained Business of Demerged Company, which is the responsibility of the Demerged Company, the Demerged Company shall be made party thereto and shall prosecute or defend such Proceedings in co-operation with Resulting Company. In case where Demerged Company has not been made a part thereto in accordance with this Clause 14.5, the Resulting Company shall (unless the Board of Resulting Company and Demerged Company shall determine to otherwise assign control of a Proceeding) prosecute or defend the same in good faith and in accordance with the advice of the Demerged Company and any (i) payment and expenses made thereto shall be the Liability of Demerged Company and the Demerged Company shall reimburse and indemnify the Resulting Company against all Liability incurred by the Resulting Company in respect thereof; and (ii) payment received as recovery/refund by the Resulting Company shall be transferred to Demerged Company.

15. CONTRACTS, DEEDS, ETC.

- 15.1 Upon the effectiveness of this Scheme in accordance with Clause 34 and with deemed effect from the Demerger Appointed Date and subject to the other provisions of this Scheme, all Commercial Rights And Documents and Arrangements, if any, of whatsoever nature forming part of the Demerged Undertaking to which Demerged Company is a party or to the benefit of which Demerged Company is eligible and which is subsisting or having effect on the Demerger Appointed Date, shall without any further act or deed, continue in full force and effect against or in favour of Resulting Company and may be enforced by or against Resulting Company as fully and effectually as if, instead of Demerged Company, Resulting Company had been a party thereto. It shall not be necessary to obtain the consent of any person or other person who is a party to any



such Commercial Rights And Documents and Arrangements to give effect to the provisions of this Clause 15.1 of the Scheme.

15.2 Resulting Company may at its sole discretion enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any Arrangements (including tripartite agreements), confirmations or novation, to which Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. Resulting Company shall be deemed to be authorized to execute any such deeds, writings or confirmations or enter into any Arrangements (including tripartite agreements), confirmations or novation on behalf of Demerged Company for the Demerged Undertaking and to implement or carry out all formalities required to give effect to the provisions of this Scheme.

15.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, Permissions given by, issued to or executed in favour of Demerged Company in relation to the Demerged Undertaking, including by any Governmental Authority, including the benefits of any applications made for any of the foregoing, shall stand transferred to Resulting Company as if the same were originally given by, issued to or executed in favour of Resulting Company, and the Resulting Company shall be bound by the terms thereof, the Liabilities thereunder, and the rights and benefits under the same shall be available to Resulting Company. Resulting Company shall make necessary applications/ file relevant forms to any Governmental Authority as may be necessary in this behalf.

15.4 Without prejudice to the aforesaid, it is clarified that if any assets (including Movable Assets and Immovable Assets) and including estate, claims, rights, title, interest in or Permissions relating to such assets (including Movable Assets and Immovable Assets) or any Commercial Rights And Documents and Arrangements in relation to the Demerged Undertaking which Demerged Company owns or to which Demerged Company is a party to, cannot be transferred to Resulting Company for any reason whatsoever, Demerged Company shall hold such asset (including Movable Assets and Immovable Assets) or Commercial Rights And Documents or Arrangements in trust for the benefit of Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.

16. SAVING OF CONCLUDED TRANSACTIONS

16.1 Subject to the terms of the Scheme, the transfer of the Demerged Undertaking into Resulting Company under Clause 9 above and the continuance of Proceedings by or against Resulting Company under



Clause 14 above shall not affect any transaction or Proceedings already concluded by Demerged Company for the Demerged Undertaking before the effectiveness of this Scheme in accordance with Clause 34, to the end and intent that Resulting Company accepts and adopts all acts, deeds and things done and executed by Demerged Company for the Demerged Undertaking in respect thereto as acts, deeds and things made, done and executed by or on behalf of Resulting Company before the effectiveness of this Scheme in accordance with Clause 34.

17. TAXES/ DUTIES/ CESS ETC.

17.1 Subject to Clause 34 and with effect from the Demerger Appointed Date, all Tax Assets and Tax Liabilities relating to the Demerged Undertaking as on the Demerger Appointed Date shall, without any further act, instrument or deed, be and stand transferred to Resulting Company to the extent permissible under applicable Tax Laws. In case any Tax Asset or Tax Liability is not transferrable to Resulting Company on account of Applicable Laws or practical difficulties, the Demerged Company shall be deemed to have received such Tax Asset or met/discharged/satisfied such Tax Liability on behalf of Resulting Company and any such amount shall be paid to or recovered from Resulting Company, as the case may be.

17.2 Subject to Clause 34 and with effect from the Demerger Appointed Date, any Tax related Permissions, whether allotted, granted, sanctioned, or allowed by a Governmental Authority, or enjoyed, or availed of, by the Demerged Company, in so far as they relate to, or are available for, the operations and activities of the Demerged Undertaking shall, without any further act or deed, vest with, and be enjoyed by or available to the Resulting Company on the same terms and conditions, as if the same had been allotted, granted, sanctioned or allowed to the Resulting Company.

17.3 Each of the Demerged Company and the Resulting Company shall be entitled to file or amend its Tax Returns notwithstanding that the period for filing or amending such Tax Returns may have lapsed and to obtain TDS / TCS certificates, including TDS / TCS certificates relating to transactions between or amongst the Demerged Company and the Resulting Company and shall have the right to claim refunds, advance tax credits, input tax credit, credits of all Taxes paid/ withheld, if any, as may be required on effectiveness of the Scheme in accordance with Clause 34.

17.4 Subject to Clause 34 and with effect from the Demerger Appointed Date, any refund of Tax received by Demerged Company on or after the Demerger Appointed Date relating to the Demerged Undertaking of



Demerged Company consequent to any Tax Proceedings made on Demerged Company shall be deemed to have been received on behalf of Resulting Company and any such amount shall be paid to Resulting Company.

17.5 Subject to Clause 34 and with effect from the Demerger Appointed Date, the Demerged Company makes any payment to redeem, repay, meet, discharge or satisfy any Tax Liabilities relating to the Demerged Undertaking consequent to any Tax Proceedings made on Demerged Company, Demerged Company shall be deemed to have redeemed, repaid, met, discharged or satisfied such Tax Liability on behalf of Resulting Company and any such amount shall be recovered from Resulting Company.

17.6 All Taxes paid or payable by the Demerged Company, in respect of the operations and/ or the profits of the Demerged Undertaking on and from the Demerger Appointed Date, shall be on account of the Resulting Company. Any Tax payments whether by way of TDS, TCS, foreign tax credit, minimum alternate tax, advance tax, self-assessment tax, regular assessment tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever by the Demerged Company in respect of the operations and/ or the profits of the Demerged Undertaking on and from the Demerger Appointed Date, shall be deemed to be paid on behalf of Resulting Company and any such amount shall be recovered from Resulting Company where the payment has been made by the Demerged Company.

17.7 Taxes, if any, paid or payable by the Demerged Company after the Demerger Appointed Date and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.

17.8 Any refund under the Tax Laws due to the Demerged Company pertaining to the Demerged Undertaking consequent to the assessments made on the Demerged Company and for which no credit is taken in the accounts as on the date immediately preceding the Demerger Appointed Date shall belong to and be received by the Resulting Company. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Resulting Company upon the passing of the orders on this Scheme.

17.9 If the Demerged Company is entitled to any unutilised credits (including balances or advances), benefits under the incentive schemes and policies or concessions relating to the Demerged Undertaking under any Tax Laws or Applicable Laws, the Resulting Company shall be entitled as an



integral part of the Scheme to claim such benefit or incentives or unutilized credits (including but not limited to input tax credit) as the case may be without any specific approval or permission.

- 17.10 It is clarified that all the Taxes including withholding taxes, taxes deducted / collected at source and duties paid or payable by the Demerged Company in relation to Demerged Undertaking, from the Demerger Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax and / or duty liabilities or refunds and claims of the Resulting Company. It is also clarified that withholding taxes deducted / taxes collected on behalf of Demerged Company in relation to Demerged Undertaking, from the Appointed Date onwards, shall be treated as withholding taxes deducted / taxes collected on behalf of the Resulting Company and the credit of the same shall be available to the Resulting Company. Accordingly, upon the Scheme becoming effective, pursuant to the provisions of this Scheme, the Demerged Company and the Resulting Company are expressly permitted to file their respective income-tax, sales tax, GST, value added tax, turnover tax, excise duty, service tax, customs and any other return(s) (including revised returns) to claim advance tax, withholding tax, taxes deducted / collected at source, refunds / credits. Notwithstanding the above tax compliances (including payment of taxes, maintenance of records, payments, returns, etc.) carried out by the Demerged Company in respect of the Demerged Undertaking from the Appointed Date up to the Effective Date 1 should be considered as adequate compliance by the Resulting Company and the Resulting Company should be considered to have met its obligations under respective tax legislations.

- 17.11 Any actions taken by the Demerged Company to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) in respect of the Demerged Undertaking shall constitute or shall be deemed to constitute adequate compliance by the Resulting Company with the relevant obligations under such Tax Laws.

- 17.12 Any unutilized GST credits pertaining to the Demerged Undertaking and available in the electronic input GST credit ledger of the Demerged Company maintained by GSTN or as per the Demerged Company's books of accounts, whichever is lower, shall be transferred by the Demerged Company to the Resulting Company in accordance with Applicable Laws. The Demerged Company and the Resulting Company shall take such actions as may be necessary under Applicable Law to effect such transfer. GST credits and GST Liability pertaining to the activities or operations of the Demerged Undertaking in the period (if any) after the Demerger Appointed Date and before the effectiveness of this Scheme in accordance



with Clause 34 shall be dealt with in accordance with Applicable Laws. Further, GST Liability shall be paid in accordance with applicable GST provisions and reported by the relevant entity as per the relevant GST legislations.

- 17.13 All exemptions, benefits, allowances, deductions, and rebates under the IT Act in relation to the Demerged Undertaking (including right to admissibility of claim under Sections 40, 40A, 43B of the IT Act or any deduction becoming admissible in the period after the Demerger Appointed Date on redemption, repayment, meeting, discharge or satisfaction of Liabilities pertaining to Demerged Undertaking) shall be available to and vest in Resulting Company, upon this Scheme coming into effect in accordance with Clause 34, unless required to be claimed by the Demerged Company under Applicable law.

18. RETAINED BUSINESS OF THE DEMERGED COMPANY

- 18.1 The Retained Business of Demerged Company and all the assets (including Movable Assets and Immovable Assets), Permissions, Arrangements, IP Rights, Commercial Rights And Documents and Liabilities pertaining thereto shall going forward belong to and be vested in and be managed by Demerged Company, and Resulting Company shall have no right, claim or Liabilities in relation to the Retained Business of Demerged Company.

- 18.2 All Proceedings by or against Demerged Company under any Applicable Law, whether relating to the period prior to or after the Demerger Appointed Date and whether pending on the Demerger Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the effectiveness of this Scheme in accordance with Clause 34 and relating to the Retained Business of Demerged Company (including those relating to any assets (including Movable Assets and Immovable Assets), Permissions, Arrangements, IP Rights, Commercial Rights And Documents and Liabilities (including Tax Liabilities) of Demerged Company in respect of the Retained Business of Demerged Company shall be continued and enforced by or against Demerged Company even after the effectiveness of this Scheme in accordance with Clause 34.

- 18.3 After the date on which the Demerged Company and Resulting Companies approve this Scheme and until the effectiveness of this Scheme in accordance with Clause 34:

- 18.3.1 Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Retained Business of Demerged Company for and on its own behalf;



- 18.3.2 all profits accruing to Demerged Company or losses arising or incurred by it (including the effect of Taxes, if any, thereon) relating to the Retained Business of Demerged Company shall, for all purposes, be treated as the profits or losses, as the case may be, of Demerged Company;
- 18.3.3 all assets (including Movable Assets and Immovable Assets), Liabilities and properties acquired by Demerged Company in relation to the Retained Business of Demerged Company on and after the Demerger Appointed Date shall belong to and continue to remain vested in Demerged Company; and
- 18.3.4 all employees relatable to the Retained Business of Demerged Company shall continue to be employed by Demerged Company and Resulting Company shall not in any event be liable or responsible for any claims whatsoever regarding such employees.



**PART - III SLUMP SALE OF DEMERGED UNDERTAKING FROM TRANSFEROR
COMPANY TO TRANSFeree COMPANY**

19. TRANSFER OF DEMERGED UNDERTAKING

19.1 For the purposes of this Part III, "Immediately upon effectiveness of Part II of the Scheme" will be determined mutually by the Board of Directors of the Transferor Company and the Transferee Company.

19.2 With effect from the Slump Sale Appointed Date and Immediately upon effectiveness of Part II of the Scheme, the Demerged Undertaking, together with its assets, properties, liabilities, rights, benefits and interests therein, shall, pursuant to the provisions of Sections 230 to 232 of the Act and other provisions under the Act, as may be applicable, and without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in the Transferee Company, free of charges, on a going concern basis in consideration for the issuance of the Transferee Company's shares and debentures as set out hereinafter in this Part III of the Scheme, so as to vest in the Transferee Company, all rights, title and interest pertaining to the Demerged Undertaking.

20. TRANSFER AND VESTING OF DEMERGED UNDERTAKING INTO TRANSFeree COMPANY

20.1 Without prejudice to the generality of Clause 19.1 above, upon the Scheme becoming effective, and with effect from the Slump Sale Appointed Date and Immediately upon effectiveness of Part II of the Scheme:

20.1.1 Upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the Demerged Undertaking shall, without any further act or deed, be transferred to and vested in Transferee Company or be deemed to have been transferred from the Transferor Company and transferred to and vested in the Transferee Company as a going concern, so as to become as and from the Slump Sale Appointed Date, the undertaking of the Transferee Company without any further act or deed.

20.1.2 Upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, the Movable Assets forming part of the Demerged Undertaking, shall stand transferred by Transferor Company to Transferee Company pursuant to the provisions of Section 230 to 232 of the Act without requiring any deed or instrument of conveyance for



transfer of the same, and shall become the property of Transferee Company as an integral part of the Demerged Undertaking.

20.1.3 Without prejudice to the generality of Clause 20.1.2 and in respect of Movable Assets other than those dealt with in Clause 20.1.2 above, forming part of the Demerged Undertaking, shall stand transferred to and vested in Transferee Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act to the end and intent that the right of Transferor Company to recover or realize the same stands transferred to Transferee Company, and that appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to any person. Transferee Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said Movable Assets stand transferred to and vested in Transferee Company and be paid or made good or held on account of the Transferee Company as the person entitled thereto.

20.1.4 Without prejudice to the generality of the foregoing, all assets, estate, rights, title, interest and authorities held by the Transferor Company on the Slump Sale Appointed Date in relation to the Demerged Undertaking, not otherwise specified in Clauses 20.1.1, 20.1.2 and 20.1.3 above, shall also, with effect from the Slump Sale Appointed Date, without any further act, instrument or deed, stand transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.

20.1.5 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, all the rights, title, interest and claims of Transferor Company in any Immovable Assets forming part of the Demerged Undertaking, shall, pursuant to provisions of Section 230 to 232 of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in, upon payment of applicable stamp duty and/or registration charges, Transferee Company on the same terms and conditions as applicable to the Transferor Company. The rights, title, interest and claims of Transferor Company in the Immovable Assets forming part of the Demerged Undertaking shall stand transferred to the Transferee Company either under the Scheme, or by way of a separate conveyance or agreement without payment of consideration.

20.1.6 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this



Scheme and with effect from the Slump Sale Appointed Date, all Permissions issued to or granted to or executed in favour of Transferor Company, and the rights and benefits under the same, in so far as they relate to the Demerged Undertaking, all IP Rights of the Transferor Company forming part of the Demerged Undertaking and all Commercial Rights And Documents forming part of the Demerged Undertaking shall be transferred to and vested in or deemed to have transferred to or vested in Transferee Company and the concerned grantors, licensors and executors of the Permissions, IP Rights and Commercial Rights And Documents shall, as necessary, endorse, transfer to, amend to include, novate in favour of, substitute and/or record, in accordance with law, Transferee Company on Permissions, IP Rights and Commercial Rights And Documents as to empower and facilitate the approval and vesting of the Demerged Undertaking in Transferee Company and continuation of operations forming part of Demerged Undertaking in Transferee Company without hindrance and that such Permissions, IP Rights and Commercial Rights And Documents shall remain in full force and effect in favour of or against Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any person (including any third party or Governmental Authority) is required to give effect to the provisions of this Scheme, the said any person (including any third party or Governmental Authority) shall take on record the drawn up order of the NCLT sanctioning the Scheme and undertake all necessary acts required to ensure that there is no break in the validity and enforceability of Permissions, IP Rights and Commercial Rights And Documents in each case by the Transferee Company in respect of the Demerged Undertaking. Transferee Company shall be entitled to undertake and carry out the business pertaining to the Demerged Undertaking pursuant to the effectiveness of this Scheme in accordance with Clause 34 on its own account pending the transfer of any Permissions, IP Rights and Commercial Rights And Documents (in each case in respect of the Demerged Undertaking) in the name of the Transferee Company and would be entitled to make any applications, requests and the like in this regard including for endorsement, transfer, amendment, novation, substitution and/or recording in the name of Transferee Company.

20.1.7 Upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, all Permissions allotted/ granted/ issued/ given/ sanctioned to Transferor Company by any Governmental Authority or by any other person or enjoyed by or availed of by the Transferor Company in



so far as they relate to the Demerged Undertaking shall, without any further act or deed, vest with and be available to Transferee Company on the same terms and conditions as if the same had been allotted/ granted/ issued/ given/ sanctioned to Transferee Company.

- 20.1.8 Upon the coming into effect of this Scheme and with effect from the Slump Sale Appointed Date, all Liabilities of Transferor Company forming part of the Demerged Undertaking ("**Demerged Liabilities**") shall without any further act, instrument or deed be transferred to Transferee Company and shall thereupon become the Liabilities of Transferee Company which it undertakes to redeem, repay, meet, discharge and satisfy to the exclusion of Transferor Company such that Transferor Company shall in no event be responsible or liable in relation to any such Demerged Liabilities. Transferee Company shall keep Transferor Company indemnified at all times from and against all such Liabilities and from and against all Proceedings in respect thereto. It shall not be necessary to obtain the consent of any person who is a party to any Permissions, Commercial Rights and Documents or Arrangements by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

- 20.1.9 In so far as Liabilities (including loans and borrowings) of Transferor Company are concerned, the Liabilities and such amounts pertaining to the Liabilities, if any, which are to be transferred to Transferee Company in terms of Clause 20 hereof, shall, without any further act or deed, become Liabilities of Transferee Company, and all rights, powers, Liabilities in relation thereto shall stand transferred to and vested in and shall be exercised by or against Transferee Company as if it had entered into or incurred such Liabilities. Thus, the primary obligation to redeem, repay, meet, discharge and satisfy such Liabilities shall be that of Transferee Company.

- 20.1.10 Where any of the Liabilities of Transferor Company as on the Slump Sale Appointed Date which are deemed to be transferred to Transferee Company, have been partially or fully redeemed, repaid, met, discharged or satisfied by Transferor Company after the Slump Sale Appointed Date, such redemption, repayment, meeting, discharging and satisfaction shall be deemed to have been for and on account of Transferee Company and all Liabilities incurred by Transferor Company for the operations of the Demerged Undertaking after the Slump Sale Appointed Date shall be deemed to have been incurred for and on behalf of Transferee Company and to the extent they are outstanding on the effectiveness of the Scheme in accordance with Clause 34, shall also without any further act or deed be and stand transferred to Transferee Company and shall become the Liabilities of Transferee Company.



20.1.11 In so far as the existing Encumbrances in respect of the Demerged Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets (including Movable Assets and Immovable Assets) comprised in the Demerged Undertaking which have been Encumbered in respect of the Demerged Liabilities as transferred to Transferee Company pursuant to this Scheme. Provided that if any of the assets (including Movable Assets and Immovable Assets) comprised in the Demerged Undertaking which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the Demerged Liabilities, such assets (including Movable Assets and Immovable Assets) shall remain un-Encumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets (including Movable Assets and Immovable Assets). The absence of any formal amendment which may be required by a lender or trustee or person shall not affect the operation of the above.

20.1.12 Subject to the other provisions of this Scheme, in so far as the assets (including Movable Assets and Immovable Assets) forming part of the Demerged Undertaking are concerned, the Encumbrances, over such assets (including Movable Assets and Immovable Assets), to the extent they relate to any Liabilities of the Transferor Company pertaining to the Retained Business of Transferor Company shall, as and from the effectiveness of the Scheme in accordance with Clause 34, and with effect from the Slump Sale Appointed Date without any further act, instrument or deed be released and discharged from the same and shall no longer be available as Encumbrances in relation to Liabilities of Transferor Company pertaining to the Retained Business of Transferor Company which are not transferred to Transferee Company pursuant to the Scheme (and which shall continue with Transferor Company).

20.1.13 In so far as the assets (including Movable Assets and Immovable Assets) of the Retained Business of Transferor Company are concerned, the Encumbrances over such assets (including Movable Assets and Immovable Assets), to the extent they relate to any Liabilities forming part of the Demerged Undertaking shall, without any further act, instrument or deed be released and discharged from such Encumbrances. The absence of any formal amendment which may be required by a lender or trustee or person in order to give effect to such release shall not affect the operation of this Clause.

20.1.14 In so far as the existing Encumbrances in respect of Liabilities relating to the Retained Business of Transferor Company are concerned, such Encumbrances shall, without any further act, instrument or deed be



continued with Transferor Company only on the assets (including Movable Assets and Immovable Assets) relating to the Retained Business of Transferor Company and the assets (including Movable Assets and Immovable Assets) of the Demerged Undertaking shall stand released therefrom.

20.1.15 Without any prejudice to the provisions of the foregoing Clauses, Transferor Company and Transferee Company shall enter into and execute such other deeds, instruments, documents and/ or writings and/ or do all acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the provisions of this Clause 20, if required.

20.1.16 Subject to Clause 34 and with effect from the Slump Sale Appointed Date, Transferor Company alone shall be liable to redeem, repay, meet, discharge and satisfy all Liabilities pertaining to the Retained Business of Transferor Company and Transferee Company shall not have any Liabilities of the Retained Business of Transferor Company. Further, subject to the effectiveness of this Scheme in accordance with Clause 34 and with effect from the Slump Sale Appointed Date, Transferee Company alone shall be liable to redeem, repay, meet, discharge and satisfy Demerged Liabilities, which have been transferred to it in terms of this Scheme, and Transferor Company shall not have any Demerged Liabilities.

20.1.17 The foregoing provisions shall operate, notwithstanding anything to the contrary contained in Commercial Rights and Documents (including any instrument, deed or writing or the terms of sanction or issue or any security documents), all of which shall be deemed to have been modified and/ or superseded by the provisions of this Clause 20.

20.1.18 It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the Demerged Liabilities transferred to the Transferee Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

20.1.19 All cheques and other negotiable instruments, pay orders, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of Transferor Company after the effectiveness of this Scheme in accordance with Clause 34, in so far as the same forms part of the Demerged Undertaking, shall be deemed to have been in the name of Transferee Company and credited to the account of Transferee Company, if presented by Transferee Company or received through electronic transfers and shall be accepted by the relevant bankers and credited to the accounts of the Transferee Company. Similarly, the banker(s) of Transferee Company shall honour all cheques, negotiable instruments, pay orders, electronic fund transfer instructions issued by Transferor Company (in relation to the



Demerged Undertaking) for payment after the effectiveness of this Scheme in accordance with Clause 34. If required, the bankers of Transferor Company and/ or Transferee Company shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of Transferor Company by Transferee Company in relation to the Demerged Undertaking for such time as may be determined to be necessary by the Board of Transferor Company and Transferee Company for presentation and deposit of cheques, negotiable instruments, pay order and electronic transfers that have been issued/ made in the name of Transferor Company.

- 20.1.20 On and from the date of effectiveness of this Scheme in accordance with Clause 34, Transferee Company shall have access to and benefit of all Books and Records in relation to the Demerged Undertaking which the Transferor Company has the access to and benefit of.

21. EMPLOYEES, STAFF AND WORKMEN

- 21.1 With effect from the Effective Date 2, the Transferee Company undertakes to engage, without any interruption in service, all employees forming part of the Demerged Undertaking, on the terms and conditions not less favourable than those on which they are engaged by the Transferor Company immediately prior to the Effective Date 2. The Resulting Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any of the aforesaid employees or union representing them. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the Slump Sale shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking, shall be decided mutually by the Board of Transferor Company and Transferee Company, and shall be final and binding on all concerned.

- 21.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company. Pending the transfer

as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.

22. CONTRACT, DEEDS, ETC.

22.1 Without limiting the generality of Clause 19.1, upon the Scheme becoming effective, and with effect from the Slump Sale Appointed Date and Immediately upon effectiveness of Part II of the Scheme, subject to the other provisions of this Scheme, all Commercial Rights And Documents and Arrangements, if any, of whatsoever nature forming part of the Demerged Undertaking to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, all in relation to the Demerged Undertaking and which are subsisting or having effect on the Effective Date 2, shall without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto or thereunder.

22.2 The Transferee Company may at its sole discretion enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any Arrangements (including tripartite agreements), confirmations or novation, to which Transferee Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. Transferor Company shall be deemed to be authorized to execute any such deeds, writings or confirmations or enter into any Arrangements (including tripartite agreements), confirmations or novation on behalf of Transferee Company for the Demerged Undertaking and to implement or carry out all formalities required to give effect to the provisions of this Scheme.

22.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, Permissions given by, issued to or executed in favour of Transferor Company in relation to the Demerged Undertaking, including by any Governmental Authority, including the benefits of any applications made for any of the foregoing, shall stand transferred to Transferee Company as if the same were originally given by, issued to or executed in favour of Transferee Company, and the Transferor Company shall be bound by the terms thereof, the Liabilities thereunder, and the rights and benefits under the same shall be available to Transferee Company.



22.4 On and from the Effective Date 2, the Transferee Company shall, in its own right, be entitled to realise all monies and complete and enforce all pending contracts and transactions in respect of the Demerged Undertaking in the name of the Transferor Company but for the benefits and entitlement of the Transferee Company, in so far as may be necessary, until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

22.5 Without prejudice to the aforesaid, it is clarified that if any assets (including Movable Assets and Immovable Assets) and including estate, claims, rights, title, interest in or Permissions relating to such assets (including Movable Assets and Immovable Assets) or any Commercial Rights And Documents and Arrangements in relation to the Demerged Undertaking which Transferor Company owns or to which Transferor Company is a party to, cannot be transferred to Transferee Company for any reason whatsoever, Transferor Company shall hold such asset (including Movable Assets and Immovable Assets) or Commercial Rights And Documents or Arrangements in trust for the benefit of Transferee Company , insofar as it is permissible so to do, till such time as the transfer is effected.



23. LEGAL PROCEEDINGS

23.1 Without limiting the generality of Clause 19.1, upon the Scheme becoming effective, and with effect from the Slump Sale Appointed Date, all Proceedings (including but not limited to Tax Proceedings) of whatsoever nature in relation to the Demerged Undertaking arising after the Slump Sale Appointed Date the same 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 Proceedings may be continued, prosecuted and enforced by or against Transferee Company, as the case may be in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Company in relation to Demerged Undertaking as if this Scheme had not been made.



23.2 In case of any Proceedings which are to be initiated or may be initiated by or against Transferor Company to the extent it pertains to Demerged Undertaking, Transferee Company shall be made party thereto and shall prosecute or defend such Proceedings in co-operation with Transferor Company and any (i) payment and expenses made thereto shall be the Liability of Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company against all Liabilities

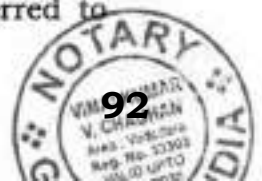


incurred by the Transferor Company in respect thereof.; and (ii) payment received as recovery/refund by the Transferor Company in relation to such Proceedings shall be transferred to Transferee Company .

23.3 Transferee Company undertakes to have all Proceedings initiated by or against Transferor Company transferred to its name as soon as is reasonably possible after the effectiveness of this Scheme in accordance with Clause 34 and to have the same continued, prosecuted and enforced by or against Transferee Company to the exclusion of Transferor Company to the extent permissible under the Applicable Law. Both Companies shall make relevant applications in that behalf.

23.4 In case of any Proceedings which are initiated or to be initiated or may be initiated by or against Transferor Company in relation to Demerged Undertaking, which is the responsibility of the Transferee Company and for which the Transferee Company has not been made a party which has not be transferred to the name of Transferee Company, the Transferor Company shall (unless the Board of Transferee Company and Transferor Company shall determine to otherwise assign control of a Proceeding) defend the same in good faith and in accordance with the advice of the Transferee Company and at the cost of the Transferee Company, and the Transferee Company shall reimburse and indemnify the Transferor Company against all Liabilities incurred by the Transferor Company in respect thereof, and in the event the Transferor Company receives any recovery/refund of claim in relation to such Proceedings, it will transfer such amount to the Transferee Company.

23.5 In case of any Proceedings which are to be initiated or may be initiated by or against Transferee Company in relation to Retained Business of Transferor Company, which is the responsibility of the Transferor Company, the Transferor Company shall be made party thereto and shall prosecute or defend such Proceedings in co-operation with Transferee Company. In case where Transferor Company has not been made a part thereto, the Transferee Company shall (unless the Board of Transferee Company and Transferor Company shall determine to otherwise assign control of a Proceeding) prosecute or defend the same in good faith and in accordance with the advice of the Transferor Company and any (i) payment and expenses made thereto shall be the Liability of Transferor Company and the Transferor Company shall reimburse and indemnify the Transferee Company against all Liability incurred by the Transferee Company in respect thereof; and (ii) payment received as recovery/refund by the Transferee Company shall be transferred to Transferor Company.



24. TAXES

24.1 Subject to Clause 34 and with effect from the Slump Sale Appointed Date, all Tax Assets and Tax Liabilities relating to the Demerged Undertaking as on the Slump Sale Appointed Date shall, without any further act, instrument or deed, be and stand transferred to Transferee Company to the extent permissible under applicable Tax Laws. In case any Tax Asset or Tax Liability is not transferrable to Transferee Company on account of Applicable Laws or practical difficulties, the Transferor Company shall be deemed to have received such Tax Asset or met/discharged/satisfied such Tax Liability on behalf of Transferee Company and any such amount shall be paid to or recovered from Transferee Company, as the case may be.

24.2 Subject to Clause 34 and with effect from the Slump Sale Appointed Date, any Tax related Permissions, whether allotted, granted, sanctioned, or allowed by a Governmental Authority, or enjoyed, or availed of, by the Transferor Company, in so far as they relate to, or are available for, the operations and activities of the Demerged Undertaking shall, without any further act or deed, vest with, and be enjoyed by or available to the Transferee Company on the same terms and conditions, as if the same had been allotted, granted, sanctioned or allowed to the Transferee Company.

24.3 Each of the Transferor Company and the Transferee Company shall be entitled to file or amend its Tax Returns notwithstanding that the period for filing or amending such Tax Returns may have lapsed and to obtain TDS/ TCS certificates, including TDS/ TCS certificates relating to transactions between or amongst the Transferor Company and the Transferee Company and shall have the right to claim refunds, advance tax credits, input tax credit, credits of all Taxes paid/ withheld, if any, as may be required on effectiveness of the Scheme in accordance with Clause 34.

24.4 Subject to Clause 34 and with effect from the Slump Sale Appointed Date, any refund of Tax received by Transferor Company on or after the Slump Sale Appointed Date relating to the Demerged Undertaking of Transferor Company consequent to any Tax Proceedings made on Transferor Company shall be deemed to have been received on behalf of Transferee Company and any such amount shall be paid to Transferee Company.

24.5 Subject to Clause 34 and with effect from the Slump Sale Appointed Date, the Transferor Company makes any payment to redeem, repay, meet, discharge or satisfy any Tax Liabilities relating to the Demerged Undertaking consequent to any Tax Proceedings made on Transferor Company, Transferor Company shall be deemed to have redeemed,



repaid, met, discharged or satisfied such Tax Liability on behalf of Transferee Company and any such amount shall be recovered from Transferee Company.

- 24.6 All Taxes paid or payable by the Transferor Company, in respect of the operations and/ or the profits of the Demerged Undertaking on and from the Slump Sale Appointed Date, shall be on account of the Transferee Company. Any Tax payments whether by way of TDS, TCS, foreign tax credit, minimum alternate tax, advance tax, self-assessment tax, regular assessment tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever by the Transferor Company in respect of the operations and/ or the profits of the Demerged Undertaking on and from the Slump Sale Appointed Date, shall be deemed to be paid on behalf of Transferee Company and any such amount shall be recovered from Transferee Company where the payment has been made by the Retained Business of the Transferor Company.

- 24.7 Taxes, if any, paid or payable by the Transferor Company after the Slump Sale Appointed Date and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Transferee Company and the Transferee Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.

- 24.8 Any refund under the Tax Laws due to the Transferor Company pertaining to the Demerged Undertaking consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Slump Sale Appointed Date shall belong to and be received by the Transferee Company. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme.

- 24.9 If the Transferor Company is entitled to any unutilised credits (including balances or advances), benefits under the incentive schemes and policies or concessions relating to the Demerged Undertaking under any Tax Laws or Applicable Laws, the Transferee Company shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilized credits (including but not limited to input tax credit) as the case may be without any specific approval or permission.

- 24.10 It is clarified that all the Taxes including withholding taxes, taxes deducted/ collected at source and duties paid or payable by the Transferor Company in relation to Demerged Undertaking, from the Slump Sale Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax and/ or duty liabilities

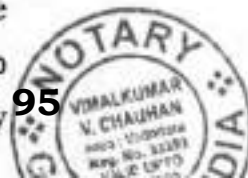


or refunds and claims of the Transferee Company. It is also clarified that withholding taxes deducted/ taxes collected on behalf of Transferor Company in relation to Demerged Undertaking, from the Slump Sale Appointed Date onwards, shall be treated as withholding taxes deducted/ taxes collected on behalf of the Transferee Company and the credit of the same shall be available to the Transferee Company. Accordingly, upon the Scheme becoming effective, pursuant to the provisions of this Scheme, the Transferor Company and the Transferee Company are expressly permitted to file their respective income-tax, sales tax, GST, value added tax, turnover tax, excise duty, service tax, customs and any other return(s) (including revised returns) to claim advance tax, withholding tax, taxes deducted / collected at source, refunds / credits. Notwithstanding the above tax compliances (including payment of taxes, maintenance of records, payments, returns, etc.) carried out by the Transferor Company in respect of the Demerged Undertaking from the Slump Sale Appointed Date up to the Effective Date 2 should be considered as adequate compliance by the Transferee Company and the Transferee Company should be considered to have met its obligations under respective tax legislations.

24.11 Any actions taken by the Transferor Company to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) in respect of the Demerged Undertaking shall constitute or shall be deemed to constitute adequate compliance by the Transferee Company with the relevant obligations under such Tax Laws.

24.12 Any unutilized GST credits pertaining to the Demerged Undertaking and available in the electronic input GST credit ledger of the Transferor Company maintained by GSTN or as per the Transferor Company's books of accounts, whichever is lower, shall be transferred by the Transferor Company to the Transferee Company in accordance with Applicable Laws. The Transferor Company and the Transferee Company shall take such actions as may be necessary under Applicable Law to effect such transfer. GST credits and GST Liability pertaining to the activities or operations of the Demerged Undertaking in the period (if any) after the Slump Sale Appointed Date and before the effectiveness of this Scheme in accordance with Clause 34 shall be dealt with in accordance with Applicable Laws. Further, GST Liability shall be paid in accordance with applicable GST provisions and reported by the relevant entity as per the relevant GST legislations.

24.13 All exemptions, benefits, allowances, deductions, and rebates under the IT Act in relation to the Demerged Undertaking (including right to admissibility of claim under Sections 40, 40A, 43B of the IT Act or any



deduction becoming admissible in the period after Slump Sale Appointed Date on redemption, repayment, meeting, discharge or satisfaction of Liabilities pertaining to Demerged Undertaking) shall be available to and vest in Transferee Company , upon this Scheme coming into effect in accordance with Clause 34, unless required to be claimed by the Transferor Company under Applicable law.

25. CONDUCT OF DEMERGED UNDERTAKING TILL EFFECTIVE DATE 2

25.1 In the period (if any) between the Slump Sale Appointed Date and effectiveness of the Scheme in accordance with Clause 34 and after effectiveness of PART II of the Scheme:

25.1.1 the Demerged Company shall be deemed to be carrying on its business and activities relating to the Demerged Undertaking, and shall be deemed to hold and possess of all its estates, properties, rights, title, interest, Arrangements, Permissions, Commercial Rights And Documents and investments and assets (including Movable Assets and Immovable Assets) forming part of the Demerged Undertaking, for, on account of, and in trust for Transferee Company.

25.1.2 any of the rights, powers, authorities or privileges attached, related or forming part of the Demerged Undertaking, exercised by the Demerged Company shall be deemed to have been exercised by Demerged Company for and on behalf of, and in trust for Transferee Company.

25.1.3 any of the Liabilities attached, related or forming part of the Demerged Undertaking that have been undertaken, redeemed, repaid, met, discharged and satisfied by Demerged Company shall be deemed to have been undertaken, redeemed, repaid, met, discharged and satisfied for and on behalf of Transferee Company.

25.2 With effect from the date of approval of this Scheme by the respective Board and up to and including its effectiveness in accordance with Clause 34:

25.2.1 Demerged Company undertakes that it will preserve and carry on the business of the Demerged Undertaking and hold its said assets (including Movable Assets and Immovable Assets) with reasonable diligence and business prudence and shall not undertake Liabilities in respect of, or sell, transfer, alienate, charge, mortgage, or Encumber, the Demerged Undertaking or any part thereof or recruit new employees or conclude settlements with union or employees without the concurrence of Transferee Company or undertake substantial expansion or change the general character or nature of the business of the Demerged Undertaking or any part thereof save and except in each case:

a) if the same is in its ordinary course of business; or



- b) if the same is expressly permitted by this Scheme; or
- c) if the prior written consent of the Transferee Company has been obtained;

25.2.2 Demerged Company shall not vary the terms and conditions of employment of any of the employees in relation to the Demerged Undertaking except in the ordinary course of business or with the prior written consent of Transferee Company;

25.2.3 Neither Demerged Company nor Transferee Company shall take, enter into, perform or undertake, as applicable:

- a) any material decision in relation to its business and affairs and operations as forming part of Demerged Undertaking,
- b) any Arrangements, Commercial Rights And Documents or transaction, unless it is in the ordinary course of business as carried on by it, or if the same is expressly permitted by this Scheme, or prior written consent of the Board of the other Company is obtained or is as mutually agreed between Transferor Company and Transferee Company/ in writing.

25.2.4 Demerged Company and Transferee Company shall be entitled, pending sanction of the Scheme, to apply to the Central/ State Government and all other Governmental Authorities concerned as are necessary under any Applicable Law or rules for such Permissions, which may be required pursuant to this Scheme.



25.3 All the profits or income accruing or arising to Demerged Company and expenditure or losses arising or incurred or suffered by Demerged Company which form part of Demerged Undertaking, for the period (if any) between the Slump Sale Appointed Date and the effectiveness of the Scheme in accordance with Clause 34 shall, for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of Transferee Company.

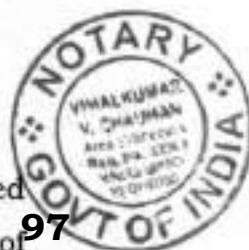


Subject to the foregoing, the Demerged Company shall be entitled to declare and pay dividends, whether interim or final, to their shareholders in respect of the accounting period prior to the Slump Sale Appointed Date.

25.4 Upon the effectiveness of this Scheme in accordance with Clause 34, Transferee Company shall commence and carry on and shall be authorized to carry on the Engineering Business which was earlier carried on by Demerged Company.

26. SAVINGS OF CONCLUDED TRANSACTIONS

26.1 Subject to the terms of the Scheme, the transfer of the Demerged Undertaking into Transferee Company and the continuance of



Proceedings by or against Transferee Company under Clause 23 above shall not affect any transaction or Proceedings already concluded by Transferor Company for the Demerged Undertaking before the effectiveness of this Scheme in accordance with Clause 34, to the end and intent that Transferee Company accepts and adopts all acts, deeds and things done and executed by Transferor Company for the Demerged Undertaking in respect thereto as acts, deeds and things made, done and executed by or on behalf of Transferee Company before the effectiveness of this Scheme in accordance with Clause 34.

27. CONSIDERATION FOR SLUMP SALE

27.1 On the date of effectiveness of this Scheme, in accordance with Clause 34, and in consideration for the Slump Sale of the Demerged Undertaking pursuant to Clause 19 and Clause 34 of this Scheme, Transferee Company shall pay a consideration of INR 5,58,65,00,000/- (Rupees Five hundred fifty-eight crore, sixty five lakh) accordance with Section 2(42C) of the IT Act, 1961 and other provisions of the Applicable Law.

The consideration would be discharged by the Transferee Company, without any further application, deed, action or thing, by way of issuance and allotment of following securities of the Transferee Company to the Transferor Company:

- a) 3,35,19,000 (Three crore, thirty-five lakh, nineteen thousand) equity shares each of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up.
- b) 1,67,59,500 (One crore, sixty-seven lakh, fifty-nine thousand, five hundred) redeemable preference shares of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up on key terms and conditions as specified in "**Annexure A**".
- c) 55,86,500 (Fifty-five lakh, eighty-six thousand, five hundred) compulsorily convertible debentures of a face value of INR 100 (Rupees Hundred only), credited as fully paid up on key terms and conditions as specified in "**Annexure B**".

27.2 The equity shares to be issued to the Transferor Company as above shall be subject to the provisions of memorandum of association and articles of association of the Transferee Company and shall rank pari passu with the existing equity shares of the Transferee Company in all respects.



28. CHANGE OF NAME OF THE TRANSFeree COMPANY

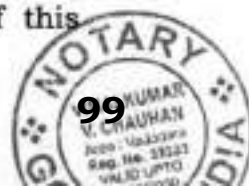
- 28.1 Upon the scheme being effective, the name of Transferee Company shall automatically stand changed without any further act, instrument or deed to **"Cosmos Engitech Private Limited"** or such other name as may be approved by Registrar of Companies, Ahmedabad, and Clause I of the Memorandum of Association and Articles of Association of the Transferee Company shall without any further act, instrument or deed, be and stand altered, modified and amended with effect from Effective Date 2. Such alteration in the name of the Transferee Company shall take place as an integral part of the Scheme and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this alteration in the name of the Transferee Company. No further resolution(s) under Sections 4, 13, 14 of the Companies Act, 2013 or any other applicable provisions of the Act or any Rules thereunder, would be required to be separately passed.

29. RETAINED BUSINESS OF TRANSFEROR COMPANY

- 29.1 The Retained Business of Transferor Company and all the assets (including Movable Assets and Immovable Assets), Permissions, Arrangements, IP Rights, Commercial Rights And Documents and Liabilities pertaining thereto shall going forward belong to and be vested in and be managed by Transferor Company, and Transferee Company shall have no right, claim or Liabilities in relation to the Retained Business of Transferor Company.

- 29.2 All Proceedings by or against Transferor Company under any Applicable Law, whether relating to the period prior to or after the Slump Sale Appointed Date and whether pending on the Slump Sale Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the effectiveness of this Scheme in accordance with Clause 34 and relating to the Retained Business of Transferor Company (including those relating to any assets (including Movable Assets and Immovable Assets), Permissions, Arrangements, IP Rights, Commercial Rights And Documents and Liabilities (including Tax Liabilities) of Transferor Company in respect of the Retained Business of Transferor Company shall be continued and enforced by or against Transferor Company even after the effectiveness of this Scheme in accordance with Clause 34.

- 29.3 After the date on which the Transferor Company and Transferee Companies approve this Scheme and until the effectiveness of this Scheme in accordance with Clause 34:



- 29.3.1 Transferor Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Retained Business of Transferor Company for and on its own behalf;
- 29.3.2 all profits accruing to Transferor Company or losses arising or incurred by it (including the effect of Taxes, if any, thereon) relating to the Retained Business of Transferor Company shall, for all purposes, be treated as the profits or losses, as the case may be, of Transferor Company;
- 29.3.3 all assets (including Movable Assets and Immovable Assets), Liabilities and properties acquired by Transferor Company in relation to the Retained Business of Transferor Company on and after the Slump Sale Appointed Date shall belong to and continue to remain vested in Transferor Company; and
- 29.3.4 all employees relatable to the Retained Business of Transferor Company shall continue to be employed by Transferor Company and Transferee Company shall not in any event be liable or responsible for any claims whatsoever regarding such employees.

30. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY

- 30.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities comprised in the Demerged Undertaking of the Transferor Company transferred to the Transferee Company pursuant to this Scheme on the values as appearing in the books of Transferor Company.

- 30.2 The consideration and, the difference, if any, in the value of consideration and net value of assets and liabilities of the Demerged Undertaking, shall be accounted in accordance with principles as laid down in the applicable accounting standards, the applicable provisions of the Act and generally accepted accounting principles in India.

31. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY

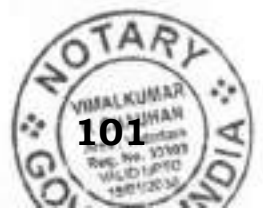
- 31.1 Notwithstanding anything contained in any other clause in the Scheme, on the effectiveness of the Scheme in accordance with Clause 34, the Transferor Company shall give effect to the Slump Sale in its books of account in accordance with applicable Accounting Standard, as notified under Section 133 of the Act, as may be amended from time to time. The accounting in the books of accounts of the Transferor company is as follows:

- a) The Transferor Company shall reduce from its books of accounts, the carrying amount of assets (including Movable Assets and Immovable



Assets) and liabilities pertaining to the Demerged Undertaking transferred to and vested in the Transferor Company.

- b) The difference, i.e., the excess or shortfall, as the case may be, of the value of assets transferred over the value of liabilities transferred pertaining to the Demerged Undertaking and demerged from the Transferor Company pursuant to the Scheme shall be adjusted against Reserves and Surplus of the Demerged Company.



PART - IV: GENERAL TERMS AND CONDITIONS

32. APPLICATION TO NCLT AT AHMEDABAD

- 32.1 The Companies shall with all reasonable dispatch make all necessary applications and petitions to NCLT for sanctioning this Scheme under Sections 230 to 232 of the Act and other applicable provisions of the Act, for sanction of the Scheme under the provisions of Applicable Law.
- 32.2 Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required, under any Applicable Law for such consents and approvals, as agreed between the Companies, which the Companies may require to effect the transactions contemplated under the Scheme or carry on the Demerged Undertaking, in any case subject to the terms as may be mutually agreed between the Companies.

33. MODIFICATIONS OF AMENDMENTS TO THE SCHEME

- 33.1 Any modifications/ amendments or additions/deletions to the Scheme may only be made with the approval of the respective Board of Companies. The aforesaid powers of the Companies to give effect to the modification/ amendments to the Scheme may be exercised subject to approval of NCLT or any other Governmental Authorities as may be required under Applicable Law.
- 33.2 Companies agree that if, at any time, either of the NCLT or any Governmental Authority directs or requires any modification or amendment of the Scheme, such modification or amendment shall not, to the extent it adversely affects the interests of any of the Companies, be binding on the Companies, as the case may be, except where the prior written consent of the Companies, has been obtained for such modification or amendment, which consent shall not be unreasonably withheld by Companies.
- 33.3 Companies (acting through its Board) may, in their full and absolute discretion, jointly and as mutually agreed in writing, modify, vary or withdraw this Scheme prior to effectiveness of this Scheme in accordance with Clause 34 in any manner at any time, provided that any modification to the Scheme by the Companies, after receipt of sanction by the NCLT, shall be made only with the prior approval of the NCLT.
- 33.4 The provisions of this Scheme are in consonance with the provisions of Section 2(19AA) and other applicable provisions of the IT Act. If any terms or provisions of this Scheme are found or interpreted to be inconsistent with the provisions of the IT Act at a later date, including resulting from an amendment of the law or for any other reason whatsoever, the Scheme shall stand modified to the extent determined necessary to comply with



Section 2(19AA) and other relevant applicable provisions of the IT Act. Such modification(s) shall not affect other provisions of this Scheme.

- 33.5 Companies (through their respective Board) shall determine jointly whether any Asset (including Movable Assets and Immovable Assets), Liability, Employee, or Proceedings form part of the Demerged Undertaking or not, based on any evidence that they may deem relevant for this purpose.

34. CONDITIONS PRECEDENT TO EFFECTIVENESS OF THE SCHEME

This Scheme shall come into effect only if the following conditions precedent ("CPs") are satisfied:

- 34.1 This Scheme being approved by the respective requisite majorities of the classes of members and creditors (where applicable) of the Companies as required under the Act;

- 34.2 the Scheme being sanctioned by the NCLT in terms of Section 230 to Section 232 and other relevant provisions of the Act; and

- 34.3 Order of Confirmation or Certified Copy of the Order from the NCLT sanctioning this Scheme under the provisions of Section 230 to Section 232 of the Act, being filed by Demerged Company and the Resulting Company within the statutory timelines, in relation to Part II of this Scheme with the Registrar of Companies, Gujarat at Ahmedabad by way of filing required e-forms with Ministry of Corporate Affairs Portal.



- 34.4 Order of Confirmation or Certified Copy of the Order from the NCLT sanctioning this Scheme under the provisions of Section 230 to Section 232 of the Act, being filed by Transferor Company and the Transferee Company within the statutory timelines, in relation to Part III of this Scheme with the Registrar of Companies, Gujarat at Ahmedabad by way of filing required e-forms with Ministry of Corporate Affairs Portal.



- 34.5 The Demerger of the Demerged Undertaking on a going concern basis from Demerged Company into the Resulting Company pursuant to the Scheme shall come into effect on the Effective Date 1 and with effect from the Appointed Date and will become operative from the Effective Date 1.



- 34.6 Slump Sale of Demerged Undertaking Transferor Company into the Transferee Company pursuant to the Scheme shall come into effect on the Effective Date 2 and with effect from the Appointed Date and will become operative from the Effective Date 2.

- 34.7 Any other matters expressly agreed as conditions precedent to the effectiveness of the Scheme as amongst the Companies.

- 34.8 As soon as reasonably practicable after the satisfaction of the CPs, the Board of the Companies shall confirm that the CPs have been satisfied. By the same, or a separate resolution, the Board of the Companies shall



declare the date (being not earlier than the Demerger Appointed Date) on which the Scheme will be made effective. All references in this Scheme to the date of effectiveness of this Scheme shall be a reference to this date, but once made effective by such resolution of the Board, the Scheme shall be deemed to be effective on the Demerger Appointed Date.

35. EFFECT OF NON-RECEIPT OF APPROVALS

35.1 In the event all CPs are not satisfied by the Demerger Appointed Date or such later date that the Companies may agree, the Companies may jointly agree in writing to terminate this Scheme, and upon such joint agreement of the Companies, the Scheme shall stand revoked, cancelled and be of no effect and either or all of the Companies, if required, may file appropriate proceedings before the NCLT in this respect.

35.2 Upon the termination of this Scheme as set out in Clause 35.1 above, no rights and Liabilities shall accrue to or be incurred by respective Companies or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs and expenses or as may be otherwise mutually agreed between the Companies.



36. REMOVAL OF DIFFICULTIES

36.1 The Companies through mutual consent and acting through their respective Board, jointly and as mutually agreed in writing may:

36.1.1 give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of NCLT or of any directive or orders of any Governmental Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review and revise the position relating to the satisfaction of various conditions of this Scheme; and



36.1.2 do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

37. RESIDUAL PROVISIONS

37.1 If any part of Demerged Undertaking is not transferred to Resulting Company on the effectiveness of this Scheme in accordance with Clause 34, the Demerged Company, shall take such actions as may be reasonably required to ensure that such part of the Demerged



Undertaking is transferred promptly and for no further consideration. Subject to Clause 27, Demerged Company shall bear all costs and expenses as may be incurred for giving effect to this Clause. If any part of Retained Business of Demerged Company is transferred to Resulting Company on the effectiveness of this Scheme in accordance with Clause 34, the Resulting Company, shall take such actions as may be reasonably required to ensure that such part of the Retained Business of Demerged Company is transferred back to the Demerged Company promptly and for no consideration. Subject to Clause 27, Demerged Company shall bear all costs and expenses as may be incurred for giving effect to this Clause.

- 37.2 If any part of Demerged Undertaking is not transferred to Transferee Company on the effectiveness of this Scheme in accordance with Clause 34, the Transferor Company, shall take such actions as may be reasonably required to ensure that such part of the Demerged Undertaking is transferred promptly and for no further consideration. Subject to Clause 27, Transferor Company shall bear all costs and expenses as may be incurred for giving effect to this Clause. If any part of Retained Business of Transferor Company is transferred to Transferee Company on the effectiveness of this Scheme in accordance with Clause 34, the Transferee Company, shall take such actions as may be reasonably required to ensure that such part of the Retained Business of Transferor Company is transferred back to the Transferor Company promptly and for no consideration. Subject to Clause 27, Transferor Company shall bear all costs and expenses as may be incurred for giving effect to this Clause.



- 37.3 After the effectiveness of this Scheme in accordance with Clause 34, if the Demerged Company or Transferor Company realizes any amounts that form part of the Demerged Undertaking, it shall immediately make payment of such amounts to Transferee Company. It is clarified that all receivables relating to the Demerged Undertaking, for any period prior to the effectiveness of this Scheme in accordance with Clause 34, but received after such effectiveness, shall be paid to Transferee Company for no additional consideration. After the effectiveness of this Scheme in accordance with Clause 34, if the Resulting Company realizes any amount that pertains to Retained Business of Demerged Company, it shall immediately pay such amounts to Demerged Company. After the effectiveness of this Scheme in accordance with Clause 34 if the Transferee Company realizes any amount that pertains to Retained Business of Transferor Company, it shall immediately pay such amounts to Transferor Company.



- 37.4 After the effectiveness of this Scheme in accordance with Clause 34, the Companies may enter into one or more agreements and/ or arrangements on a transitional basis to cooperate, provide and/ or receive support, necessary services, access to assets, IP Rights, Tax matters, Arrangements, Permissions, Commercial Rights And Documents, infrastructure to/ from each other, in the manner as may be determined by the respective Board. Any determination of the Board of the Companies for entering into one or more agreements and/ or arrangements would be based on matters being necessary for the conduct of, or the activities or operations of the Demerged Undertaking, or of Retained Business of the Demerged Company, or of Retained Business of Transferor Company as the case may be. These agreements and/ or arrangements shall be in the ordinary course of business and may include provision of various functional support such as manufacturing, distribution, logistics, supply chain, procurement, human resource, information technology services, licencing/ sub-licencing of IP Rights, marketing, management services, finance, Tax, leasing and/ or licensing of the various Immovable Assets. The Demerged Company has certain existing agreements with certain group Companies, which are relevant for functioning of the business of the Demerged Company. On and from the Demerger Appointed Date, where such arrangements will be transferred to the Resulting Company or Transferee Company pursuant to the Scheme, Demerged Company and/ or group Companies may enter into appropriate agreements with the Resulting Company or Transferee Company for functioning of business as may be considered necessary by the respective Board. It is clarified that, in respect of the agreements and/ or arrangements contemplated above, approval of the Scheme by the shareholders of the Companies under Sections 230 to 232 of the Act shall be deemed to have their approval under applicable provisions of the Act if and to the extent required and that no separate approval of the of the Board or audit committee or shareholders shall be required to be sought by either of the Companies.



38. SEVERABILITY

- 38.1 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 to only if the Scheme is approved in its entirety unless specifically agreed otherwise by the respective Board of each Company.
- 38.2 If any part of this Scheme is found to be unworkable or unenforceable for any reason whatsoever, the same shall not, subject to the decision of the



respective Board of Demerged Company, Resulting Company and Transferee Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme.

39. PROPERTY IN TRUST

39.1 Notwithstanding anything contained in this Scheme, until any property, asset (including Movable Assets and Immovable Assets), Permissions, Arrangements, IP Rights, Commercial Rights And Documents and rights and benefits arising therefrom are transferred, vested, recorded, effected and/or perfected, in the records of any Governmental Authority, regulatory body or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy rights and benefits associated with such property, asset (including Movable Assets and Immovable Assets), Permissions, Arrangements, IP Rights, Commercial Rights And Documents as if it were the owner of the property or asset or as if it were the original party to the property, asset (including Movable Assets and Immovable Assets), Permissions, Arrangements, IP Rights, Commercial Rights And Documents and rights and benefits. It is clarified that till entry is made in the records of the relevant Governmental Authority and till such time as may be mutually agreed by the Companies, the Demerged Company will continue to hold the property, assets (including Movable Assets and Immovable Assets), Permissions, Arrangements, IP Rights, Commercial Rights And Documents in trust on behalf of the Transferee Company.

39.2 The Companies shall, however, between themselves, treat each other as if all assets (Movable Assets and Immovable Assets), Liabilities, Permissions, Arrangements, IP Rights, Commercial Rights And Documents in relation to the Demerged Undertaking had been transferred to the Transferee Company on the effectiveness of this Scheme in accordance with Clause 34 and with deemed effect from the Slump Sale Appointed Date, together with the economic benefits and burdens thereof as of and from the Slump Sale Appointed Date.

39.3 Pending the transfer of the Immovable Assets, Movable Assets, Demerged Liabilities, Permissions, Arrangements, IP Rights, Commercial Rights And Documents forming part of the Demerged Undertaking, to Transferee Company, the Companies will render such assistance to each other as their respective Board may mutually agree to ensure that obligations pertaining to the foregoing are duly and timely performed.

39.4 The Transferee Company shall assist the Demerged Company and the Resulting Company in performing all of the acts until the time such



assets (Movable Assets and Immovable Assets), Liabilities, Permissions, Arrangements, IP Rights, Commercial Rights and Documents are not transferred to Transferee Company. In order to support each other to comply with aforesaid paras, the Companies may enter into any such agreement as the Board of the respective Companies may determine.

40. COSTS, CHARGES AND EXPENSES

- 40.1 All costs, charges, and all expenses of the Transferor Company, the Demerged Company and the Resulting Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Demerged Company and the Transferee Company as mutually agreed between them.

41. MISCELLANEOUS

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



Annexure A - Key Salient Terms of Redeemable Preference Shares

Face Value - Rs. 10 per redeemable preference share

Issue Price - Rs. 100 per redeemable preference share

Size of the issue and number of Shares to be issued - 1,67,59,500 shares redeemable preference shares (RPS) having face value of INR 10 each, redeemable at a premium of 90% p.a. In case, based on the applicable tax provision, the redemption results in a final tax liability to be borne by the issuer, the redemption amount will be net of such tax payable.

Dividend - as mutually agreed between the Parties.

Voting Rights - RPS shall not carry any voting rights subject to applicable provisions of the Companies Act, 2013 and rules made thereunder.

Tenure - redeemable preference shares shall be redeemed at any time within 10 years from the date of issue of redeemable preference shares.



Annexure B - Key Salient Terms of Compulsory Convertible Debentures

Face Value - Rs. 100 per compulsory convertible debentures

Issue Price - Rs. 100 per compulsory convertible debentures

Size of the issue and number of debentures to be issued - 55,86,500 compulsory convertible debentures (CCD) having face value of INR 100 each. The CCD shall be unsecured.

Interest - as mutually agreed between the Parties.

Conversion Ratio - Each CCD shall be converted into one equity share i.e. the conversion ratio shall be 1:1.

Voting Rights - CCD shall not carry any voting rights subject to applicable provisions of the Companies Act, 2013 and rules made thereunder.

Tenure - compulsory convertible debentures shall be converted into equity shares at any time within 10 years from the date of issue of compulsory convertible debentures.



Annexure-2

CA SNEHAL SHAH

Registered Valuer (SFA)

Reg. No. : IBBV/RV/06/2019/11772

920, Samanvay Square, Beside: Royal Orchid Hotel,
Mughnathada Circle, Ahera, Vadodra, Gujarat-390020

office@ca.snehalshah.in www.ca.snehalshah.in

8758074411 / 9484451600

March 06, 2025

To,
The Board of Directors,
COSMOS IMPEX (INDIA) PRIVATE LIMITED
Cosmos House, 85/2, Atladra-Padra Road,
Vadodara,
Gujarat, India, 390012.

To,
The Board of Directors,
COSMOS ENGITECH PRIVATE LIMITED
Cosmos House, 85/2, Atladra-Padra Road,
Vadodara,
Gujarat, India, 390012.

To,
The Board of Directors,
NEXCO ENGITECH PRIVATE LIMITED
85/2, Atladara, Padra Road,
Vadodara,
Gujarat, India, 390012.

Subject: Recommendation of share entitlement ratio for the Proposed Demerger of Engineering Division of Cosmos Engitech Private Limited into Cosmos Impex (India) Private Limited and issue of securities for the Proposed Slump Sale of Engineering Division into Nexco Engitech Private Limited in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act 2013 (hereinafter referred to as "Scheme of Arrangement" or "Scheme").

Dear Sir,

This has reference to the engagement, whereby we (CA Snehal Shah, Registered Valuer) have been appointed as an Independent Valuer in the matter of providing recommendation on fair Share Entitlement Ratio for the proposed demerger ("Proposed Demerger" or "Transaction") of Engineering Division ("Demerged Undertaking") of Cosmos Engitech Private Limited ("Demerged Company") in to Cosmos Impex (India) Private Limited ("Resulting Company" or "Transferor Company") and providing recommendation on securities to be issued as consideration by Nexco Engitech Private Limited ("Transferee Company") for the Proposed Slump Sale ("Proposed Slump Sale" or "Transaction").

This report has been prepared to provide a recommended Share Entitlement Ratio for the proposed demerger and recommendation on the consideration to be issued against the Proposed Slump Sale. Our determination of the ratio is based on the valuation reports issued by independent valuers to the companies appointed by the management.



Private & Confidential



CA Snehal Shah
Registered Valuer (SFA)

As a Registered Valuer, our role in this engagement is strictly limited to recommending a Share Entitlement Ratio based on valuation reports issued by other independent valuers to the Companies. It is explicitly noted that our scope does not include conducting an independent valuation of the Companies involved in the Transaction.

We are pleased to present this Report, which we hope will be of adequate use and help in taking appropriate decision for the purpose to which this report is brought-out.



(This space has been left blank intentionally)



TABLE OF CONTENTS

SECTION	PARTICULARS	PAGE NO.
1.	BACKGROUND	4 - 7
2.	PURPOSE OF REPORT	8 - 9
3.	IDENTITY OF VALUER, SCOPE & LIMITATIONS	10 - 11
4.	CAVEATS & DISCLAIMERS	12 - 13
5.	INFORMATION SOURCES	14
6.	BASIS FOR SHARE ENTITLEMENT RATIO	15 - 16



SECTION – 1: BACKGROUND

COSMOS ENGITECH PRIVATE LIMITED

Cosmos Engitech Private Limited (hereinafter referred as "CEPL" or "the Company" or "Demerged Company") was incorporated on 4th September 1996 under the provisions of the Companies Act, 1956, bearing CIN U29199GJ1996PTC030628, having its registered office at Cosmos House, 85/2, Atladra-Padra Road, Vadodara, Gujarat, India, 390012. The company is registered with Registrar of Companies, Ahmedabad, Gujarat.

CEPL is an Export focused, customer-driven company in the field of Engineering. It is an ISO 9001-2008 Certified Solution Provider, which focuses on Contract Manufacturing of Precision Machined Components & Assemblies.

ENGINEERING BUSINESS OF CEPL

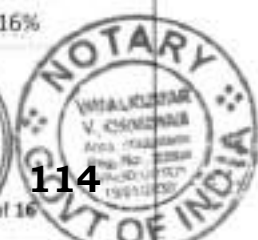
The Engineering business of CEPL primarily comprises of contract manufacturing of high precision engineering components and assemblies for variety of industries like energy sector, aviation, pump and valves, etc.

Following are the details of share capital structure of CEPL as on 28.02.2025:

Share Capital	Amount (Rs.)
Authorized Share Capital	
10,00,000 equity shares of INR 10/- each	1,00,00,000
Total	1,00,00,000
Issued, Subscribed & Paid-up Share Capital	
7,17,586 equity shares of INR 10/- each fully paid-up	71,75,860
Total	71,75,860

Following are the details of share holding pattern of CEPL as on 28.02.2025:

Sr. No.	Name of Share holder	No of Shares held	% of holding
1.	Veenita Nimish Shah	1,19,225	16.61%
2.	Neetu Nagesh Velaga	1,16,375	16.22%
3.	Velaga Nagesh	75,789	10.56%
4.	Nimish Arvindlal Shah	72,910	10.16%



CA Snehal Shah
Registered Valuer (SFA)

5.	Velaga Abhishek Nagesh	71,758	10.00%
6.	Aditya Nimish Shah	71,772	10.00%
7.	Aayush Nagesh Velaga	71,758	10.00%
8.	Tejas Nimish Shah	71,772	10.00%
9.	Rajesh Pradhan	24,700	3.44%
10.	Bina Jaysukhbhai Khambhaita	21,527	3.00%
Total		7,17,586	100.00%

COSMOS IMPEX (INDIA) PRIVATE LIMITED

Cosmos Impex (India) Private Limited (hereinafter referred as "CIPL" or "the Company" or "Resulting Company" or "Transferor Company") was incorporated on 10th January 1994 under the provisions of the Companies Act, 1956, bearing CIN U29255GJ1994PTC021035, having its registered office at Cosmos House, 85/2, Atladra-Padra Road, Vadodara, Gujarat, India, 390012. The company is registered with Registrar of Companies, Ahmedabad, Gujarat.

CIPL is a manufacturer and importer of computerized numerical control machines. It manufactures and imports machine tools, heavy components machining, computerized numerical control engraving machines and machine tool accessories, etc. The company was founded in 1987 and based in Vadodara, Gujarat. CIPL has investments in Companies and LLP namely Nexco Automation Technologies Private Limited ("NATPL"), Cosmos Finvest Services LLP ("CFSL"), Youji Cosmos Machine Tools LLP ("YCMTL"), NCN Technocraft Equipments Private Limited ("NTEPL") and Nexco Engitech Private Limited ("NEPL").

Following are the details of share capital structure of CIPL as on 28.02.2025:

Share Capital	Amount (Rs.)
Authorized Share Capital	
7,60,00,000 equity shares of INR 10/- each	76,00,00,000
Total	76,00,00,000
Issued, Subscribed & Paid-up Share Capital	
7,42,34,999 equity shares of INR 10/- each fully paid-up	74,23,49,990
Total	74,23,49,990



CA Snehal Shah
Registered Valuer (SFA)

Following are the details of share holding pattern of CIPL as on 28.02.2025:

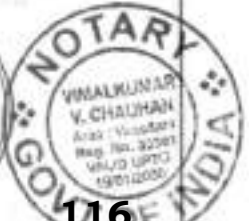
Sr. No.	Name of Share holder	No of Shares held	% of holding
1.	Nimish Arvind Shah	1,05,73,587	14.24%
2.	Veenita Nimish Shah	90,93,787	12.25%
3.	Aditya Nimish Shah	74,25,950	10.00%
4.	Tejas Nimish Shah	74,25,950	10.00%
5.	Velaga Nagesh	1,12,58,975	15.83%
6.	Velaga Neetu	74,23,500	10.00%
7.	Velaga Abhishek	79,18,400	10.00%
8.	Velaga Aayush	79,18,400	10.67%
9.	Rajesh Pradhan	29,69,400	4.00%
10.	Bina Khambhaita	22,27,050	3.00%
Total		7,42,34,999	100.00%

NEXCO ENGITECH PRIVATE LIMITED

Nexco Engitech Private Limited (hereinafter referred as "NEPL" or "the Company" or "Transferee Company") was incorporated on 28th February 2025 under the provisions of the Companies Act, 2013, bearing CIN U27900GJ2025PTC159636, having its registered office at 85/2, Atladara, Padra Road, Vadodara, Atladara, Vadodara, Vadodara- 390012, Gujarat. The company is registered with Registrar of Companies, Ahmedabad, Gujarat. The NEPL is a wholly owned subsidiary of the CIPL.

Following are the details of share capital structure of NEPL as on 28.02.2025:

Share Capital	Amount (Rs.)
Authorized Share Capital	
5,00,000 equity shares of INR 10/- each	50,00,00,000
Total	50,00,00,000
Issued, Subscribed & Paid-up Share Capital	
10,000 equity shares of INR 10/- each fully paid-up	1,00,000
Total	1,00,000



CA Snehal Shah
Registered Valuer (SFA)

Following are the details of share holding pattern of NEPL as on 28.02.2025:

Sr. No.	Name of Share holder	No of Shares held	% of holding
1.	Nagesh Velaga	1	0.01%
2.	Cosmos Impex (India) Private Limited	9,999	99.99%
Total		10,000	100.00%



(This space has been left blank intentionally)



SECTION – 2: PURPOSE OF REPORT

We understand that the Board of Directors of CEPL, CIPL and NEPL (the "Management") propose to demerge and transfer the Demerged Undertaking to Resulting Company and further transfer the Demerged Undertaking to Transferee Company via slump sale from the Effective Date as defined in draft Scheme of Arrangement. This is proposed to be achieved by way of a composite scheme of arrangement under Section 230 to 232 of the Companies Act 2013 and other applicable provisions of the Companies Act 2013 ("Proposed Scheme"). Under the Proposed Scheme, as consideration for the transfer of Demerged Undertaking, the shareholders of CEPL will be issued equity shares of Resulting Company.

Basis of the Proposed Scheme: -

- (a) The Demerged Company has 2 (two) distinct business segments viz. (a) Engineering business segment and (b) Leasing and Investment business segment. "Engineering Business" means providing design, manufacturing, and technical solutions for industrial and commercial needs. It focuses on fabrication, mechanical engineering, automation, or providing turnkey solutions, which involve managing entire projects from concept through to execution. It involves trading of machinery, machine tools, and related equipment. "Leasing and Investment Business" means and involves renting assets like equipment or property without ownership risks, with the lessor handling maintenance. The business also focuses on managing and growing capital through investments in various financial assets.
- (b) The Board of Directors of the Companies are of the opinion that the proposed arrangement, shall enable all the Companies to focus on specific businesses and shall be beneficial to the members, creditors and employees of each of these Companies and will be in the public interest. It shall enhance operational flexibility and will enable Companies to have sharp focus, retain and attract best talent and bring better value to the stakeholders. This will accelerate profitable growth and industry recognition in respective areas.
- (c) This scheme would enable the Companies to enhance operational efficiencies, ensuring synergies through pooling of the financial, managerial, personnel capabilities and skills.
- (d) The Board of Directors of the Companies are of the opinion that the Scheme would result in increase in the value for its members in long run. Further, the proposed arrangement would inter alia achieve the following objectives:
 - I. facilitate each business to be effectively integrated for achieving growth for each of the verticals independently;
 - II. enhance management focus;



Private & Confidential



- III. facilitate investment by strategic players;
- IV. create a platform to enhance financial flexibility to pursue growth;
- V. unlocking of value.

Pursuant to the above scheme, Resulting Company will issue equity shares to the shareholders of Demerged Company as consideration and Transferee Company will issue securities to the Transferor Company.

We have been appointed by the Management of the Companies to recommend Share Entitlement Ratio based on the valuation reports issued by independent valuers to the Company appointed by the Management.



(This space has been left blank intentionally)



SECTION – 3: IDENTITY OF VALUER, SCOPE & LIMITATIONS

3.1 IDENTITY OF VALUER

CA Snehal Shah is a Registered Valuer under asset class - Securities or Financial Assets, as per rule 3 of the Companies (Registered Valuer and Valuation) Rules 2017, holding valid Certificate of Practice from ICAI Registered Valuers Organisation.

Brief details of the Valuer:

Name of Valuer	Snehal Shah
Address of the Valuer	920, Samanvay Silver Complex, 8/s Hotel Royal Orchid, Mujmahuda, Akota, Vadodara – 390020.
Contact Details	M – 8758074411
Email Address	office@casnehalshah.in
Qualifications	Chartered Accountant, Registered Valuer (SFA)
IBBI Registration No	IBBI/RV/06/2019/11772
ICAI RVO Membership No	ICAIRVO/06/RV-PD0116/2019-2020
Disclosure of Interest or Conflict	The undersigned is an independent valuer. There is no conflict of interest. It is further stated that neither the undersigned nor the relatives / associates are related or associated with the Company.

3.2 SCOPE & LIMITATION

This report is limited to the recommendation of the Share Entitlement Ratio for the demerger and for consideration for slump sale based on valuation reports provided by the Management and does not involve an independent valuation of either Company. The key limitations include:

- No independent valuation of assets, liabilities, or businesses of the companies has been undertaken by us.
- The report strictly relies on valuation reports prepared by independent professionals and does not constitute an independent verification of the methodologies, assumptions, or conclusions therein.
- Any external factors affecting the financials of the companies post the effectiveness of the scheme have not been considered within this report.
- This recommendation does not include an assessment of the strategic or operational benefits of the scheme.



- As such the Share Entitlement Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- Please note that this exercise does not constitute an audit of the books and records of the Company under the Companies Act. We will not accept any responsibility for the accuracy or authenticity of the records or information provided to us.

In carrying out the exercise, we have relied upon the information and clarifications provided by the management of all the companies. We have also relied upon management's representation as well as other documentation provided to us. No responsibility is taken to update this report for events and circumstances occurring after the report date.



(This space has been left blank intentionally)



SECTION – 4: CAVEATS AND DISCLAIMERS

4.1 RESTRICTIONS ON USE OF VALUATION REPORT

Neither the Share Entitlement Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement. Further, it cannot be used for purpose other than in connection with the Transaction, without our prior consent. In addition, this Share Entitlement Report does not in any manner address the prices at which equity shares will trade following consummation of the transaction and we express no opinion or recommendation as to how the shareholders of either Companies should vote at any shareholders' meeting(s) to be held in connection with the Transaction.

4.2 OUR RESPONSIBILITY

We owe responsibility to the Management, who have appointed us, and nobody else. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions of the other. We do not accept any liability to any third party in relation to the issue of this Share Entitlement Report. This Share Entitlement Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ Independent advice that the third party should undertake for his purpose. It is understood that this analysis does not represent a fair opinion.

4.3 DECLARATION OF INDEPENDENCE

We are Independent of the Companies and have no current or expected interest in the company or its assets. The fee paid for our services in no way influenced the results of our analysis.

4.4 COMPLIANCE WITH RELEVANT LAW

The Share Entitlement Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Share Entitlement Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the provisional financial statements of the Companies. Our conclusion assumes that the assets and liabilities of the Companies, reflected in its respective latest balance sheets remain intact as of the Share Entitlement Report date.



4.5 SUBSEQUENT EVENTS

The Share Entitlement Ratio recommended in this report is based on the information made available to us as of the date hereof. Events occurring after the date hereof may affect this Share Entitlement Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Share Entitlement Report.

4.6 FUTURE SERVICES INCLUDING BUT NOT LIMITED TO TESTIMONY OR ATTENDANCE IN COURTS/TRIBUNALS/AUTHORITIES FOR THE OPINION OF VALUES IN THE REPORT

We are fully aware that based on the opinion expressed in this report, we may be required to give testimony or attend court/ judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court/ judicial proceedings and my / our tending evidence before such authority shall be under the applicable laws.

4.7 INFORMATION PROVIDED WITH RESPECT TO RECOMMENDATION

In the course of recommending Share Entitlement Ratio, we were provided with both written and verbal information. In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification the accuracy and completeness of information made available to us by the Management. We have not carried out a due diligence or audit of the Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided. We are not legal or regulatory advisors with respect to legal and regulatory matters for the transaction. We do not express any form of assurance that the financial information or other information as prepared and provided by management of Companies is accurate.

The recommendation(s) rendered in this Share Entitlement Report only represent our recommendation(s) based upon information received from and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). No responsibility or liability is accepted for any loss or damage howsoever arising that you may suffer as result of this Report and all responsibility and liability is expressly disclaimed by us.



SECTION – 5: INFORMATION SOURCES

In connection with preparing this Report, we have received the following information from the Management of the Companies:

- Shareholding pattern of the CEPL, CIPL and NEPL as on 28.02.2025;
- Valuation Report issued by M/s SSPA & Co., Chartered Accountants for valuation of Engineering Division of CEPL.
- Valuation Report issued by M/s K.C. Mehta & Co LLP, Chartered Accountants for valuation of CIPL.
- Draft Scheme of Arrangement;
- Other information, explanations and representations;
- Such other analysis, review and enquires, as we considered necessary.

The Companies have been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our final report.



(This space has been left blank intentionally)



SECTION – 6: BASIS OF SHARE ENTITLEMENT RATIO

Part A: Recommendation on Share Entitlement Ratio for the Proposed Demerger

The recommended Share Entitlement Ratio has been determined objectively based on the valuation reports provided by the Management.

As per the valuation reports provided, following are the values of Demerged Undertaking and Resulting Company respectively:

Particulars	Value (Rs. in Crore)	No of shares as on appointed date (28.02.2025)	Value per Share (Rs.)
Value of Demerged Undertaking (Engineering Division of CEPL) (Report issued by M/s SSPA & Co., Chartered Accountants)	558.65	7,17,586	7,785.20
Value of Resulting Company (CIPL) (Report issued by M/s K.C. Mehta & Co. LLP, Chartered Accountants)	1,165.33	7,42,34,999	156.98

Based on the above, we recommend following Share Entitlement Ratio for the Proposed Demerger:

4,960 (Four Thousand Nine Hundred and Sixty) fully paid-up equity share of Face Value of INR 10 (Indian Rupees Ten) each of CIPL for every 100 (One hundred) fully paid-up equity share of Face Value of INR 10 (Indian Rupees Ten) each held in CEPL.

In our view, the above Share Entitlement Ratio aligns with the overall objective and purpose of the demerger and is reasonable for all stakeholders affected by the process. Furthermore, no minority interest is adversely affected.

Part B: Slump Sale of Engineering Division into Nexco Engitech Private Limited

As per the proposed scheme of arrangement, in consideration of the slump sale of Engineering Division from CIPL to Nexco Engitech Private Limited ("NEPL"), NEPL shall issue securities to CIPL as consideration for the transfer.

We understand that NEPL is a wholly owned subsidiary of CIPL. Any securities issued by NEPL to CIPL as consideration against the slump sale of Engineering Division would not impact the said parent-subsidary relationship between CIPL and NEPL and CIPL shall continue to remain 100% owner of the NEPL even after slump sale of the Engineering Division.



In view of the above, we understand that the interest of shareholders of NEPL will effectively remain unchanged and therefore from that perspective the shareholders' interest would not be prejudicially affected. Since NEPL will remain a 100% subsidiary of CIPL after the slump sale, there will be no change in the ownership structure.

In the present facts and circumstances and based on the information and explanation provided to us, we believe that after giving due consideration to the representations of the management and the fact that upon the Scheme becoming effective, as CIPL would continue to remain 100% owner of the NEPL and therefore upon the Scheme becoming effective, there would be no effective change in shareholding of the NEPL post-slump sale. Thereby the interest of CIPL will effectively remain unchanged and the shareholders' interest will not be prejudicially affected. Additionally, the value of the Engineering division, as per the valuation report issued by M/s SSPA & Co., Chartered Accountants, is INR 558.65 crores. Further, this division will be transferred through slump-sale to NEPL. As the Scheme does not envisage dilution of the holding of anyone or more of the shareholder as a result of the Scheme become effective, for considerations for the transfer of the Engineering Division through the slump sale, issue of shares and/or securities worth of INR 558.65 crores would be fair and reasonable.

With best regards,



CA. Snehal Shah
Registered Valuer

Securities or Financial Assets

M. No.: ICAIRVO/06/RV-P00116/2019-2021

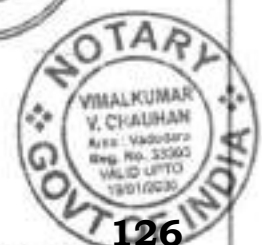
IBBI Regn. No: IBBI/RV/06/2019/11772

ICAI M.No. 128640

UDIN: 25128640BMICDH2718

Date: 06.03.2025

Place: Vadodara



Report of the Board of Directors of Cosmos Engitech Private Limited at its meeting held on Monday, March 10, 2025 for the proposed Scheme of Arrangement involving Cosmos Engitech Private Limited, Cosmos Impex (India) Private Limited, and Nexco Engitech Private Limited in accordance with Section 232(2)(c) of the Companies Act, 2013:

Board Report under Section 232(2)(c) of the Companies Act, 2013.

1. Background & Purpose:

The Board of Directors of Cosmos Engitech Private Limited ("Demerged Company") reviewed and approved the Scheme of Arrangement providing for the **demerger of its Engineering Business Undertaking** into Cosmos Impex (India) Private Limited ("Resulting Company"/ "Transferor Company") and subsequent slump sale to Nexco Engitech Private Limited ("Transferee Company"). This report is prepared in compliance with Section 232(2)(c) of the Act.

2. Impact on Stakeholders:

a) Shareholders:

- Shareholders of the Demerged Company will receive **4960 equity share of ₹10/- in the Resulting Company for every 100 shares of ₹10/- held in the Demerged Company.**
- Shareholding will undergo proportionate re-alignment ensuring continuity of ownership interest in the Resulting Company.

b) Creditors:

- No compromise is made with creditors.
- All liabilities pertaining to the Engineering Business will be transferred to the Resulting Company without impacting creditor rights.

c) Employees:

- All employees related to the Engineering Business will be transferred to the Resulting Company without any change in terms or loss of continuity.
- Employee benefits, provident fund, gratuity, etc., will be transitioned as per applicable law.

d) Business & Customers:

- Customers, suppliers, and business arrangements will continue uninterrupted under the Resulting Company.
- The separation will bring focused business growth in engineering and leasing and investment verticals.



3. Valuation Reports

- Valuation for Demerger

Resulting Company shall issue and allot 4960 equity shares of face value of INR 10 each, credited as fully paid up, to all the shareholders of the Demerged Company in proportion to every 100 equity shares held by them in the Demerged Company of face value of INR 10 each

- Valuation for Slump Sale

The Consideration for the Slump Sale of the Demerged Undertaking pursuant to Clause 19 and Clause 34 of this Scheme, Transferee Company shall pay a consideration of INR 5,58,65,00,000/- (Rupees Five hundred fifty-eight crore, sixty-five lakh).

The consideration would be discharged by the Transferee Company by way of issuance and allotment of following securities of the Transferee Company to the Transferor Company:

- 3,35,19,000 (Three crore, thirty-five lakh, nineteen thousand) equity shares each of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up.
- 1,67,59,500 (One crore, sixty-seven lakh, fifty-nine thousand, five hundred) redeemable preference shares of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up.
- 55,86,500 (Fifty-five lakh, eighty-six thousand, five hundred) compulsorily convertible debentures of a face value of INR 100 (Rupees Hundred only), credited as fully paid up.

4. Conclusion:

The Board is of the opinion that the Scheme is fair, in compliance with applicable laws, and in the best interests of shareholders, employees, creditors, and all stakeholders.

For and on behalf of the Board

Cosmos Engitech Private Limited



Nimish Arvindlal Shah

Director

DIN : 00372897



COSMOS IMPEX (INDIA) PVT.LTD.

Report of the Board of Directors of Cosmos Impex (India) Private Limited at its meeting held on Monday, March 10, 2025 for the proposed Scheme of Arrangement involving Cosmos Engitech Private Limited, Cosmos Impex (India) Private Limited, and Nexco Engitech Private Limited in accordance with Section 232(2)(c) of the Companies Act, 2013:

Board Report under Section 232(2)(c) of the Companies Act, 2013

1. Background & Purpose:

The Board of Cosmos Impex (India) Private Limited ("Resulting Company"/ "Transferor Company") considered the Scheme involving:

- Demerger of Engineering Business from Cosmos Engitech Private Limited ("Demerged Company"), and
- Slump sale of the said business to Nexco Engitech Private Limited ("Transferee Company").

This report is issued in accordance with Section 232(2)(c) of the Companies Act, 2013.

2. Impact on Stakeholders:

a) Shareholders:

- The Resulting Company will issue equity shares to the shareholders of the Demerged Company.
- Share capital structure will be adjusted to give effect to the demerger, without any major dilution in the existing shareholders' rights.

b) Creditors:

- The Resulting Company will assume only those liabilities related to the Engineering Business.
- No adverse impact or compromise to the creditors is envisaged.

c) Employees:

- All employees of the Engineering Business will be absorbed without disruption.
- Their service terms, benefits, and continuity will be protected.

d) Operational Synergy:

- Post-demerger, the Resulting Company will transfer the Engineering Business to Transferee Company on a slump sale basis.
- This move will unlock synergies and create independent avenues of growth.



3. Valuation Reports

- Valuation for Demerger

The Resulting Company shall issue and allot 4960 equity shares of face value of INR 10 each, credited as fully paid up, to all the shareholders of the Demerged Company in proportion to every 100 equity shares held by them in the Demerged Company of face value of INR 10 each

- Valuation for Slump Sale

The Consideration for the Slump Sale of the Demerged Undertaking pursuant to Clause 19 and Clause 34 of this Scheme, Transferee Company shall pay a consideration of INR 5,58,65,00,000/- (Rupees Five hundred fifty-eight crore, sixty-five lakh)

The consideration would be discharged by the Transferee Company by way of issuance and allotment of following securities of the Transferee Company to the Transferor Company:

- 3,35,19,000 (Three crore, thirty-five lakh, nineteen thousand) equity shares each of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up.
- 1,67,59,500 (One crore, sixty-seven lakh, fifty-nine thousand, five hundred) redeemable preference shares of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up.
- 55,86,500 (Fifty-five lakh, eighty-six thousand, five hundred) compulsorily convertible debentures of a face value of INR 100 (Rupees Hundred only), credited as fully paid up.

4. Conclusion:

The Scheme aligns with strategic objectives, improves operational clarity, and ensures stakeholder benefit without affecting obligations.

For and on behalf of the Board

Cosmos Impex (India) Private Limited



Nimish Arvindlal Shah

Director

DIN : 00372897



NEXCO ENGITECH PRIVATE LIMITED

Report of the Board of Directors of Nexco Engitech Private Limited at its meeting held on Monday, March 10, 2025 for the proposed Scheme of Arrangement involving Cosmos Engitech Private Limited, Cosmos Impex (India) Private Limited, and Nexco Engitech Private Limited in accordance with Section 232(2)(c) of the Companies Act, 2013:

Board Report under Section 232(2)(c) of the Companies Act, 2013

1. Background & Purpose:

The Board of Nexco Engitech Private Limited ("Transferee Company") considered and approved the Scheme of Arrangement involving transfer of the Engineering Business Undertaking from Cosmos Impex (India) Private Limited on a slump sale basis. This report is issued in compliance with Section 232(2)(c) of the Act.

2. Impact on Stakeholders:

a) Shareholders:

- Nexco Engitech Private Limited is a wholly-owned subsidiary of Cosmos Impex (India) Private Limited.
- Shareholders will not be affected externally. Internally, shares/debentures will be issued as consideration to the parent company.

b) Creditors:

- The Company will receive a fully operational Engineering Business as a going concern.
- No compromise or reduction in creditor claims is envisaged.

c) Employees:

- Employees of the business will be integrated into Nexco Engitech Private Limited with no disruption in service or benefits.
- Provident fund, gratuity, and other dues will be protected.

d) Operational Perspective:

- The Company will operate the Engineering Business independently, promoting sharper operational focus and future scalability.

3. Valuation Reports

- Valuation for Demerger

Resulting Company shall issue and allot 4960 equity shares of face value of INR 10 each, credited as fully paid up, to all the shareholders of the Demerged Company in proportion to every 100 equity shares held by them in the Demerged Company of face value of INR 10 each

- Valuation for Slump Sale

The Consideration for the Slump Sale of the Demerged Undertaking pursuant to Clause 19 and Clause 34 of this Scheme, Transferee Company shall pay a

Reg. Off. : COSMOS HOUSE, 85/2 Atladra, Padra Road, Vadodara: 390 012 (Guj.), India
Tel: +91-265-6127000 Email: nimish@cosmos.in | Web: www.cosmos.in
CIN: U27900GJ2025PTC159636

consideration of INR 5,58,65,00,000/- (Rupees Five hundred fifty-eight crore, sixty-five lakh)

The consideration would be discharged by the Transferee Company by way of issuance and allotment of following securities of the Transferee Company to the Transferor Company:

- (a) 3,35,19,000 (Three crore, thirty-five lakh, nineteen thousand) equity shares each of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up.
- (b) 1,67,59,500 (One crore, sixty-seven lakh, fifty-nine thousand, five hundred) redeemable preference shares of a face value of INR 10 (Rupees Ten only) and a premium of INR 90 (Rupees Ninety only), credited as fully paid-up.
- (c) 55,86,500 (Fifty-five lakh, eighty-six thousand, five hundred) compulsorily convertible debentures of a face value of INR 100 (Rupees Hundred only), credited as fully paid up.

3. Conclusion:

The Board affirms that the Scheme is beneficial for business growth and value creation and does not adversely affect stakeholders.

For and on behalf of the Board

Nexco Engitech Private Limited



Nimish Arvindlal Shah

Director

DIN : 00372897



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of COSMOS ENGITECH PVT. LTD.

Limited Review Report on the Interim Financial Results

Subject Matter of Review

We have performed a limited review of the accompanying statement of unaudited financial results of COSMOS ENGITECH PVT. LTD. for the six-month ended as at 30th September, 2024, which comprises of the Statement of Un-audited Financial Results for the half-year ended 30th September 2024, Balance Sheet as at 30th September, 2024 and Statement of Profit and Loss along with their Notes to Accounts & their Segmental Reports thereon, herein after referred as Interim Financial Results.

Scope of Review and Our Responsibility

We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from any material misstatement.

A review is limited primarily to inquiries of company personal and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Responsibility of Management for Financial Statements

- This Interim Financial Results are the responsibility of the company's management (Board of Directors) and has been approved by the Board of Directors. Our responsibility is to issue a limited review report on these interim financial statements based on our review.
- The Company's Board of Directors is responsible for the preparation of these Interim Financial Results in accordance with the applicable financial reporting framework.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these Interim Financial Results discloses the information that are required to be so disclosed as per the applicable financial reporting framework and the manner in which it is so disclosed.



- In preparing the financial statements, management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Review Opinion

Based on our review, nothing has come to our attention that causes us to believe that the aforesaid Interim Financial Results has not disclosed the information required to be disclosed including the manner in which it is to be disclosed, or that it contains any material misstatement w.r.t the state of affairs of the Company as at 30th September 2024 and or its profit for the period ended on that date, i.e. the six-month ended as at 30th September, 2024.

For Ambalal M. Shah & Co
Chartered Accountants
Firm Registration No. 100304W

Place: Vadodara
Date: 14/01/2025
UDIN: 25130175BMIXIM5768

CA Vikesh A Jain
Partner
M No. 130175



COSMOS ENGITECH PVT. LTD.
BALANCE SHEET AS AT 30TH SEPTEMBER 2024

Particulars	Note	As at 30th Sept, 2024	As at 31st March, 2024
		Amount in Rs.	Amount in Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	71,75,860	75,53,560
(b) Reserves and Surplus	2	76,65,87,117	69,39,59,578
		77,37,62,977	70,15,13,138
(2) Share application money pending allotment		-	-
(3) Non-current liabilities			
(a) Long term borrowings	3	-	-
(b) Deferred tax liabilities (Net)	4	1,90,35,575	1,90,35,575
(c) Other long term liabilities	5	1,10,41,446	1,12,48,040
		3,00,77,021	3,02,83,615
(4) Current Liabilities			
(a) Short term borrowings	6	16,36,64,401	16,83,85,413
(b) Trade payables	7	13,23,58,645	10,58,99,445
(c) Other current liabilities	8	63,21,813	1,16,62,345
(d) Short term provisions	9	1,03,65,203	6,85,51,408
		31,27,10,062	35,44,98,611
TOTAL		1,11,65,50,060	1,08,62,95,363
II. ASSETS			
(1) Non-current assets			
Property, Plant and Equipment and Intangible Assets			
(a) Assets	10		
(i) Property, Plant and Equipment		38,14,06,028	36,46,06,232
		38,14,06,028	36,46,06,232
(b) Non-current investments	11	50,33,853	50,33,853
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets	12	39,44,436	39,44,436
		39,03,84,318	37,35,84,521
(2) Current Assets			
(a) Current investments	13	15,60,38,770	19,98,76,480
(b) Inventories	14	14,28,68,279	13,30,01,194
(c) Trade receivables	15	29,84,15,677	27,31,10,915
(d) Cash and cash equivalents	16	1,53,01,438	1,26,03,268
(e) Short term loans and advances	17	11,35,41,578	9,41,18,984
(f) Other current assets	18	-	-
		72,61,65,742	71,27,10,842
TOTAL		1,11,65,50,060	1,08,62,95,363
Segmental Reports	30		

FOR AMBALAL M SHAH & CO.,

CA VIKESH JAIN
PARTNER
PLACE : VADODARA
DATE : 14/01/2025



On Behalf Of Board of Directors

NIMISH SHAH
DIRECTOR
PLACE : VADODARA
DATE : 14/01/2025
DIN NO :- 00372897

VELAGA NAGESH
DIRECTOR
PLACE : VADODARA
DATE : 14/01/2025
DIN NO :- 00373006



COSMOS ENGITECH PVT. LTD.
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30TH SEPTEMBER -2024

Particulars	Note No.	2024-25 Rs.	2023-24 Rs.
i Revenue from Operations	19	58,24,09,863	1,10,77,59,430
Less : - GST		3,30,65,607	8,29,52,991
Revenue from Operations (net)		54,93,44,257	1,02,48,06,439
ii Other income	20	78,48,902	2,04,90,752
iii Total Income (i + ii)		55,71,93,158	1,04,52,97,191
iv Expenses			
a Cost of materials consumed	21	95,68,77,097	45,89,88,480
b Purchases of stock in trade		-	-
c Changes in inventories of finished goods, work in progress and stock in trade	22	(63,56,07,175)	32,12,69,923
d Employee benefits expenses	23	5,69,35,064	1,09,44,231
e Finance costs	24	95,64,740	46,99,32,711
f Depreciation and amortization expense	25	1,38,35,317	12,83,78,681
g Other expenses	26	5,36,84,003	2,19,28,288
Direct Expense		3,29,08,268	2,47,37,337
Admin Expense		1,30,08,252	19,56,40,877
S & D Expense		77,67,484	
Exchange Variation		-	
Total Expenses		45,52,89,047	84,06,17,893
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		10,19,04,111	20,46,79,298
VI Exceptional Items	27	1,34,11,756	8,04,920
Profit/(Loss) before extraordinary items and tax (V-VI)		11,53,15,866	20,54,84,218
VII Extraordinary Items		-	-
X Profit before tax (VII-VIII-IX)		11,53,15,866	20,54,84,218
XI Tax expense:			
(1) Current tax		-	5,17,63,404
(2) Deferred tax		-	(69,87,598)
(3) Short Provision of income tax of Previous Year	28	1,74,857	(36,13,617)
		1,74,867	4,11,62,189
XII Profit/(Loss) for the period from continuing operations (X-XI)		11,51,40,999	16,43,22,029
XIII Profit/(Loss) for the period (XI)		11,51,40,999	16,43,22,029
XIV Earning per equity share:			
(1) Basic	29	153.71	217.54
(2) Diluted		153.71	217.54
Segmental Reports	30		

AS PER REPORT OF EVEN DATE ATTACHED

FOR AMBALAL M SHAH & CO.
 CHARTERED ACCOUNTANTS

CA VIKESH JAIN
 PARTNER
 PLACE : VADODARA
 DATE : 14/01/2025

FRN:100304W

On Behalf Of Board of Directors
 FOR COSMOS ENGITECH PVT.LTD

NIMISH SHAM
 DIRECTOR
 PLACE : VADODARA
 DATE : 14/01/2025
 DIN NO :- 00372897
 CIN NO. :- U29199GJ1996PTC030628

VELAGA NAGESH
 DIRECTOR
 DIN NO :- 00373006
 PLACE : VADODARA
 DATE : 14/01/2025



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

1 Share Capital:

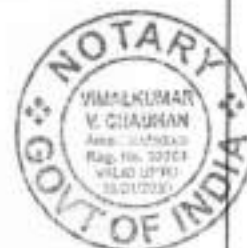
Particulars	As at 30th Sept, 2024		As at 31st March, 2024	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
Authorized:				
10,00,000 Equity shares of Rs.10 each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
		1,00,00,000		1,00,00,000
Issued, subscribed and fully paid up:				
755356 Equity shares of Rs.10 each				
At the beginning of the reporting period	7,55,356	75,53,560	7,55,356	75,53,560
Issued during the reporting period	-	-	-	-
Bought back during the reporting period	37,770	3,77,700	-	-
At the close of the reporting period	7,17,586	71,75,860	7,55,356	75,53,560
Total		71,75,860		75,53,560

Other Information:

Particulars of equity share holders holding more than 5% of the total number of equity share capital:

Particulars	As at 30th Sept, 2024		As at 31st March, 2024	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
Veenita Nimish Shah	1,19,225	11,92,250	1,25,500	12,55,000
Velaga Neetu	1,16,375	11,63,750	1,22,500	12,25,000
Velaga Nagesh	75,789	7,57,890	79,778	7,97,780
Nimish Arvindlal Shah	72,910	7,29,100	76,748	7,67,480
Velaga Abhishek	71,758	7,17,580	75,535	7,55,350
Aditya Nimish Shah	71,772	7,17,720	75,550	7,55,500
Velaga Aayush	71,758	7,17,580	75,535	7,55,350
Tejas Nimish Shah	71,772	7,17,720	75,550	7,55,500
Rajesh Pradhan	24,700	2,47,000	26,000	2,60,000
Bina Jaysukhbhai Khambhaita	21,527	2,15,270	22,660	2,26,600

Shares held by promoters at the end of the year					
Sr. No	Promoter Name	No. of Shares	% of total shares	No. of Shares	% of total shares
1	VEENITA NIMISH SHAH	1,19,225	16.61%	1,25,500	16.61%
2	NEETU VELEGA	1,16,375	16.22%	1,22,500	16.22%
	Total				



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

2. Reserves and Surplus:

Particulars	As at 30th Sept, 2024	As at 31st March, 2024
i Profit and Loss Account		
As per last Balance Sheet	-	-
Add: Profit for the year	11,51,40,999	16,43,22,029
Less:- Transfer to General Reserve	11,51,40,999	16,43,22,029
Add: Profit for the year	-	-
TOTAL (i)	-	-
ii Securities Premium		
As per last Balance Sheet	73,74,920	73,74,920
Addition: During the year	73,74,920	73,74,920
TOTAL (ii)	73,74,920	73,74,920
iii General Reserve		
As per last Balance Sheet	64,70,46,747	48,27,24,718
Add: During the year	11,51,40,999	-
Less: Transferred on Buyback	3,77,700	16,43,22,029
Less: Payment on Buyback	4,25,13,460	-
TOTAL (iii)	71,92,96,586	64,70,46,747
iv Revaluation Reserve		
As per last Balance Sheet	3,95,37,911	3,95,37,911
Addition: During the year	3,95,37,911	3,95,37,911
TOTAL (iv)	3,95,37,911	3,95,37,911
v Capital Redemption Reserve		
As per last Balance Sheet	-	-
Addition: During the year	3,77,700	-
TOTAL (v)	3,77,700	-
TOTAL = i+ii+iii+iv+v	76,65,87,117	-



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

3 Long term Borrowings

Particulars	As at 30.09.2024	As at 31.03.2024
1) Secured Loans:		
a. Term Loans		
	-	-
	-	-
2) Unsecured Loans:		
	-	-
	-	-
3) Total long term borrowings (1+2)	-	-

4) Deferred tax liabilities (Net)

Particulars	As at 30.09.2024	As at 31.03.2024
Deferred tax liabilities (for previous years)	1,90,35,575	2,60,23,173
Deferred tax liabilities (During the year)	-	(69,87,598)
Deferred tax liabilities (Net)	1,90,35,575	1,90,35,575



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Particulars	As at 30.09.2024	As at 31.03.2024
5) Other Long term liabilities		
Provision for Gratuity Payment For Prior Period	1,10,41,446	1,05,26,055
Provision for Gratuity Payment for Current Year	-	7,21,985
	<u>1,10,41,446</u>	<u>1,12,48,040</u>
6) Short term Borrowings		
1) Secured Loans:		
a) Loans repayable on demand		
1) Cash Credit (SBI Cash credit A/c)		
A/c No- 10344828406	1,28,16,537	25,74,610
2) Packing Credit Against Exports	13,05,35,658	15,07,85,587
3) Term Loan Instalments due within 1year	-	-
4) RawMaterial Buyers Credit due within one year	2,03,12,206	1,50,25,216
	<u>16,36,64,401</u>	<u>16,83,85,413</u>
2) Unsecured Loans:		
	<u>-</u>	<u>-</u>
Total	<u>16,36,64,401</u>	<u>16,83,85,413</u>



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Particulars	As at 30.09.2024	As at 31.03.2024
7) Trade Payables		
i) To Micro, Small and Medium Enterprises	3,24,78,917	5,39,57,967
ii) Others	9,98,79,729	5,19,41,478
	<u>13,23,58,645</u>	<u>10,58,99,445</u>
8) Other current liabilities:		
a) Other payables (Specify nature)		
-Advances from customers	30,48,840	11,30,921
-Payable to Staff	16,632	41,20,878
-Statutory liabilities	21,28,528	52,66,101
b) Car Security Deposit	11,27,813	11,44,445
	<u>63,21,813</u>	<u>1,16,62,345</u>
9) Short term provisions:		
a) Provision for employee benefits	83,55,484	1,59,12,371
c) Others		
-Provision for taxation		5,17,63,404
-Provision for Expenses	20,09,719	8,75,633
	<u>1,03,65,203</u>	<u>6,85,51,408</u>



COSMOS ENGITECH PRIVATE LIMITED

Note 18 :- Property, Plant and Equipment and Intangible Assets

Calculation of Depreciation As Per Companies Act For F.Y. 2024-2025 (A.Y. 2025-2026)

	GROSS BLOCK					DEPRECIATION				NET BLOCK		
NAME OF ASSETS	AS ON 01.04.2024	ADDITION DURING THE YEAR	RESERVE REVALUATION	DEDU. DURING THE YEAR	AS ON 30.06.2024	CUMM. AS ON 01.06.24	DEP. PROVIDED FOR THE PERIOD	DEP. ON REVALUATION	DEDUCTION DURING YEAR	AS ON 30.06.2024	AS ON 30.06.2024	AS ON 31.03.2024
Land	8,34,09,769				8,34,09,769	-				-	8,34,09,769	8,34,09,769
Building	5,77,64,153	15,42,734			5,93,06,875	3,51,85,172	30,58,999			5,62,47,876	4,88,24,644	4,93,30,579
Furniture & Fixings	88,27,879	-			88,27,879	40,31,292	3,79,579			84,48,300	84,48,300	88,28,382
Computers And Data Processing Units	1,46,06,385	7,30,318			1,53,36,703	1,58,25,129	9,55,818			1,43,80,885	83,89,388	87,81,858
Office Equipment	85,25,522	15,74,321			1,01,00,443	41,42,186	7,08,279			93,92,164	81,33,481	43,67,534
Plant & Machinery	32,49,50,749	2,40,70,479		15,48,879	33,32,32,349	10,89,08,892	1,08,88,879		12,75,418	31,50,22,338	15,31,49,542	21,99,42,748
Motor Vehicles	12,06,984	-			12,06,984	11,04,525	9,20,062			10,97,922	10,72,069	20,42,162
TOTAL	85,75,85,126	8,08,10,791	-	15,64,879	93,84,42,904	14,34,74,993	1,38,25,317	-	22,73,818	71,00,36,889	38,14,06,818	24,40,06,218
F.Y. / 1.4.2025 to 31.3.2025	48,13,16,885	2,79,80,731	-	14,76,311	50,75,81,326	21,86,37,172	5,47,43,009	-	8,94,272	44,28,38,096	19,46,09,131	21,00,89,934

Note #1

Depreciation on Plant and Machinery upto the date of writing is of Rs. 1273418.



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Particulars	As at 30.09.2024	As at 31.03.2024
11) Non current Investments		
Investment in LLP	50,33,853	50,33,853
	<u>50,33,853</u>	<u>50,33,853</u>
12) Other non-current assets		
(Secured and considered good)		
i) Security Deposits	39,44,436	39,44,436
	<u>39,44,436</u>	<u>39,44,436</u>
13) Current Investment		
i) Investment in Mutual Fund	15,60,38,770	19,98,76,480
ii) Investment in fixed deposits	-	-
	<u>15,60,38,770</u>	<u>19,98,76,480</u>
14) Inventories:		
i) Raw materials	6,84,75,371	6,48,77,341
ii) Work In Progress	5,70,89,077	4,19,07,759
iii) Finished goods	1,73,03,830	2,67,16,094
	<u>14,28,68,279</u>	<u>13,30,01,194</u>
15) Trade receivables:	29,84,15,677	27,31,10,915
	<u>29,84,15,677</u>	<u>27,31,10,915</u>
16) Cash and cash equivalents:		
i) <u>Balances with banks</u>		
- In Current accounts	1,52,81,074	1,25,78,190
ii) <u>Cash on hand</u>	20,365	25,078
	<u>1,53,01,438</u>	<u>1,26,03,267</u>
17) Short term loans and advances:		
(Unsecured and considered good)		
i) Advances to Suppliers	2,91,46,072	12,76,366
ii) Advances to Staff	21,11,393	64,466
iii) Prepaid Expenses and Interest Accrued	3,99,318	15,71,018
iv) <u>Balance with Government Authorities</u>		
- Advance Taxes	3,00,61,483	5,52,09,691
- GST and Others	4,83,26,582	3,57,72,133
- Income Tax Refund Receivable	34,96,730	2,25,310
	<u>11,35,41,578</u>	<u>9,41,18,984</u>
18) Other Current asset	-	-



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Particulars	2024-25	2023-24
19 Revenue from operations:		
Sale of products:-		
<u>Precision Machined Components</u>		
Local Sales	12,80,79,913	23,87,03,608
Export Sales	44,95,42,824	85,60,18,536
Job Work & Services	14,95,157	30,33,288
Other operating Income	32,91,970	1,00,03,938
Total	58,24,09,863	1,10,77,59,430
Less: Goods and Service Tax (GST)	3,30,65,607	8,29,52,991
	54,93,44,257	1,02,48,06,439
20 Other Income:		
1) Interest Income	-	5,75,728
Interest on Fixed deposits & Other Deposits	-	3,84,768
Interest on IT Refund	-	-
2) Exchange rate fluctuation (Gain)	76,99,512	1,97,99,033
3) Other Income	1,49,390	2,99,058
4) Profit Share from LLP	-	7,893
	78,48,902	2,04,90,752
21 Cost of materials consumed:		
Consumption of Raw Materials	-	45,89,88,480
	-	45,89,88,480
22 Changes in inventories of finished goods, work in progress and stock in trade:		
Stocks at the beginning of the year		
i) Finished goods	-	1,80,72,634
ii) Work in Progress	-	6,14,95,450
Total	-	7,95,68,084
Less -> Stocks at the end of the year		
i) Finished goods	-	2,67,16,094
ii) Work in Progress	-	4,19,07,759
Total	-	6,86,23,853
Total	-	1,09,44,231



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Particulars	2024-25	2023-24
23 Employee benefit Expenses:		
1 Salary & Allowances To Staff	3,03,71,495	5,11,39,177
2 Contribution to provident and other funds	38,22,460	81,51,449
3 Staff welfare expenses	44,57,703	86,00,014
4 Gratuity on actuarial basis	-	1,05,26,055
5 Gratuity for current Year	1,38,406	7,21,985
	<u>3,87,90,064</u>	<u>7,91,38,681</u>
Directors Remuneration	<u>1,81,45,000</u>	<u>4,92,40,000</u>
24 Finance Costs:		
i) Interest expense	37,97,650	1,61,04,530
ii) Other borrowing costs	57,67,090	58,23,758
	<u>95,64,740</u>	<u>2,19,28,288</u>
25 Depreciation and amortization:		
Depreciation	1,38,35,317	2,47,37,337
	<u>1,38,35,317</u>	<u>2,47,37,337</u>



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Particulars	2024-25	2023-24
26 Other expenses:		
A Direct Expenses		
1 Power & Fuel Expenses	60,84,089	1,11,70,999
2 Vendor Labour Charges	-	8,82,70,517
3 Factory Wages	2,29,57,204	5,02,27,816
4 Factory Rent	38,66,975	66,12,000
TOTAL (A)	3,29,08,268	15,62,81,332
d Administrative & General Expenses		
1 Audit fees		66,000
2 Taxation Fees		66,000
3 Factory Municipal tax		5,98,732
4 Repairs & Maint. Exp.		11,57,748
5 Security services	12,52,258	29,56,823
6 House Keeping Service	8,97,593	21,40,178
7 Insurance Expenses	6,69,901	8,23,713
8 Technical & System Support Fees		45,000
9 Rent Expense (Vehicle & DG)	9,65,750	-
10 Rate & Taxes	7,950	23,032
11 Legal & Professional expenses	38,79,666	52,66,184
12 Office Expenses	4,11,534	8,57,990
13 Postage & Courier Expenses	7,651	92,157
14 Printing & Stationary Expenses	2,67,956	6,92,169
15 Computer Expenses	9,50,279	7,06,462
16 Subscription & Membership Expenses	1,20,987	1,77,424
17 Telephone expenses	2,79,415	6,38,914
18 Staff Recruitment Expenses	1,32,195	5,55,454
19 General Repairs & Maintenance Expenses	31,84,952	27,76,221
20 Gen & Misc. Expenses	(76,501)	30,15,741
21 Training Expenses	56,667	64,667
TOTAL (d)	1,30,08,252	2,07,20,608
C Selling & Distribution Expenses		
1 Freight Outward Charges	17,03,652	23,91,000
2 Clearing & Forwarding Expense	12,97,430	22,47,299
3 Sales Promotion Expense	3,34,766	1,08,825
4 Travelling Expense	44,31,636	1,15,30,812
TOTAL (C)	77,67,484	1,62,77,936
D Other Expenses		
CSR Expense	-	23,61,000
TOTAL (D)	-	23,61,000
TOTAL (A + d + C + D)	5,36,84,003	19,56,40,877



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Particulars	2024-25	2023-24
27 Exceptional Items		
Profit on Sale of assets	1,99,145	4,41,522
Gain on PMS	9,93,819	(5,17,515)
Gain on sale of mutual fund		
Short Term	48,52,392	(2,53,951)
Long Term	73,66,401	(4,74,976)
	<u>1,34,11,756</u>	<u>(8,04,920)</u>
28 Short Provision of Income tax of Previous Year		
Short Provision	1,74,867	-
Excess Provision for Income Tax	-	(36,13,617)
Deferred Tax Liabilities (opening)	-	-
Tax Paid	-	-
	<u>1,74,867</u>	<u>(36,13,617)</u>



COSMOS ENGITECH PVT. LTD.
NOTE NO. 29

Particulars	As at 30.09.2024	As at 31.03.2024
Earnings per share:		
Before extraordinary item:		
Profit for the year after tax expense	11,51,40,999	16,43,22,029
	11,51,40,999	16,43,22,029
Weighted average number of equity shares	749061	7,55,356
Earning per share	153.71	217.54
After extraordinary item:		
Profit for the year after tax expense	11,51,40,999	16,43,22,029
	11,51,40,999	16,43,22,029
Weighted average number of equity shares	7,49,061	7,55,356
Earning per share	153.71	217.54



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Operational Division

BALANCE SHEET AS AT 30ST SEPTEMBER 2024

Particulars	As at 30st Sept, 2024 Amount in Rs.	As at 31st March, 2024 Amount in Rs.
I.		
Shareholders' Funds		
(a) Share Capital	71,75,860	75,53,560
(b) Reserves and Surplus	60,55,14,493	48,90,49,244
(c) Money received against share warrants	-	-
	61,26,90,353	49,66,02,804
Share application money pending allotment	-	-
Non - current liabilities		
(a) Long term borrowings	-	-
(b) Deferred tax liabilities (Net)	1,90,35,575	1,90,35,575
(c) Other long term liabilities	1,10,41,446	1,12,48,040
(d) Long - term provisions	-	-
	3,00,77,021	3,02,83,615
Current Liabilities		
(a) Short term borrowings	16,36,64,401	16,83,85,413
(b) Trade payables	13,23,58,645	10,58,99,445
(c) Other current liabilities	63,21,813	1,16,62,345
(d) Short term provisions	1,03,65,203	6,85,51,408
	31,27,10,062	35,44,98,611
TOTAL	95,54,77,436	88,13,85,030
II.		
Non - current assets		
Property, Plant and Equipment and Intangible Assets		
(a) Assets		
(i) Property, Plant and Equipment	38,14,06,028	36,46,06,232
(ii) Intangible assets	-	-
(iii) Capital work-in-progress	-	-
(iv) Intangible assets under development	-	-
(v) Fixed assets held for sale	-	-
(vi) Intangible assets under development	-	-
	38,14,06,028	36,46,06,232
(b) Non-current investments	-	-
(c) Deferred tax assets (net)	-	-
(d) Long-term loans and advances	-	217.54
(e) Other non-current assets	39,44,436	39,44,436
(f) Other non current assets	-	-
	38,53,50,465	36,85,50,668
Current Assets		
(a) Current Investments	-	-
(b) Inventories	14,28,68,279	13,90,01,194
(c) Trade receivables	29,84,15,677	27,31,10,915
(d) Cash and cash equivalents	1,53,01,438	1,76,03,268
(e) Short term loans and advances	11,35,41,578	9,41,18,984
(f) Other current assets	-	-
	57,01,26,972	51,28,34,362
TOTAL	95,54,77,437	88,13,85,030



COSMOS ENGITECH PVT. LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30th SEPTEMBER -2024

Particulars	2024-25		2023-24	
	Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations		58,24,09,863		1,10,77,59,430
Less :- GST		3,30,65,607		8,29,52,991
Revenue from Operations (net)		54,93,44,257		1,02,48,06,439
II Other Income		80,48,047		1,99,99,272
III Total Income (I + II)		55,73,92,303		1,04,48,05,711
IV Expenses				
a Cost of materials consumed	95,68,77,097		45,89,88,480	
b Purchases of stock in-trade				
Changes in inventories of finished goods, work in				
c progress and stock in trade	(63,56,07,175)	32,12,69,923	1,09,44,231	46,99,32,711
d Employee benefits expenses		5,69,35,064		12,83,78,681
e Finance costs		95,64,740		2,19,28,288
f Depreciation and amortization expense		1,38,35,317		2,47,37,337
g Other expenses		5,36,84,003		19,56,32,116
Direct Expense	3,29,08,268		15,62,81,332	
Admin Expense	1,30,08,252		2,07,11,847	
S & D Expense	77,67,484		1,62,77,936	
Exchange Variation				
Total Expenses		45,52,89,047		84,06,09,132
Profit/(Loss) before exceptional and extraordinary				
V items and tax (III-IV)		10,21,03,255		20,41,96,579
VI Exceptional Items				(4,41,522)
Profit/(Loss) before extraordinary items and tax (V-				
VII VI)		10,21,03,255		20,37,55,058
IX Extraordinary items				
X Profit before tax (VII-VIII-IX)		10,21,03,255		20,37,55,058
XI Tax expense:				
(1) Current tax				
(2) Deferred tax				
(3) Short Provision of Income tax of Previous Year	1,74,867			
		1,74,867		4,11,62,189
Profit/(Loss) for the period from continuing				
XII operations (X-XI)		10,19,28,388		16,25,92,868
XIII Profit/(Loss) for the period (XI)		10,19,28,388		16,25,92,868
XIV Earning per equity share:				
(1) Basic		135		215
(2) Diluted		135		215



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Leasing & Investment Division

Particulars	As at 30.09.2024		As at 31.03.2024	
	Rs.	Rs.	Rs.	Rs.
I.				
Shareholder's Funds				
(a) Share Capital				
(b) Reserves and Surplus	16,10,72,623		20,49,10,334	
(c) Money received against share warrants	-	16,10,72,623	-	20,49,10,334
Share application money pending allotment	-	-	-	-
Non - current liabilities				
(a) Long term borrowings	-		-	
(b) Deferred tax liabilities (Net)	-		-	
(c) Other long term liabilities	-		-	
Current Liabilities				
(a) Short term borrowings	-		-	
(b) Trade payables	-		-	
(c) Other current liabilities	-		-	
(d) Short term provisions	-		-	
TOTAL		16,10,72,623		20,49,10,334
II.				
Non - current assets				
(a) Fixed Assets				
(i) Tangible assets	-		-	
(ii) Intangible assets	-		-	
(iii) Capital work in progress	-		-	
(iv) Intangible assets under development	-		-	
(b) Non - current investments	50,33,853		50,33,853	
(c) Long term loans and advances	-	50,33,853	-	50,33,853
Current Assets				
(a) Current Investments	15,60,38,770		19,98,76,480	
(b) Trade receivables	-		-	
(c) Inventories	-		-	
(d) Cash and cash equivalents	-		-	
(e) Short term loans and advances	-		-	
(f) Other current assets	-		-	
TOTAL		15,60,38,770		19,98,76,480
		16,10,72,623		20,49,10,333



COSMOS ENGITECH PVT. LTD.
NOTES TO FINANCIAL STATEMENTS
Standalone Profit and Loss- Leasing & Investment Divin.

Particulars	2024-25 (UPTO 30.09.2024)		2023-24	
	Rs.	Rs.	Rs.	Rs.
I Revenue from Operations				
II Other Income		1,32,12,611		17,37,922
III TOTAL REVENUE (I + II)		1,32,12,611		17,37,922
IV Expenses				
a Cost of materials consumed				
b Purchases of stock in trade				
c Changes in inventories of finished goods, work in progress and stock in trade				
d Employee benefit expenses				
e Finance costs				
f Depreciation and amortisation expenses				8,761
g Other expenses				8,761
Total Expenses (IV)				
Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		1,32,12,611		17,29,161





M/s. Ajit Tushar & Co.
Chartered Accountant

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of COSMOS IMPEX (INDIA) PVT. LTD.

Limited Review Report on the Interim Financial Results

Subject Matter of Review

We have performed a limited review of the accompanying statement of unaudited financial results of COSMOS IMPEX (INDIA) PVT. LTD. for the six-month ended as at 30th September, 2024, which comprises of the Statement of Un-audited Financial Results for the half-year ended 30th September 2024, Balance Sheet as at 30th September, 2024 and Statement of Profit and Loss along with their Notes to Accounts & their Segmental Reports thereon, herein after referred as Interim Financial Results.

Scope of Review and Our Responsibility

We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from any material misstatement.

A review is limited primarily to inquiries of company personal and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Responsibility of Management for Financial Statements

- This Interim Financial Results are the responsibility of the company's management (Board of Directors) and has been approved by the Board of Directors. Our responsibility is to issue a limited review report on these interim financial statements based on our review.
- The Company's Board of Directors is responsible for the preparation of these Interim Financial Results in accordance with the applicable financial reporting framework.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these Interim Financial Results discloses the information that are required to be so disclosed as per the applicable financial reporting framework and the manner in which it is so disclosed.



- In preparing the financial statements, management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Review Opinion

Based on our review, nothing has come to our attention that causes us to believe that the aforesaid Interim Financial Results has not disclosed the information required to be disclosed including the manner in which it is to be disclosed, or that it contains any material misstatement w.r.t the state of affairs of the Company as at 30th September 2024 and or its profit for the period ended on that date, i.e. the six-month ended as at 30th September, 2024.

Place: Vadodara

Date: 13/03/2025

UDIN: 25039719BMUJND7438



For Ajit Tushar & Co.
Chartered Accountants
Firm Registration No. 136343W

Digitally signed by
TUSHAR PRAVINCHANDRA
PATHAK

CA Tushar Pathak
Partner
M. No. : 039719



COSMOS IMPEX (INDIA) PVT. LTD.
Standalone Balance Sheet as at 30th September-2024

Particulars	Note No.	As on 30.09.2024		As on 31.03.2024	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	1	74,23,49,990		75,75,00,000	
(b) Reserves and Surplus	2	1,66,57,99,192	2,40,81,49,182	1,49,79,47,685	2,25,54,47,685
(2) Non-current liabilities					
(a) Long term borrowings	3	26,52,26,403		24,71,84,231	
(b) Deferred tax liabilities (Net)	4	4,61,03,524		4,61,03,524	
(c) Other long term liabilities	5		31,13,29,927		29,32,87,755
(3) Current Liabilities					
(a) Short term borrowings	6	49,34,34,482		35,72,59,220	
(b) Trade payables	7	47,95,22,366		66,56,03,215	
(c) Other current liabilities	8	23,90,83,493		29,25,40,178	
(d) Short term provisions	9	11,85,09,033		20,59,04,331	
TOTAL			1,33,05,49,264 4,05,00,28,373		1,52,13,06,944 4,07,00,42,384
II. ASSETS					
(1) Non-current assets					
(a) Fixed Assets					
(i) Tangible assets	10	1,60,92,74,730	1,60,92,74,730	1,52,26,13,634	1,52,26,13,634
(b) Non-current investments	11		14,65,66,136		14,65,66,136
(c) Long term loans and advances	12		1,41,29,462		1,32,93,712
			1,76,99,69,328		1,68,24,73,482
(2) Current Assets					
(a) Current Investments	13	42,28,90,780		53,30,14,237	
(b) Trade receivables	14	13,07,13,360		24,23,53,470	
(c) Inventories	15	1,24,77,11,505		1,20,85,53,446	
(d) Cash and cash equivalents	16	16,58,37,446		5,96,57,367	
(e) Short term loans and advances	17	7,78,85,499		19,34,08,478	
(f) Other current assets	18	23,40,20,453		15,15,81,904	
TOTAL			2,28,00,59,045 4,05,00,28,373		2,38,75,68,902 4,07,00,42,384

Significant accounting Policies.

AS PER REPORT OF EVEN DATE ATTACHED

FOR AJIT TUSHAR & CO.
CHARTERED ACCOUNTANTS

Digitally signed by
TUSHAR
PRAVINCHANDRA
PATHAK

CA. TUSHAR PATHAK
PARTNER
M. No. : 039719
PRN. : 136343W
PLACE : VADODARA
DATE : 13/03/2025

On Behalf Of Board of Directors
FOR COSMOS IMPEX (INDIA) PVT. LTD.

NIMISH SHAH
DIRECTOR
DIN: 00372997

PLACE : VADODARA
DATE : 13/03/2025

VELAGA NAGESH
DIRECTOR
DIN NO : 00373006

PLACE : VADODARA
DATE : 13/03/2025



COSMOS IMPEX (INDIA) PVT. LTD.
Standalone Profit and Loss for the period ended on 30th September-2024

Particulars	Note No.	2024-25		2023-24	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	19		2,26,81,06,231		4,67,55,82,755
II Other Income	20		6,68,79,516		4,43,72,590
III TOTAL REVENUE (I + II)			2,33,49,79,847		4,92,38,55,135
IV Expenses					
a Cost of materials consumed	21	1,49,61,70,260		2,70,59,41,136	
b Purchases of stock in trade	22	1,48,30,199		69,58,31,079	
c Changes in inventories of finished goods, work in progress and stock in trade	23		1,51,10,00,459	(5,36,33,605)	9,24,28,39,210
d Employee benefit expenses	24		30,07,82,518		61,74,00,041
e Finance costs	25		3,21,06,768		8,38,90,840
f Depreciation and amortization expenses	26		8,47,45,125		9,17,66,283
g Other expenses	27		16,31,93,491		29,90,88,582
Total Expenses (IV)			2,06,18,23,321		4,30,69,88,535
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)			27,31,51,526		61,68,66,599
VI Exceptional items	28		-		-
VII Profit/(Loss) before extraordinary items and tax (V-VI)			27,31,51,526		61,68,66,599
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			27,31,51,526		61,68,66,599
X Tax expense:					
(1) Current tax		7,50,00,000		13,70,00,000	
(2) Deferred tax		-		(52,31,705)	
(3) Short/Excess Provision of income tax of Previous Year	29	-		-	
XI Profit/(Loss) for the period from continuing operations (IX-X)			7,50,00,000		13,07,68,235
XII Profit/(Loss) from discontinuing operations			19,81,51,326		48,60,98,364
XIII Tax expense of discontinuing operations			-		-
XIV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)			-		-
XV Profit/(Loss) for the period (XI + XIV)			19,81,51,326		48,60,98,364
XVI Earning per equity share:					
(1) Basic			2.62		4.42
(2) Diluted			-		-
Significant accounting Policies					

AS PER REPORT OF EVEN DATE ATTACHED

FOR AJIT TUSHAR & CO.
 CHARTERED ACCOUNTANTS

Digitally signed by
**TUSHAR PRAVINCHANDRA
 PATHAK**

CATUSHAR PATHAK
 PARTNER
 M. No. : 039719
 FRN. : 136343W
 PLACE : VADODARA
 DATE : 13/03/2025

On Behalf Of Board of Directors
 FOR COSMOS IMPEX (INDIA) PVT. LTD.

ANISH SHAH
 DIRECTOR
 DIN: 00373897

PLACE : VADODARA
 DATE : 13/03/2025

VELADA NAGESH
 DIRECTOR
 DIN NO : 00373806

PLACE : VADODARA
 DATE : 13/03/2025



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note : 1 - Share Capital:

Particulars	As at 30.09.2024		As at 31.03.2024	
	Number	Rs.	Number	Rs.
Authorized:				
7,50,00,000 Equity shares of Rs.10/- each	7,50,00,000	75,00,00,000	7,50,00,000	75,00,00,000
		75,00,00,000		75,00,00,000
Issued, subscribed and fully paid up:				
75,00,00,000 Equity shares of Rs.10/- each				
- Reconciliation of No. of Shares				
At the beginning of the reporting period	7,57,50,000	75,75,00,000	7,57,50,000	75,75,00,000
Bonus Shares issued during the reporting period	-	-	-	-
Bought back during the reporting period	15,15,000	1,51,50,010	-	-
At the end of the reporting period	7,42,34,999	74,23,49,990	7,57,50,000	75,75,00,000
		74,23,49,990		75,75,00,000
Add: Amount originally paid up on forfeited shares		-		-
Total		74,23,49,990		75,75,00,000

Particulars of equity share holders holding more than 5% of the total number of equity share capital:

Particulars	As at 30.09.2024		As at 31.03.2024	
	No. of shares	Rs.	No. of shares	Rs.
NIMISH A SHAH	1,05,73,567	10,57,35,567	1,07,89,375	10,78,93,750
VEENITA N SHAH	90,93,787	9,09,37,870	92,79,375	9,27,93,750
TEJAS D SHAH	74,35,950	7,43,59,500	75,77,500	7,57,75,000
ADITYA N SHAH	74,35,950	7,43,59,500	75,77,500	7,57,75,000
V NAGESH	1,12,58,975	11,25,89,750	1,19,93,750	11,99,37,500
V NIKETU	74,23,504	7,42,35,000	75,75,000	7,57,50,000
V ABHISHEK	79,18,400	7,91,84,000	79,78,000	7,97,80,000
V AAYUSH	79,18,400	7,91,84,000	80,80,000	8,08,00,000

Note : 2 - Reserves and Surplus:

Particulars	As at 30.09.2024		As at 31.03.2024	
	Rs.	Rs.	Rs.	Rs.
i) Profit and Loss Account:				
As per last Balance Sheet	-	-	-	-
Add: Profit for the year	19,81,51,526	-	48,60,98,364	-
Less: Transfer to General Reserve	19,81,51,526	-	48,60,98,364	-
Total (i)	-	-	-	-
ii) Securities Premium:				
As per last Balance Sheet	3,35,90,000	-	3,35,90,000	-
Add: Profit for the year	-	3,35,90,000	-	3,35,90,000
Total (ii)	-	3,35,90,000	-	3,35,90,000

Particulars	As at 30.09.2024		As at 31.03.2024	
	Rs.	Rs.	Rs.	Rs.
iii) General Reserve:				
As per last Balance Sheet	1,39,62,43,480	-	91,01,45,116	-
Add: During the year	19,81,51,526	-	48,60,98,364	-
Less: Transferred on Buyback	1,51,50,010	-	-	-
Less: Payment on Buyback	3,03,00,020	1,54,89,44,977	-	1,39,62,43,480
Total (iii)	-	1,54,89,44,977	-	1,39,62,43,480
iv) Revaluation Reserve:				
As per last Balance Sheet	7,61,14,305	-	7,61,14,305	-
Add: During the year	-	7,61,14,305	-	7,61,14,305
Total (iv)	-	7,61,14,305	-	7,61,14,305
v) Capital Redemption Reserve:				
As per last Balance Sheet	-	-	-	-
Add: During the year	1,51,50,010	1,51,50,010	-	-
Total (v)	-	1,51,50,010	-	-
Total (i+ii+iii+iv+v)		1,66,57,59,192		1,49,79,47,685



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note : 3 - Long term Borrowings:

Particulars	As at 30.09.2024		As at 31.03.2024	
	Rs.		Rs.	
A) Secured Loans:				
a. Term Loans	29,03,82,813		26,76,43,750	
Less: Due within 12 Months	6,34,75,000	22,69,07,813	5,87,25,490	20,89,18,260
b. Car Loan	5,34,32,572		4,96,89,536	
Less: Due within 12 Months	1,51,13,982	3,83,18,590	1,14,23,565	3,82,65,971
Total		26,52,26,403		24,71,84,231
B) Unsecured Loans:				
Total		-		-
C) Deposits				
Total		-		-
C) Total long term borrowings (A+B)		26,52,26,403		24,71,84,231

Note : 4 - Deferred tax liabilities (Net):

Deferred tax liabilities (For Previous year)
Deferred tax liabilities (During the Year)

Total

4,61,03,524

4,61,03,524

5,23,35,289
(62,31,765)

4,61,03,524



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note : 5 - Other Long term Liabilities:

Particulars	As at 30.09.2024	As at 31.03.2024
Rs.	Rs.	Rs.
Other Long term Liabilities:		
a) Other Long Term Borrowings-Buyers Credit	-	-
Total	-	-

Note : 6 - Short term Borrowings:

A) Secured Loans:

a) Loans repayable on demand from banks:-		
- from banks:-		
Cash Credit - (a (i))	36,43,45,500	23,81,03,217
b) Short Term Borrowings (Due within 12 Months)	5,05,00,000	4,90,06,948
c) Term Loans instalments - Due within 12 Months	6,34,75,000	5,87,25,490
d) Car Loan repayments - Due within 12 Months	1,51,13,982	1,14,23,565
Total - A	49,34,34,482	35,72,59,220

B) Unsecured Loans:

Total - B	-	-
------------------	---	---

C) Deposits:

Deposits	-	-
Total - C	-	-
Total (A+B)	49,34,34,482	35,72,59,220



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note No.	Particulars	As at 30.09.2024 Rs.	As at 31.03.2024 Rs.
7 Trade Payables:			
ii For Goods		43,73,67,698	63,53,11,474
ii) For Expenses		4,21,54,568	3,02,91,741
Total		47,95,22,266	66,56,03,215
8 Other current liabilities:			
a) Other payables (Specify nature)			
Advances from customers		19,89,25,600	18,43,19,255
Advances to Staff		1,68,96,672	1,75,38,175
Statutory liabilities		69,61,858	7,63,48,308
b) Deposits		1,62,99,353	1,43,34,440
Total		23,90,83,483	29,25,40,178
9 Short term provisions:			
a) Provision for employee benefits		3,33,12,819	6,73,28,939
b) Others			
Provision for Taxation		7,50,00,000	13,70,00,000
Provision for Expenses		1,01,96,214	15,75,392
Total		11,85,09,033	20,69,04,331



NAME OF ASSETS	AS ON 31.03.2024	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		ACQUISITION DURING THE YEAR	ADJUSTMENT DURING THE YEAR	REDUCTION DURING THE YEAR	AS ON 31.03.2024	AS ON 01.04.24	DEP. PROVISIONED FOR THE PERIOD	AS ON 30.03.2024	AS ON 30.03.2024
CAPITAL W.T.P	6,52,06,023	6,20,34,862	-	-	12,72,40,885	-	-	-	6,52,06,023
LAND	29,11,00,000	-	-	-	19,11,00,000	-	-	-	19,11,00,000
OFFICE BUILDINGS	3,30,56,299	-	-	-	3,30,56,299	-	-	-	3,30,56,299
INSTRUMENT & REVENUE	6,92,06,402	1,57,28,743	-	-	7,49,35,145	-	-	-	7,49,35,145
COMPUTER	6,53,02,873	19,56,943	-	-	8,72,59,816	-	-	-	8,72,59,816
SOCIAL WORKS IMPROVEMENT BY OTHER	71,09,309	-	-	-	71,09,309	-	-	-	71,09,309
OFFICE EQUIPMENT	1,27,72,343	49,50,481	-	-	1,77,22,824	-	-	-	1,77,22,824
A.C. BLURK	7,41,84,702	67,14,664	-	-	8,08,99,366	-	-	-	8,08,99,366
ELECTRICAL INSTALLATIONS	6,27,53,293	55,30,695	-	-	6,82,83,988	-	-	-	6,82,83,988
DISPOSABLE EQUIPMENT	2,01,13,064	15,29,139	-	-	2,16,42,203	-	-	-	2,16,42,203
MOTOR CAR	7,04,16,709	1,12,96,670	-	-	8,17,13,379	-	-	-	8,17,13,379
PLANT & MACHINERY	35,56,52,934	1,09,08,486	-	-	36,65,61,420	-	-	-	36,65,61,420
FACTORY BUILDING	54,70,66,523	1,18,60,310	-	-	55,89,26,833	-	-	-	55,89,26,833
TOOL & EQUIPMENT	2,61,29,130	5,00,022	-	-	3,11,29,152	-	-	-	3,11,29,152
PATENT	6,14,29,332	35,06,000	-	-	6,49,35,332	-	-	-	6,49,35,332
MOBILE INSTRUMENT	5,29,693	-	-	-	5,29,693	-	-	-	5,29,693
TOTAL	1,83,86,89,047.66	14,14,06,220	-	-	1,98,00,95,268	-	-	-	1,98,00,95,268
AS ON 31.03.2024	1,89,46,79,403	43,35,80,728	-	-	2,32,82,60,131	-	-	-	2,32,82,60,131



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note No.	Particulars	As at 30.09.2024 Rs.	As at 31.03.2024 Rs.
11 Non - Current Investments:			
i) Investment in LLP		9,15,94,436	9,15,94,436
ii) Investment in subsidiary		5,49,71,700	5,49,71,700
Total		14,65,66,136	14,65,66,136
12 Long Term Loans & Advances:			
i) Other Loans & Advances		1,41,28,462	1,32,93,712
Total		1,41,28,462	1,32,93,712
13 Current Investments:			
Investment in Mutual Fund		41,11,57,609	52,54,27,969
Investment in Property		1,17,33,171	65,86,268
Total		42,28,90,780	53,20,14,237
14 Trade receivables:			
(Unsecured and considered good)			
i) Trade receivables exceeding six months			
ii) others		13,07,13,360	24,23,53,470
Total		13,07,13,360	24,23,53,470
15 Inventories:			
i) Raw materials & WIP		1,06,48,82,345	1,03,32,95,178
ii) Finished goods		18,28,29,161	17,52,58,267
Total		1,24,77,11,506	1,20,85,53,445
16 Cash and cash equivalents:			
i) Balances with banks			
- in Current accounts		9,02,13,371	4,99,65,504
- in Deposits accounts		7,52,01,582	82,89,370
ii) Cash on hand		14,22,493	14,02,493
Total		16,68,37,446	5,96,57,367
17 Short term loans and advances:			
(Unsecured and considered good)			
i) Advances to Staff		17,12,082	9,26,830
ii) Prepaid Expenses and Interest Accrued		1,27,385	63,28,164
iii) Balance with Government Authorities			
- Advance Taxes		7,55,13,845	13,78,84,449
- Other Taxes (GST)		0	4,42,74,903
- Refunds/ Claims Receivable		-3,46,419	31,15,526
iv) Deposits		8,78,606	8,78,606
Total		7,78,85,499	19,34,08,478
18 Other Current Assets:			
i) Advance To Suppliers		22,16,76,183	14,17,39,619
ii) Other Receivables		1,23,44,270	98,42,285
Total		23,40,20,453	15,15,81,904



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note No.	Particulars	2024-25 Rs.	2023-24 Rs.
19	Revenue from operations:		
	1) Sale of products:-		
	CNC Machine, Spares		
	Sales Export	38,55,72,341	51,66,89,915
	Sales Inland	1,93,58,73,210	4,26,97,99,835
	Sales Jobwork / Services	2,66,60,780	9,36,93,005
	Total (A)	2,26,81,06,331	4,87,95,82,755
20	Other Income:		
	Other non operating income	6,68,73,516	4,42,72,380
	Total	6,68,73,516	4,42,72,380
21	Cost of materials consumed:		
	Opening Stock of Raw Materials	-	77,39,03,854
	Add:		
	Purchase	-	2,94,09,53,415
	Add: Direct Expenses	-	3,71,48,56,269
	Inward Freight Exp.	-	2,43,80,045
		-	3,73,92,36,314
	Less:		
	Closing Stock of Raw Materials	-	1,03,32,95,176
	Consumption of raw materials & WIP	1,49,61,70,260	2,70,59,41,136
		1,49,61,70,260	2,70,59,41,136



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note No.	Particulars	2024-25 Rs.	2023-24 Rs.
22	Purchases of Stock-in-Trade:		
	<u>Purchases</u>		61,43,49,368
	(CNC Machines, Misc. Spares & Equipments & Toolings.)		
	<u>Add: Direct Expenses</u>		
	Inward Freight	1,47,82,302	59,75,832
	Labour Charges	47,897	2,06,499
		<u>1,48,30,199</u>	<u>62,65,31,679</u>
23	Changes in inventories of finished goods, work in progress and stock in trade:		
	A) Finish Goods		
	<u>Stock at the beginning of the year</u>		
	- Machine Tool Division	-	1,80,43,410
		-	1,80,43,410
	<u>Less:</u>		
	<u>Stock at the end of the year</u>		
	- Machine Tool Division	-	1,18,24,997
	Total	<u>-</u>	<u>42,18,413</u>
	Stock in Trade		
	<u>Stock at the beginning of the year</u>		
	- CNC Machines	-	3,90,51,464
	- Misc. Spares	-	3,65,29,788
		-	7,55,81,252
	<u>Less:</u>		
	<u>Stock at the end of the year</u>		
	- CNC Machines	-	11,83,34,026
	- Misc. Spares	-	4,50,99,244
	Total	<u>-</u>	<u>(8,78,52,018)</u>
24	Employee Benefit Expenses:		
	1 Salary & Allowances To Staff	14,71,98,876	30,77,48,210
	2 Wages to Workers	7,53,66,881	13,70,80,749
	3 Directors Remuneration	5,89,37,200	13,74,50,000
	4 Contribution to Provident Fund	85,53,782	1,52,96,895
	5 Staff Welfare Expenses	1,07,26,779	1,79,82,930
	6 Employee Insurance Expenses	-	13,09,683
	7 Training Expenses	-	5,65,174
	Total	<u>30,07,82,518</u>	<u>61,74,33,641</u>



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note No.	Particulars	2024-25 Rs.	2023-24 Rs.
25 Finance Costs:			
1	Interest Expenses	2,93,10,641	4,83,63,445
2	Mortgage Charges	-	23,41,200
3	Other Borrowing Costs	27,96,127	52,86,304
	Total	3,21,06,768	5,58,90,849
26 Depreciation and amortization:			
	Depreciation	5,47,45,125	9,17,66,283
	Total	5,47,45,125	9,17,66,283
27 Other expenses:			
A Direct Expenses			
1	Factory Rent Expenses	41,16,326	88,17,708
2	Power & Fuel Expenses	1,34,80,280	1,84,40,431
3	Security Expenses (Factory)	36,70,662	73,25,731
B Administrative Expenses			
1	Audit Fees		1,92,000
2	Traction Fees		88,000
3	Office Expenses	37,65,766	43,90,258
4	Rent, Rates & Taxes	36,73,709	62,31,185
5	Membership Fees Expenses	2,81,970	3,71,064
6	Postage & Courier Expenses	10,13,945	23,81,541
7	Printing & Stationery Expenses	13,07,302	27,31,297
8	Conveyance Expenses	58,62,730	1,07,37,219
9	Repairs Expenses	63,23,302	1,24,04,777
10	Insurance Expenses	50,457	26,22,248
11	Legal & Professional Expenses	1,70,60,951	3,39,71,497
12	General Admin Expenses	1,18,00,107	1,30,16,457
13	Leasing Charges	10,65,500	27,29,630
14	Security Expenses (Office)	10,79,030	23,79,783
15	CSR Expenses	25,00,000	97,00,000
16	Innovation & Development Expenses	17,50,000	31,20,000
C Selling and Distribution Expenses			
1	Sales Promotion Expenses	13,23,236	86,24,480
2	Sales Commission Expenses	3,45,73,217	4,68,91,564
3	Freight Outward & Packing Expenses	3,10,94,119	4,70,28,365
4	Advertisement Expenses	22,030	3,41,190
5	Exhibition Expenses	-	1,01,81,571
6	Communication Expenses	20,71,093	30,19,580
7	Bad Debts	(5,830)	-
8	Traveling Expenses	2,41,54,559	3,84,08,633
	Total (A+B+C)	16,31,93,451	29,90,58,552



COSMOS IMPEX (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS

Note No.	Particulars	2024-25 Rs.	2023-24 Rs.
28 Exceptional Items			
1	Loss on Sale of assets	-	-
2	Profit on Sale of assets	-	-
1	Loss on Investment	-	-
	Total	-	-
29 Short/Excess Provision of income tax of Previous Year			
1	Prior Period Items	-	-
1	Short Provision	-	-
2	Excess Provision for Income Tax	-	-
	Total	-	-
30 Earnings per share:			
	Before extraordinary item:		
	Profit for the year after tax expense	19,81,51,526	48,60,98,364
	Less:		
	Preference dividend payable including dividend tax	-	-
	Total	19,81,51,526	48,60,98,364
	Weighted average number of equity shares	7,54,97,500	7,57,50,000
	Earning per share	2.62	6.42
	After extraordinary item:		
	Profit for the year after tax expense	19,81,51,526	48,60,98,364
	Less: Adjustment for		
	Extraordinary item (net of tax)	-	-
	Total	19,81,51,526	48,60,98,364
	Less:		
	Preference dividend payable including dividend tax	-	-
	Total	19,81,51,526	48,60,98,364
	Weighted average number of equity shares	7,54,97,500	7,57,50,000
	Earning per share	2.62	6.42



31 Segmental Reports
(a) Operational Division

BALANCE SHEET AS AT 30th SEPTEMBER 2024

Particulars	As at 30.09.2024		As at 31.03.2024	
	Rs.	Rs.	Rs.	Rs.
EQUITY AND LIABILITIES				
(1) Shareholder's Funds				
(a) Share Capital	74,23,40,000		75,73,00,000	
(b) Reserves and Surplus	1,03,74,04,050		86,29,24,002	
(c) Money received against share warrants	-		-	
		1,77,97,24,050		1,62,04,24,002
(2) Short application money pending allotment	-	-	-	-
(3) Non-current liabilities				
(a) Long term borrowings	26,52,26,403		24,71,84,231	
(b) Deferred tax liabilities (Net)	4,61,03,524		4,61,03,524	
(c) Other long term liabilities	-		-	
		31,13,29,927		29,32,87,755
(3) Current Liabilities				
(a) Short term borrowings	46,34,34,182		35,72,50,220	
(b) Trade payables	47,43,60,438		64,36,03,215	
(c) Other current liabilities	33,31,44,382		29,25,60,179	
(d) Short term provisions	11,79,53,555		20,24,03,682	
		1,41,88,92,146		1,52,08,66,275
TOTAL		3,50,99,76,813		3,43,45,78,632
ASSETS				
(1) Non-current assets				
(a) Fixed Assets				
(i) Tangible assets	1,49,31,13,950		1,41,91,64,119	
(ii) Intangible assets	-		-	
(iii) Capital work in progress	-		-	
(iv) Intangible assets under development	-		-	
	1,49,31,13,950		1,41,91,64,119	
(b) Non-current investments	14,68,66,136		14,68,66,136	
(c) Long term loans and advances	1,41,28,462		1,32,93,713	
		1,65,28,04,548		1,57,90,23,967
(2) Current Assets				
(a) Current Investments	-		-	
(b) Trade receivables	13,07,13,360		24,23,83,479	
(c) Inventories	1,24,77,11,505		1,20,85,53,445	
(d) Cash and cash equivalents	16,68,37,466		5,98,67,367	
(e) Short term loans and advances	7,79,65,409		10,34,08,478	
(f) Other current assets	23,40,20,454		15,15,81,004	
		1,85,71,68,265		1,85,55,54,665
TOTAL		3,50,99,76,813		3,43,45,78,632



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30th SEPTEMBER -2024

Particulars	2024-25		2023-24	
	Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations		2,36,81,06,333		4,87,95,82,755
II Other Income		2,48,99,412		3,88,00,187
III TOTAL REVENUE (I + II)		9,99,30,05,743		4,91,83,82,942
IV Expenses				
a Cost of materials consumed	1,49,61,70,200		2,70,59,41,136	
b Purchases of stock in trade	1,48,30,199		62,05,31,679	
c Changes in inventories of finished goods, work in progress and stock in trade	-	1,51,10,00,459	(8,36,33,605)	3,24,28,39,210
d Employee benefit expenses		29,79,01,875		61,33,70,482
e Finance costs		3,21,07,412		3,55,57,300
f Depreciation and amortisation expenses		5,44,73,109		9,12,35,955
g Other expenses		16,31,93,451		29,90,58,582
Total Expenses (IV)		2,05,86,76,306		4,25,79,68,702
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		21,42,29,437		62,04,14,240



(4) Leasing and Investment Division

BALANCE SHEET AS AT 30th SEPTEMBER 2024

Particulars	As on 30.09.2024		As at 31.03.2024	
	Rs.	Rs.	Rs.	Rs.
EQUITY AND LIABILITIES				
(1) Shareholder's Funds				
(a) Share Capital				
(b) Reserves and Surplus	62,83,95,142		62,30,23,083	
(c) Money received against share warrants	-		-	
		62,83,95,142		62,30,23,083
(2) Share application money pending allotment	-		-	
(3) Non-current liabilities				
(a) Long term borrowings	-		-	
(b) Deferred tax liabilities (net)	-		-	
(c) Other long term liabilities	-		-	
(4) Current liabilities				
(a) Short term borrowings	-		-	
(b) Trade payables	51,61,838		-	
(c) Other current liabilities	-		-	
(d) Short term provisions	5,35,478		4,40,659	
TOTAL		57,17,316		4,40,659
		63,41,12,459		63,54,63,732
ASSETS				
(1) Non-current assets				
(a) Fixed Assets				
(i) Tangible assets	11,71,60,780		10,34,49,515	
(ii) Intangible assets	-		-	
(iii) Capital work in progress	-		-	
(iv) Intangible assets under development	-		-	
	11,71,60,780			10,34,49,515
(b) Non-current investments	-		-	
(c) Long term loans and advances	-		-	
		11,71,60,780		10,34,49,515
(2) Current Assets				
(a) Current investments	43,28,99,780		53,20,14,237	
(b) Trade receivables	-		-	
(c) Inventories	-		-	
(d) Cash and cash equivalents	-		-	
(e) Short term loans and advances	-		-	
(f) Other current assets	9,40,60,899		-	
TOTAL		51,40,51,579		53,20,14,237
		63,41,12,459		63,54,63,732



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30th SEPTEMBER -2024

Particulars	2024-25		2023-24	
	Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations				
II. Other Income		4,19,74,105		54,72,193
III. TOTAL REVENUE (I + II)		<u>4,19,74,105</u>		<u>54,72,193</u>
IV. Expenses				
a. Cost of materials consumed	-	-	-	-
b. Purchases of stock in trade	-	-	-	-
c. Changes in inventories of finished goods, work in	-	-	-	-
d. Employee benefit expenses		28,80,643		40,63,159
e. Finance costs		(544)		1,23,459
f. Depreciation and amortisation expenses		2,72,017		5,40,327
g. Other expenses		-		-
Total Expenses (IV)		<u>31,82,013</u>		<u>49,26,945</u>
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		<u>3,87,72,092</u>		<u>5,45,248</u>



amscoco**AMBALAL M. SHAH & CO.**
CHARTERED ACCOUNTANTS**INDEPENDENT AUDITOR'S REPORT**

To,
The Board of Directors of
Nexco Engitech Private Limited

Limited Review Report on the Interim Financial Results

Subject Matter of Review

We have performed a limited review of the accompanying statement of unaudited financial results of Nexco Engitech Private Limited, as at 28th February, 2025, which comprises of the Statement of Un-audited Financial Results for the period ended 28th February, 2025, Balance Sheet as at 28th February, 2025 and Statement of Profit and Loss along with their Notes to Accounts, herein after referred as Interim Financial Results.

Scope of Review and Our Responsibility

We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from any material misstatement.

A review is limited primarily to inquiries of company personal and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Responsibility of Management for Financial Statements

- This Interim Financial Results are the responsibility of the company's management (Board of Directors) and has been approved by the Board of Directors. Our responsibility is to issue a limited review report on these interim financial statements based on our review.
- The Company's Board of Directors is responsible for the preparation of these Interim Financial Results in accordance with the applicable financial reporting framework.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these Interim Financial Results discloses the information that are required to be so disclosed as per the applicable financial reporting framework and the manner in which it is so disclosed.

1st Floor, Bell-E-Vista, Race Course Chakli Circle, Vadodara - 390 007, Gujarat, INDIA
Mob.: +91 98250 26065 / 98250 79066 | Tel.: +91 265 23 13 288 / 30 59 756 | Telefax: +91 265 23 35 345
E-mail: amscoco@yahoo.com / office@amscoco.com | Website: www.amscoco.com



- In preparing the financial statements, management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Review Opinion

Based on our review, nothing has come to our attention that causes us to believe that the aforesaid Interim Financial Results has not disclosed the information required to be disclosed including the manner in which it is to be disclosed, or that it contains any material misstatement w.r.t the state of affairs of the Company as at 28th February, 2025 and or its profit for the period ended on that date, i.e. month ended as at 28th February, 2025.

For,
Ambalal M Shah Co,
Chartered Accountants
FRN: 100304W

Digitally signed by
VIKESH ASHOK JAIN

Vikesh A. Jain
Partner
Membership No.: 130175
UDIN: 25130175BMIXJT3225



Date: 13/03/2025
Place: Vadodara



Nexco Engitech Private Limited
Balance Sheet as at 28th February 2025

Particulars	Note No.	As on 28.02.2025	
		Rs.	Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1,00,000	
(b) Reserves and Surplus	-	-	
(c) Money received against share warrants	-	-	1,00,000
(2) Non - current liabilities			
(a) Long term borrowings	-	-	
(b) Deferred tax liabilities (Net)	-	-	
(c) Other long term liabilities	-	-	
(3) Current Liabilities			
(a) Short term borrowings	-	-	
(b) Trade payables	-	-	
(c) Other current liabilities	-	-	
(d) Short term provisions	-	-	
TOTAL			1,00,000
II. ASSETS			
(1) Non - current assets			
(a) Fixed Assets			
(i) Tangible assets	-	-	
(ii) Intangible assets	-	-	
(iii) Capital work in progress	-	-	
(iv) Intangible assets under development	-	-	
(b) Non - current investments	-	-	
(c) Long term loans and advances	-	-	
(2) Current Assets			
(a) Current Investments	-	-	
(b) Trade receivables	-	-	
(c) Inventories	-	-	
(d) Cash and cash equivalents	2	1,00,000	
(e) Short term loans and advances	-	-	
(f) Other current assets	-	-	
TOTAL			1,00,000

AS PER REPORT OF EVEN DATE ATTACHED

FOR AMBALAL M SHAH & CO.,
CHARTERED ACCOUNTANTS

Digitally signed by
VIKESH ASHOK JAIN

CA VIKESH JAIN
PARTNER
PLACE : VADODARA
DATE : 13/03/2025

FRN:100304W

On Behalf Of Board of Directors
FOR NEXCO ENGITECH PRIVATE LIMITED

NIMISH SHAH
DIRECTOR
DIN NO :- 00372897
PLACE : VADODARA
DATE : 13/03/2025
CIN NO. :- U27900GJ2025PTC159636

VELAGA NAGESH
DIRECTOR
DIN NO :- 00373006
PLACE : VADODARA
DATE : 13/03/2025



Nexco Engitech Private Limited
Profit and Loss for the period ended on 28th February-2025

Particulars	Note No.	2024-25	
		Rs.	Rs.
I. Revenue from Operations	-		-
II. Other Income	-		-
III. TOTAL REVENUE (I + II)			-
IV. Expenses			
a. Cost of materials consumed	-	-	-
b. Purchases of stock in trade	-	-	-
c. Changes in inventories of finished goods, work in progress and stock in trade	-	-	-
d. Employee benefit expenses	-	-	-
e. Finance costs	-	-	-
f. Depreciation and amortization expenses	-	-	-
g. Other expenses	-	-	-
Total Expenses (IV)			-
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)			-
VI. Exceptional Items	-	-	-
VII. Profit/(Loss) before extraordinary items and tax (V-VI)			-
VIII. Extraordinary Items	-	-	-
IX. Profit before tax (VII-VIII)			-
X. Tax expense:			-
(1) Current tax	-	-	-
(2) Deferred tax	-	-	-
(3) Short/Excess Provision of income tax of Previous Year	-	-	-
XI. Profit/(Loss) for the period from continuing operations (VII-VIII)			-
XII. Profit/(Loss) from discontinuing operations	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)			-
XV. Profit/(Loss) for the period (XI + XIV)			-
XVI. Earning per equity share:			-
(1) Basic	-	-	-
(2) Diluted	-	-	-

AS PER REPORT OF EVEN DATE ATTACHED:-

FOR AMBAL M SHAH & CO.
CHARTERED ACCOUNTANTS

Digitally signed by
VIKESH ASHOK JAIN

CA VIKESH JAIN
PARTNER
PLACE : VADODARA
DATE : 13/03/2025

FRN:100304W

On Behalf Of Board of Directors
FOR NEXCO ENGITECH PRIVATE LIMITED

NIMISH SHAH
DIRECTOR
DIN NO :- 00372897
PLACE : VADODARA
DATE : 13/03/2025
CIN NO. :- U27990GJ2025PTC159536

VELAGA NAGESH
DIRECTOR
DIN NO :- 00373006
PLACE : VADODARA
DATE : 13/03/2025



Nexco Engitech Private Limited
NOTES TO FINANCIAL STATEMENTS

Note : 1 - Share Capital:

Particulars	As at 28.02.2025	
	Number	Rs.
Authorized:		
5,00,000 Equity shares of Rs.10/- each	500,000	5,000,000
		5,000,000
Issued, subscribed and fully paid up:		
10,000 Equity shares of Rs.10/- each		
- Reconciliation of No of Shares		
At the beginning of the reporting period	10,000	100,000
Bonus Shares issued during the reporting period	-	-
Bought back during the reporting period	-	-
At the end of the reporting period	10,000	100,000

Particulars of equity share holders holding more than 5% of the total number of equity share capital:

Particulars	As at 28.02.2025	
	No. of shares	Rs.
COSMOS IMPEX (INDIA) PVT. LTD.	9,999	99,990
V NADESH ON BEHALF COSMOS IMPEX (INDIA) PVT. LTD.	1	10

Note : 2 - Cash and cash equivalents

Particulars	As at 28.02.2025	
	Rs.	Rs.
a. Balances with Bank	100,000	100,000
b. Cash on Hand	-	-
Total		100,000

