

**COMPOSITE SCHEME OF ARRANGEMENT**

between

**SINTEX INDUSTRIES LIMITED**

and

**SINTEX PLASTICS TECHNOLOGY LIMITED**

and

**SINTEX-BAPL LIMITED**

and

**SINTEX INFRA PROJECTS LIMITED**

and

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

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**PREAMBLE**

This Scheme (as defined *hereinafter*) is presented under Sections 391 to 394 read with Sections 100 to 103 and other relevant provisions of the Act (as defined *hereinafter*) including Sections 13, 52, 55, 61 and other relevant provisions of the Companies Act, 2013 for the demerger of the Custom Moulding Undertaking (as defined *hereinafter*) and the Prefab Undertaking (as defined *hereinafter*) of Sintex Industries (as defined *hereinafter*) and vesting of the same to Sintex-BAPL (as defined *hereinafter*) and Sintex Infra (as defined *hereinafter*), respectively; sub-division of the equity share capital of Sintex Plastics Technology (as defined *hereinafter*); issuance of equity shares by Sintex Plastics Technology to the equity shareholders of Sintex Industries; reduction of paid-up equity share capital of Sintex Plastics Technology pursuant to cancellation of equity shares held by Sintex Industries in Sintex Plastics Technology; reduction of Capital Redemption Reserve Account and Securities Premium Account of Sintex Industries; change in name of Sintex Infra; alteration of the object clause of Memorandum of Association of Sintex-BAPL and Sintex Infra, respectively; and for matters consequential, supplemental and/or otherwise integrally connected therewith.

**A.****BACKGROUND**

(i) Sintex Industries, a flagship company of Sintex Group, is a public limited company incorporated on 1<sup>st</sup> June 1931 under the Baroda State Companies Act of Savant Year 1975 in the name of The Bharat Vijay Mills Limited. Subsequently, the name of The Bharat Vijay Mills Limited was changed to Sintex Industries Limited with effect from 27<sup>th</sup> June 1995 under the provisions of the Act. The equity shares of Sintex Industries are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"); that the Secured Redeemable Non-Convertible Debentures ("NCDs") of Sintex Industries, which have been issued and allotted from time to time and are privately placed, are listed on the BSE; and that the Foreign Currency Convertible Bonds ("FCCBs") aggregating to US \$ 110 million issued by Sintex Industries are listed on Singapore Exchange Securities Trading Limited.

(ii) Sintex Industries along with its nominees hold 100% of the paid-up equity share capital of Sintex Plastics Technology. Sintex-BAPL and Sintex Infra are the wholly owned subsidiaries of Sintex Plastics Technology. Therefore, Sintex-BAPL and Sintex Infra are also the wholly owned subsidiaries of Sintex Industries.

(iii) Sintex Industries is primarily engaged in the business of Textiles and Plastics. Sintex Industries' Textile Division is carrying on the business of manufacturing and distribution of niche structured yarn and dyed textiles related products. Sintex Industries' Plastic Division has basically two verticals namely **Custom Moulding Business** and **Prefab Business** based on their business characteristics and customer profiles.

Custom Moulding Business of Sintex Industries is, inter alia, engaged in the business of manufacture of (a) customized components for the automotive sector; (b) Sheet Moulded Compound (SMC) products such as meter boxes, junction boxes, and distribution boxes; (c) Industrial Containers; (d) Fibre Reinforced Plastics (FRP) Tanks (which are used to store diesel, petrol, gas and other hazardous chemicals); (e) Water Storage Solutions (which includes tanks under the brand name of Sintex, Reno, Renotuf and Titus); (f) Blow Moulding Compound (BMC); (g) Plastic Pallets (which caters to various industries such as pharmaceuticals, automotive, electrical, engineering, textiles, fisheries, logistics and warehousing); (h) Insulated Boxes and other products such as packaging crates, starter panel boxes, components for cooling tower sector, etc.; and (i)



Sub-ground structures (such as septic tanks; packaged waste water treatment solutions, biogas unit, etc.).

Sintex Industries also carries on the business of custom moulding through its overseas wholly owned subsidiary companies and the same are part of Custom Moulding Business vertical. In this regard, Sintex Industries holds 100% of the paid-up share capital of Sintex Holdings B.V., Netherlands. Sintex Holdings B.V., in turn, holds strategic investments into its wholly owned subsidiaries which are, inter alia, engaged in the business of custom moulding.

The Prefab Business of Sintex Industries is, inter alia, engaged in the business of manufacture of (a) prefabricated structures (which are used for both temporary and permanent residential, industrial and commercial structures); (b) Plastic Sections; (c) toilet blocks; (d) sandwich panels; and (e) Base Transmission shelters and monolithic construction.

- (iv) Sintex Plastics Technology is a company incorporated on 4<sup>th</sup> August 2015 under the provisions of the Companies Act, 2013 in the name of Neev Educare Private Limited. Thereafter, the name of Neev Educare Private Limited was changed to Neev Educare Limited with effect from 13<sup>th</sup> May 2016. The name was further changed to Sintex Plastics Technology Limited with effect from 1<sup>st</sup> June 2016. Sintex Plastics Technology is a wholly owned subsidiary of Sintex Industries. Further, Sintex Plastics Technology is the holding company of Sintex-BAPL and Sintex Infra, respectively.

- (v) Sintex-BAPL is a company incorporated on 23<sup>rd</sup> July 2007 under the provisions of the Act in the name of Bright Auto Plastic Private Limited. Subsequently, the name of Bright Auto Plastic Private Limited was changed to Bright Autoplast Private Limited with effect from 17<sup>th</sup> December 2007 and further changed to Bright Autoplast Limited with effect from 28<sup>th</sup> December 2010. Thereafter, the name was further changed to Sintex-BAPL Limited with effect from 2<sup>nd</sup> September 2015. Sintex-BAPL is, inter alia, engaged in the business of manufacture of injection moulded plastic components for the automotive industry. The product portfolio includes exterior systems (such as front and rear bumper systems, overhead systems, side wall systems, acoustic management and seating systems) and hood systems (such as air dams, nozzle defrosters and



radiator fan blades). Sintex-BAPL is a wholly owned subsidiary of Sintex Plastics Technology.

- (vi) Sintex Infra is a company incorporated on 25<sup>th</sup> November 2009 under the provisions of the Act in the name of Sintex Infra Projects Limited. Sintex Infra is, inter alia, engaged in the business of monolithic construction and prefabricated structures. Sintex Infra is a wholly owned subsidiary of Sintex Plastics Technology.

- (vii) All the aforesaid companies are part of Sintex Group. The business activities carried on by Sintex-BAPL are similar to the Custom Moulding Business being carried out by Sintex Industries. Further, the business activities carried out by Sintex Infra are similar to the Prefab Business being carried out by Sintex Industries. Sintex Group is desirous of segregating the Plastic Division and the Textile Division of Sintex Industries by separating the Custom Moulding Undertaking and the Prefab Undertaking, respectively, of the Plastic Division of Sintex Industries and transfer of the same to Sintex-BAPL and Sintex Infra, respectively, under the provisions of Sections 391 to 394 and other relevant provisions of the Act read with the provisions of the Companies Act, 2013.

## **B. RATIONALE AND PURPOSE OF THE SCHEME**

- (a) The business of Textile carried on by Sintex Industries and the business of Plastic carried on by Sintex Industries either by itself or through strategic investments in subsidiaries have significant potential for growth and profitability. The nature of risk, competition, challenges, opportunities and business methods for both the aforesaid businesses are separate and distinct from each other. The Textile business and the Plastic business are capable of attracting a different set of investors, strategic partners, lenders and other stakeholders. There are also differences in the manner in which the Textile business and the Plastic business are required to be handled and managed. In order to lend greater/ enhanced focus to the operation of the said businesses, it is proposed to reorganize the Plastic business under Sintex Plastics Technology but at the same time segregate, by way of demergers, the Custom Moulding Undertaking and the Prefab Undertaking, respectively, of Sintex Industries and transfer



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the same to Sintex-BAPL and Sintex Infra, respectively, which are wholly owned subsidiaries of Sintex Plastics Technology.

- (b) The segregation would enable greater/enhanced focus of management in the Textile business and the Plastic business thereby facilitating the management to efficiently exploit opportunities for each of the said businesses. Further, the opportunities and business methods of the Custom Moulding Undertaking and that of the Prefab Undertaking are distinct and the same are reflected by the different business activities of Plastics currently being carried on by Sintex-BAPL and Sintex Infra, respectively. Therefore, it is proposed to demerge the Custom Moulding Undertaking of Sintex Industries and transfer the same to Sintex-BAPL and demerge the Prefab Undertaking of Sintex Industries and transfer the same to Sintex Infra. Though the verticals of the Plastic Division are being proposed to be transferred to Sintex-BAPL and Sintex Infra, it is proposed that the holding company for the Plastic business remains within one entity i.e. Sintex Plastics Technology.

- (c) The demergers will also provide scope for independent collaborations and expansion.

- (d) It is believed that the proposed demergers will create enhanced value for shareholders and allow a focused strategy and specialization for sustained growth, which would be in the best interest of all the stakeholders and the persons connected with the aforesaid companies.

### **C. PARTS OF THE SCHEME**

The Scheme is divided into the following parts:

1. **PART-I** deals with Definitions, Date of Taking Effect and Share Capital of Sintex Industries, Sintex Plastics Technology, Sintex-BAPL and Sintex Infra;
2. **PART-II** deals with demerger of the Custom Moulding Undertaking of Sintex Industries and its vesting in Sintex-BAPL;
3. **PART-III** deals with demerger of the Prefab Undertaking of Sintex Industries and its vesting in Sintex Infra;



4. **PART-IV** deals with the Sub-Division of the Equity Share Capital of Sintex Plastics Technology, Consideration, Reduction of Paid-up Share Capital of Sintex Plastics Technology, Accounting Treatment, Reduction of Capital Redemption Reserve Account and the Securities Premium Account of Sintex Industries, change in name of Sintex Infra and Alteration of the Object Clause of Memorandum of Association of Sintex-BAPL and Sintex Infra, respectively;
5. **PART-V** deals with the Remaining Business of Sintex Industries; and
6. **PART-VI** deals with the General Terms and Conditions that would be applicable to the Scheme.

**D. TREATMENT OF THE SCHEME FOR THE PURPOSES OF THE INCOME-TAX ACT, 1961**

The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) 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 Section 2(19AA) of the Income-tax Act, 1961. Such modifications will however not affect the other provisions of the Scheme.

**PART - I**

**DEFINITIONS, DATE OF TAKING EFFECT AND SHARE CAPITAL**

**1 DEFINITIONS**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1 "Act" or "the Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force, including the Companies Act, 2013 and provisions thereof as are notified





and applicable from time to time and shall include any statutory modifications, re-enactment or amendments thereof.

1.2 **"Appointed Date"** means 1<sup>st</sup> April 2016.

1.3 **"Board" or "Board of Directors"** in relation to each of the Companies, as the case may be, means the board of directors of such company and, unless it be repugnant to the context, includes a duly authorised committee of directors.

1.4 **"Companies"** shall mean Sintex Industries, Sintex Plastics Technology, Sintex-BAPL and Sintex Infra or any two or more of them as the context may require.

1.5 **"Custom Moulding Undertaking"** means all the businesses, undertakings, activities, properties and liabilities, whatsoever nature and kind and wheresoever situated, pertaining to the Custom Moulding Business (which includes Sintex Industries' strategic investment in its wholly owned subsidiary, namely, Sintex Holdings B.V.), including specifically the following:

(a) all immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including offices, structures, warehouses, workshop, sheds, stores, DG Room, roads, laboratory, boundary walls, soil filling works, benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are currently being used for the purpose of and in relation to the Custom Moulding Business and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;

(b) all assets, as are movable in nature pertaining to and in relation to the Custom Moulding Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, capital work in progress, stores under progress, electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants), stock-in-trade, stock-in-transit, raw materials, finished goods, supplies, packaging items,



actionable claims, current assets, earnest monies and sundry debtors, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added/sales tax/entry tax credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds;

(c) all permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages (including consent/authorisation granted by relevant Pollution Control Boards and other licenses/permits granted/issued/ given by any governmental, statutory or regulatory or local or administrative bodies for the purpose of carrying on the Custom Moulding Business or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Custom Moulding Business;

(d) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Custom Moulding Business;

(e) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, ~~agreements~~ licenses, trade names,





service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the Custom Moulding Business;

(f) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages 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 Sintex Industries pertaining to or in connection with or relating to Sintex Industries in respect of the Custom Moulding Business 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 Sintex Industries and pertaining to the Custom Moulding Business;

(g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Custom Moulding Business;

(h) all debts, liabilities including contingent liabilities, duties, taxes and obligations of Sintex Industries pertaining to the Custom Moulding Business and/or arising out of and/or relatable to the Custom Moulding Business including:

i. the debts, liabilities, duties and obligations of Sintex Industries which arises out of the activities or operations of Custom Moulding Business;



- ii. specific loans and borrowings raised, incurred and utilized solely for the activities or operations of or pertaining to the Custom Moulding Business; and
- iii. liabilities other than those referred to in sub-clauses i. and ii. above, sub-clauses i., ii. of clause 1.8(h) hereof and not directly relatable to the Remaining Business of Sintex Industries, being the amounts of general and multipurpose borrowings of Sintex Industries shall be allocated to the Custom Moulding Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of Sintex Industries immediately before giving effect to Part II of the Scheme.
- (i) all employees of Sintex Industries employed/engaged in the Custom Moulding Business as on the Effective Date; and
- (i) all legal or other proceedings of whatsoever nature that pertain to the Custom Moulding Business.

*Explanation:*

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Custom Moulding Business or whether it arises out of the activities or operations of the Custom Moulding Business, the same shall be decided by mutual agreement between Board of Directors of Sintex Industries and Sintex-BAPL.

- 1.6 **"Effective Date"** means last of the dates on which all conditions, matters and filings referred to in Clause 27 hereof have been fulfilled and necessary orders, approvals and consents referred to therein have been obtained. References in this Scheme to the date of **"coming into effect of this Scheme"** or **"upon the Scheme being effective"** shall mean the Effective Date.

- 1.7 **"High Court"** shall mean the Hon'ble High Court of Gujarat at Ahmedabad and shall include if applicable, the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with the powers of a High Court for the purposes of Sections 391 to 394 of the Act or Sections 230 to 232 of the Companies Act, 2013, as may be applicable.



1.8 **"Prefab Undertaking"** means all the businesses, undertakings, activities, properties and liabilities, whatsoever nature and kind and wheresoever situated, pertaining to the Prefab Business, including specifically the following:

- (a) all immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including offices, structures, warehouses, workshop, sheds, stores, DG Room, roads, laboratory, boundary walls, soil filling works, benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are currently being used for the purpose of and in relation to the Prefab Business and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (b) all assets, as are movable in nature pertaining to and in relation to the Prefab Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, capital work in progress, stores under progress, electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants), stock-in-trade, stock-in-transit, raw materials, finished goods, supplies, packaging items, actionable claims, current assets, earnest monies and sundry debtors, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added/sales tax/entry tax credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds;
- (c) all permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, concessions, allotments, quotas, no



objection certificates, exemptions, concessions, subsidies, liberties and advantages (including consent/authorisation granted by relevant Pollution Control Board and other licenses/permits granted/issued/given by any governmental, statutory or regulatory or local or administrative bodies for the purpose of carrying on the Prefab Business or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Prefab Business;

- (d) all contracts, agreements (including agreement in relation to the participation in the project India HCFC Phase-out Management Plan Stage-I for compliance with the 2013 and 2015 control target for HCFC consumption and the benefits arising under the said agreement), purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier / manufacturer of goods / service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Prefab Business;

- (e) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, goodwill, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the Prefab Business;

- (f) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, ~~business~~ <sup>business</sup> contracts, engagements,



arrangements of all kind, privileges and all other rights, easements, liberties and advantages 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 Sintex Industries pertaining to or in connection with or relating to Sintex Industries, in respect of the Prefab Business 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 Sintex Industries and pertaining to the Prefab Business;

(g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books, and records, whether in physical or electronic form that pertain to the Prefab Business;

(h) all debts, liabilities including contingent liabilities, duties, taxes and obligations of Sintex Industries pertaining to the Prefab Business and/or arising out of and/or relating to the Prefab Business including:

- i. the debts, liabilities, duties and obligations of Sintex Industries which arises out of the activities or operations of the Prefab Business;
- ii. specific loans and borrowings raised, incurred and utilized solely for the activities or operations of or pertaining to the Prefab Business; and
- iii. liabilities other than those referred to in sub-clauses i. and ii. above, sub-clauses i., ii. of clause 1.5(h) above and not directly relating to the Remaining Business of Sintex Industries, being the amounts of general and multipurpose borrowings of Sintex Industries shall be allocated to the Prefab Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of Sintex Industries immediately before giving effect to Part III of the Scheme.

(i) all employees of Sintex Industries employed/engaged in the Prefab Business as on the Effective Date; and





- (j) all legal or other proceedings of whatsoever nature that pertain to the Prefab Business.

*Explanation:*

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Prefab Business or whether it arises out of the activities or operations of the Prefab Business, the same shall be decided by mutual agreement between Board of Directors of Sintex Industries and Sintex Infra.

- 1.9 "Record date" shall have the meaning as ascribed to it in clause 19.1.
- 1.10 "Remaining Business" shall mean all the undertakings, businesses, activities and operations of Sintex Industries other than the Custom Moulding Undertaking and the Prefab Undertaking.
- 1.11 "Scheme" or "the Scheme" or "this Scheme" shall mean this Composite Scheme of Arrangement including any modification or amendment hereto, made in accordance with the terms hereof.
- 1.12 "SEBI" shall mean Securities and Exchange Board of India.
- 1.13 "SEBI Circular" shall mean circular number CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by SEBI.
- 1.14 "Sintex-BAPL" means Sintex-BAPL Limited, a company incorporated under the provisions of the Act and having its registered office at Abhijeet – I, 7<sup>th</sup> Floor, Mithakali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat.
- 1.15 "Sintex Industries" means Sintex Industries Limited, an existing company under the provisions of the Act and having its registered office at Kalol-382 721, Gujarat, India.
- 1.16 "Sintex Infra" means Sintex Infra Projects Limited, a company incorporated under the provisions of the Act and having its registered office at Abhijeet – I, 7<sup>th</sup> Floor, Mithakali Six Roads, Ellisbridge, Ahmedabad – 380 006, Gujarat.



- 1.17 "Sintex Plastics Technology" means Sintex Plastics Technology Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Abhijeet-I, 7<sup>th</sup> Floor, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 006, Gujarat.

## 2 DATE OF TAKING EFFECT AND OPERATIVE DATE

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

## 3 SHARE CAPITAL

- 3.1 The share capital structure of Sintex Industries as on 29<sup>th</sup> September 2016 is as follows:

Particulars	Amount in Crores (INR)
<b><u>Authorised Capital:</u></b>	
65,00,00,000 equity shares of INR 1/- each	65.00
<b>Total</b>	<b>65.00</b>
<b><u>Issued Capital</u></b>	
52,35,04,421 equity shares of INR 1/- each	52.35
<b>Total</b>	<b>52.35</b>
<b><u>Subscribed and Paid up Capital</u></b>	
52,34,72,621 * equity shares of INR 1/- each fully paid-up	52.35
<b>Total</b>	<b>52.35</b>

\* Sintex Industries had, in 1981 issued 50,000 equity shares of INR 100/- each, of which 49,682 equity shares were subscribed and 318 equity shares remained unsubscribed. On 8<sup>th</sup> October 1991 the face value of equity shares of Sintex Industries was split from INR 100/- each into INR 100/- each and consequently,



these 318 equity shares of the face value of INR 100/- each were split into 3,180 equity shares of INR 10/- each. On 17<sup>th</sup> September 2005, the face value of the equity shares of Sintex Industries was split from INR 10/- each into INR 2/- each and, consequently, the 3,180 equity shares of the face value of INR 10/- each were split into 15,900 equity shares of INR 2/- each. Subsequently, on 23<sup>rd</sup> September 2010, the face value of equity shares of Sintex Industries was split from INR 2/- each into INR 1/- each and consequently, the 15,900 equity shares of face value of INR 2/- each were split into 31,800 equity shares of INR 1/- each. Therefore, there is difference of 31,800 equity shares in the Issued Capital and the Subscribed Capital of Sintex Industries.

- 3.2 The share capital structure of Sintex Plastics Technology as on 29<sup>th</sup> September 2016 is as follows:

Particulars	Amount in Crores (INR)
<b><u>Authorised Capital:</u></b>	
6,50,00,000 equity shares of INR 10/- each	65.00
<b>Total</b>	<b>65.00</b>
<b><u>Issued, Subscribed and Paid-up Capital:</u></b>	
2,00,00,000 equity shares of INR 10/- each fully paid-up	20.00
<b>Total</b>	<b>20.00</b>

- 3.3 The share capital structure of Sintex-BAPL as on 29<sup>th</sup> September 2016 is as follows:

Particulars	Amount in Crores (INR)
<b><u>Authorised Capital:</u></b>	
1,61,00,000 equity shares of INR 10/-each	16.10



50,00,000 Redeemable Cumulative Preference Shares of INR 100/- each	50.00
<b>Total</b>	<b>66.10</b>
<b><u>Issued, Subscribed and Paid-up Capital:</u></b>	
1,60,32,000 equity shares of INR 10/- each	16.03
50,00,000- 5% Cumulative Redeemable Preference Shares of INR 100/- each	50.00
<b>Total</b>	<b>66.03</b>

3.4 The share capital structure of Sintex Infra as on 29<sup>th</sup> September 2016 is as follows:

Particulars	Amount in Crores (INR)
<b><u>Authorised Capital:</u></b>	
30,00,000 equity shares of INR 10/- each	3.00
<b>Total</b>	<b>3.00</b>
<b><u>Issued, Subscribed and Paid-up Capital:</u></b>	
24,50,000 equity shares of INR 10/- each	2.45
<b>Total</b>	<b>2.45</b>

#### **PART - II**

#### **DEMERGER OF THE CUSTOM MOULDING UNDERTAKING OF SINTEX INDUSTRIES AND ITS VESTING IN SINTEX-BAPL**

#### **4 TRANSFER AND VESTING OF THE CUSTOM MOULDING UNDERTAKING**

4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme in relation to the mode of



transfer and vesting, the Custom Moulding Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Custom Moulding Undertaking) shall, without any further act, instrument, deed, matter or thing, be demerged from Sintex Industries and transferred to and vested in Sintex-BAPL or be deemed to have been demerged from Sintex Industries, and transferred to and vested in Sintex-BAPL as a going concern, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interests and authorities of Sintex-BAPL, pursuant to Section 394(2) of the Act.

- 4.2 In respect of such of the assets of the Custom Moulding Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery of possession and/or by endorsement and delivery, the same shall be so transferred by Sintex Industries to Sintex-BAPL upon the coming into effect of this Scheme pursuant to the provisions of Section 394 of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of Sintex-BAPL as an integral part of the Custom Moulding Undertaking.

- 4.3 In respect of the movable assets other than those dealt with in clause 4.2 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with the Government, semi-Government, local and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in Sintex-BAPL without any notice or other intimation to any person in pursuance of the provisions of Sections 391 to 394 read with other relevant provisions of the Act to the end and intent that the right of Sintex Industries to recover or realize the same stands transferred to Sintex-BAPL. Sintex-BAPL shall, 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 debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in Sintex-BAPL and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

- 4.4 In respect of such of the assets belonging to the Custom Moulding Undertaking other than those referred to in clause 4.2 and 4.3 above, the same shall, as more particularly provided in clause 4.1 above, without any further act, instrument or deed, be demerged from Sintex Industries and transferred to and vested in





and/or be deemed to be demerged from Sintex Industries and transferred to and vested in Sintex-BAPL upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391-394 of the Act.

4.5 All assets, rights, title, interests and investments of Sintex Industries in relation to the Custom Moulding Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in Sintex-BAPL upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391-394 of the Act.

4.6 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme, all the rights, title, interest and claims of Sintex Industries in any leasehold/leave and licence/right of way properties of Sintex Industries in relation to the Custom Moulding Undertaking, shall, pursuant to Section 394(2) 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 Sintex-BAPL automatically and on the same terms and conditions.

4.7 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, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of Sintex Industries, and the rights and benefits under the same, in so far as they relate to the Custom Moulding Undertaking and all quality certifications and approvals, trademarks, trade names, service marks, copy rights, domain names, designs, trade secrets, research and studies, technical knowhow and other intellectual properties (whether owned, licensed or otherwise, and whether registered or unregistered) and all other interests relating to the goods or services being dealt with by the Custom Moulding Undertaking and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by Sintex Industries in relation to the Custom Moulding Undertaking shall be transferred to and vested in Sintex-BAPL and the concerned licensors and granters of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, Sintex-BAPL on such approvals, clearances, permissions, empower and



facilitate the approval and vesting of the Custom Moulding Undertaking of Sintex Industries in Sintex-BAPL and continuation of operations pertaining to the Custom Moulding Undertaking of Sintex Industries in Sintex-BAPL without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against Sintex-BAPL, as the case may be, and may be enforced as fully and effectually as if, instead of Sintex Industries, Sintex-BAPL had been a party or beneficiary or obligee thereto.

- 4.8 In so far as various incentives, subsidies, exemptions, special status, service tax benefits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Government body, regulatory authority, local authority or by any other person, or availed of by Sintex Industries are concerned, the same shall, without any further act or deed, in so far as they relate to the Custom Moulding Undertaking, vest with and be available to Sintex-BAPL on the same terms and conditions, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Sintex-BAPL.

- 4.9 Any claims due to Sintex Industries from its customers or otherwise and which have not been received by Sintex Industries as on the date immediately preceding the Effective Date as the case may be, in relation to or in connection with the Custom Moulding Undertaking, shall also belong to and be received by Sintex-BAPL.

- 4.10 All assets, estate, rights, title, interest and authorities acquired by Sintex Industries after the Appointed Date and prior to the Effective Date for operation of the Custom Moulding Undertaking shall also stand transferred to and vested in Sintex-BAPL upon the coming into effect of this Scheme.

- 4.11 Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities (including contingent liabilities) of Sintex Industries relating to the Custom Moulding Undertaking shall without any further act, instrument or deed be and stand transferred to Sintex-BAPL and shall thereupon become the debts, duties, obligations and liabilities of Sintex-BAPL, which it undertakes to meet, discharge and satisfy to the exclusion of Sintex Industries and to keep Sintex Industries indemnified at all times from and against all such debts, duties, obligations and liabilities and from and against all actions, demands and proceedings in respect thereto. It shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by



virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this clause.

- 4.12 In so far as loans and borrowings of Sintex Industries are concerned, the loans and borrowings and such amounts pertaining, to the general and multipurpose loans and borrowings, and liabilities, if any, which are to be transferred to Sintex-BAPL in terms of clause 4.11 above, being a part of the Custom Moulding Undertaking shall, without any further act or deed, become loans and borrowings of Sintex-BAPL, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against Sintex-BAPL, as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities shall be that of Sintex-BAPL. However, without prejudice to such transfer of proportionate liability amount, if any, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, Sintex-BAPL may discharge such liability (including accretions) by making payments on the respective due dates to Sintex Industries, which in turn shall make payments to the respective creditors.

- 4.13 Subject to clause 4.12 above, from the Effective Date, Sintex-BAPL alone shall be liable to perform all obligations in respect of the liabilities of the Custom Moulding Undertaking as the borrower/issuer thereof, and Sintex Industries shall not have any obligations in respect of the said liabilities.

- 4.14 Where any of the liabilities and obligations of Sintex Industries as on the Appointed Date deemed to be transferred to Sintex-BAPL, have been discharged by Sintex Industries after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Sintex-BAPL and all liabilities and obligations incurred by Sintex Industries for the operations of the Custom Moulding Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of Sintex-BAPL and to the extent of their outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Sintex-BAPL and shall become the liabilities and obligations of Sintex-BAPL, which shall meet, discharge and satisfy the same.

- 4.15 Any claims, liabilities or demands arising on account of the Custom Moulding Undertaking of Sintex Industries which relates to the period prior to the Appointed Date but arises at any time after the Effective Date shall be entirely borne by



Sintex-BAPL. In the event that such liability is incurred by or such claim or demand is made upon Sintex Industries, then Sintex-BAPL shall indemnify Sintex Industries for any payments made in relation to the same.

- 4.16 Upon the coming into effect of this Scheme, all debentures including NCDs or other debt securities and other instruments of like nature issued by Sintex Industries, in relation to or in connection with the Custom Moulding Undertaking, shall upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in Sintex-BAPL. If the debt securities (including the NCDs) are listed on any stock exchange, the same shall, subject to applicable law and regulations, be listed and/or admitted to trading on the relevant stock exchanges in India where such debt securities were listed and/or admitted to trading, on the same terms and conditions, subject to the requirements, if any, imposed by the stock exchanges, unless otherwise modified in accordance with applicable law.

- 4.17 Subject to the other provisions of this Scheme, in so far as the assets of the Custom Moulding Undertaking are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Prefab Undertaking and/or Remaining Business of Sintex Industries shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of Sintex Industries which are not transferred to Sintex-BAPL.

- 4.18 In so far as the assets of the Prefab Undertaking and/or the Remaining Business of Sintex Industries are concerned, the security, pledge, existing charges and mortgages over such assets, to the extent they relate to any loans or borrowings of the Custom Moulding Undertaking shall, without any further act, instrument or deed be released and discharged from such security, pledge, charges and mortgages. The absence of any formal amendment which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this clause.

- 4.19 In so far as the existing security in respect of the loans and other liabilities relating to the Remaining Business of Sintex Industries are concerned, such



security shall, without any further act, instrument or deed be continued with Sintex Industries only on the assets which are remaining with Sintex Industries.

- 4.20 Without any prejudice to the provisions of the foregoing clauses and upon the Scheme being effective, Sintex Industries, and Sintex-BAPL shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies, Gujarat at Ahmedabad to give formal effect to the provisions of this clause and foregoing clauses, if required.

- 4.21 Upon the coming into effect of this Scheme, Sintex Industries alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations, pertaining to the Remaining Business of Sintex Industries and Sintex-BAPL shall not have any obligations in respect of the Remaining Business of Sintex Industries.

- 4.22 The foregoing provisions shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

- 4.23 On and from the Effective Date, and thereafter, Sintex-BAPL shall be entitled to operate all bank accounts of Sintex Industries, in relation to or in connection with the Custom Moulding Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of Sintex Industries, in relation to or in connection with the Custom Moulding Undertaking, in the name of Sintex-BAPL in so far as may be necessary until the transfer of rights and obligations of the Custom Moulding Undertaking to Sintex-BAPL under this Scheme have been formally given effect to under such contracts and transactions.

- 4.24 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of bank accounts of Sintex Industries, in relation to or in connection with the Custom Moulding Undertaking, have been replaced with that of Sintex-BAPL, Sintex-BAPL shall be entitled to operate the bank accounts of Sintex Industries, in relation to or in connection with the Custom Moulding Undertaking, in the name of Sintex Industries in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of Sintex





Industries, in relation to or in connection with the Custom Moulding Undertaking, after the Effective Date shall be accepted by the bankers of Sintex-BAPL and credited to the account of Sintex-BAPL, if presented by Sintex-BAPL. Sintex-BAPL shall be allowed to maintain bank accounts in the name of Sintex Industries for such time as may be determined to be necessary by Sintex-BAPL for presentation and deposition of cheques and pay orders that have been issued in the name of Sintex Industries, in relation to or in connection with the Custom Moulding Undertaking. It is hereby expressly clarified that any legal proceedings by or against Sintex Industries, in relation to or in connection with the Custom Moulding Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of Sintex Industries shall be instituted, or as the case may be, continued by or against Sintex-BAPL after the coming into effect of this Scheme.

- 4.25 It is clarified that in order to ensure the smooth transition and sales of products and inventory of Sintex Industries, in relation to or in connection with the Custom Moulding Undertaking, manufactured and/or branded and/or labelled and/or packed in the name of Sintex Industries prior to the Effective Date, Sintex-BAPL shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Custom Moulding Undertaking at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/payment related documents pertaining to such products and inventory (including packing material) shall be raised in the name of Sintex-BAPL after the Effective Date.

- 4.26 It is hereby clarified that all assets and liabilities of the Custom Moulding Undertaking, which are set forth in the closing balance sheet of Sintex Industries as on the close of business hours on the date immediately preceding the Appointed Date, shall be transferred at values appearing in the books of account of Sintex Industries as on the Appointed Date.

## 5 LEGAL PROCEEDINGS

- 5.1 Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against Sintex Industries, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the



Custom Moulding Undertaking shall be continued and enforced by or against Sintex-BAPL after the Effective Date. In the event that the legal proceedings referred to herein require Sintex Industries and Sintex-BAPL to be jointly treated as parties thereto, Sintex-BAPL shall be added as a party to such proceedings and shall prosecute and defend such proceedings in co-operation with Sintex Industries. In the event of any difference or difficulty in determining as to whether any specific legal or other proceedings relate to the Custom Moulding Undertaking or not, a decision jointly taken by the Board of Directors of Sintex Industries and Sintex-BAPL in this regard, shall be conclusive evidence of the matter.

5.2 If proceedings are taken against Sintex Industries in respect of the matters referred to in clause 5.1 above, it shall defend the same in accordance with the advice of Sintex-BAPL and at the cost of Sintex-BAPL, and the latter shall reimburse and indemnify Sintex Industries against all the liabilities and obligations incurred by Sintex Industries in respect thereof.

5.3 Sintex-BAPL shall have all legal or other proceedings initiated by or against Sintex Industries with respect to the Custom Moulding Undertaking, transferred into its name and to have the same continued, prosecuted and enforced by or against Sintex-BAPL to the exclusion of Sintex Industries.

## 6 CONTRACTS, DEEDS, ETC.

6.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Custom Moulding Undertaking to which Sintex Industries is a party or to the benefit of which Sintex Industries may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of Sintex-BAPL, as the case may be, and may be enforced as fully and effectually as if, instead of Sintex Industries, Sintex-BAPL had been a party or beneficiary or obligee thereto.

6.2 Notwithstanding the fact that vesting of the Custom Moulding Undertaking occurs by virtue of this Scheme itself, Sintex-BAPL may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite agreements with any



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party to any contract or arrangement to which Sintex Industries is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Sintex-BAPL will, if necessary, also be a party to the above. Sintex-BAPL shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Sintex Industries and to carry out or perform all such formalities or compliances referred to above on the part of Sintex Industries to be carried out or performed.

- 6.3 Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interests in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Custom Moulding Undertaking which Sintex Industries own or to which Sintex Industries is a party to, cannot be transferred to Sintex-BAPL for any reason whatsoever, Sintex Industries shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Sintex-BAPL, in so far as it is permissible so to do, till such time as the transfer is effected.

## **7 SAVING OF CONCLUDED TRANSACTIONS**

- 7.1 The transfer and the vesting of the assets, liabilities and obligations of the Custom Moulding Undertaking under clause 4 hereof and the continuance of proceedings by or against Sintex-BAPL under clause 5 hereof shall not affect any transaction or proceedings already completed by Sintex Industries on or after the Appointed Date, to the end and intent that Sintex-BAPL accepts all acts, deeds and things done and executed by and/or on behalf of Sintex Industries as acts, deeds and things made, done and executed by and on behalf of Sintex-BAPL.

## **8 STAFF, EMPLOYEES & WORKMEN**

- 8.1 Upon the coming into effect of this Scheme, all the employees relating to the Custom Moulding Undertaking that were employed by Sintex Industries, immediately before the Effective Date, shall become the employees of Sintex-BAPL without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Custom Moulding Undertaking of Sintex Industries immediately prior to the demerger of the Custom Moulding Undertaking.



8.2 Sintex-BAPL agrees that the service of all employees pertaining to the Custom Moulding Undertaking with Sintex Industries up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Sintex Industries up to the Effective Date. Sintex-BAPL further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Sintex Industries, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

8.3 Upon the coming into effect of this Scheme, Sintex-BAPL shall make all the necessary contributions for such transferred employees relating to the Custom Moulding Undertaking, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Sintex-BAPL will also file relevant intimations in respect of the Custom Moulding Undertaking to the statutory authorities concerned who shall take the same on record and substitute the name of Sintex-BAPL for Sintex Industries.

8.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Sintex Industries for employees of the Custom Moulding Undertaking are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Custom Moulding Undertaking as on the Effective Date, who are being transferred along with the Custom Moulding Undertaking in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of Sintex-BAPL and till the time such necessary funds, schemes or trusts are created by Sintex-BAPL, all contribution shall continue to be made to the existing funds, schemes or trusts of Sintex Industries.

## 9 BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF CUSTOM MOULDING UNDERTAKING FOR SINTEX-BAPL

With effect from the Appointed Date and up to and including the Effective Date:

9.1 Sintex Industries shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Custom Moulding Undertaking and shall



hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Custom Moulding Undertaking for and on account of, and in trust for Sintex-BAPL;

9.2 all profits and income accruing or arising to Sintex Industries from the Custom Moulding Undertaking, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Custom Moulding Undertaking shall, for all purposes, be treated as and be deemed to be the profits income, losses or expenditure, as the case may be, of Sintex-BAPL;

9.3 any of the rights, powers, authorities, privileges, attached, related or pertaining to the Custom Moulding Undertaking exercised by Sintex Industries shall be deemed to have been exercised by Sintex Industries for and on behalf of, and in trust for and as an agent of Sintex-BAPL. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Custom Moulding Undertaking that have been undertaken or discharged by Sintex Industries shall be deemed to have been undertaken for and on behalf of and as an agent for Sintex-BAPL;

9.4 Sintex Industries undertakes that it will preserve and carry on the business of the Custom Moulding Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Custom Moulding Undertaking or any part thereof or recruit new employees or conclude settlements with union or employees or undertake substantial expansion or change the general character or nature of the business of the Custom Moulding Undertaking or any part thereof save and except in each case:

- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
- (b) if the same is expressly permitted by this Scheme; or
- (c) if the prior written consent of the Board of Directors of Sintex-BAPL has been obtained.

9.5 Sintex Industries and/or Sintex-BAPL shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government(s), regulatory/local/ administrative bodies and all other agencies, departments and authorities





concerned as are necessary under any law for such consents, approvals and sanctions, which Sintex-BAPL may require to carry on the business of the Custom Moulding Undertaking.

## 10 TAX CREDITS

10.1 Sintex-BAPL will be the successor of Sintex Industries vis-à-vis the Custom Moulding Undertaking. Hence, it will be deemed that the benefits of any tax credits whether central, state, or local, availed vis-à-vis the Custom Moulding Undertaking and the obligations, if any, for payment of taxes on any assets of the Custom Moulding Undertaking or their erection and/or installation, etc. shall be deemed to have been availed by Sintex-BAPL, or as the case may be deemed to be the obligation of Sintex-BAPL.

10.2 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess, receivables/payables by Sintex Industries relating to the Custom Moulding Undertaking including all or any refunds/credits/claims/tax losses/unabsorbed depreciation relating thereto shall be treated as the assets/liability or refund/credit/claims/tax losses/unabsorbed depreciation, as the case may be, of Sintex-BAPL.

10.3 Sintex Industries and Sintex-BAPL are expressly permitted to revise their tax returns including tax deducted at source ('TDS') certificates/returns and to claim refund, advance tax, credits, excise and service tax credits, set off etc. on the basis of the accounts of the Custom Moulding Undertaking as vested with Sintex-BAPL upon coming into effect of this Scheme.

### PART - III

## DEMERGER OF THE PREFAB UNDERTAKING OF SINTEX INDUSTRIES AND ITS VESTING IN SINTEX INFRA

### 11 TRANSFER AND VESTING OF THE PREFAB UNDERTAKING OF SINTEX INDUSTRIES

11.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the Prefab Undertaking (including all the estate, assets,



rights, claims, title, interest and authorities including accretions and appurtenances of the Prefab Undertaking), shall, without any further act, instrument, deed, matter or thing, be demerged from Sintex Industries and transferred to and vested in Sintex Infra or be deemed to have been demerged from Sintex Industries, and transferred to and vested in Sintex Infra as a going concern, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interests and authorities, properties, assets, rights, claims, title, interests and authorities of Sintex Infra, pursuant to Section 394(2) of the Act.

11.2 In respect of such of the assets of the Prefab Undertaking as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery of possession and/or by endorsement and delivery, the same shall be so stand transferred by Sintex Industries to Sintex Infra upon the coming into effect of this Scheme pursuant to the provisions of Section 394 of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of Sintex Infra as an integral part of the Prefab Undertaking.

11.3 In respect of the movable assets other than those dealt with in clause 11.2 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with the Government, semi-Government, local and any other authorities and bodies and /or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in Sintex Infra without any notice or other intimation to any person in pursuance of the provisions of Sections 391 to 394 read with other relevant provisions of the Act to the end and intent that the right of Sintex Industries to recover or realize the same stands transferred to Sintex Infra. Sintex Infra shall, 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 debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in Sintex Infra and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

11.4 In respect of such of the assets belonging to the Prefab Undertaking other than those referred to in clause 11.2 and 11.3 above, the same shall, as more particularly provided in clause 11.1 above, without any further act, instrument or deed, be demerged from Sintex Industries and transferred to and vested in and/or be deemed to be demerged from Sintex Industries and transferred to and



vested in Sintex Infra upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391-394 of the Act.

11.5 All assets, rights, title, interests and investments of Sintex Industries in relation to the Prefab Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in Sintex Infra upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391-394 of the Act.

11.6 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme, all the rights, title, interest and claims of Sintex Industries in any leasehold/leave and licence/right of way properties of Sintex Industries in relation to the Prefab Undertaking, shall, pursuant to Section 394(2) 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 Sintex Infra automatically and on the same terms and conditions.

11.7 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, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of Sintex Industries, and the rights and benefits under the same, in so far as they relate to the Prefab Undertaking and all quality certifications and approvals, trademarks, trade names, service marks, copy rights, domain names, designs, trade secrets, research and studies, technical knowhow and other intellectual properties (whether owned, licensed or otherwise, and whether registered or unregistered) and all other interests relating to the goods or services being dealt with by the Prefab Undertaking and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by Sintex Industries in relation to the Prefab Undertaking shall be transferred to and vested in Sintex Infra and the concerned licensors and granters of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, Sintex Infra on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Prefab Undertaking of Sintex Industries in Sintex Infra and continuation of operations pertaining to the



Prefab Undertaking of Sintex Industries in Sintex Infra without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against Sintex Infra, as the case may be, and may be enforced as fully and effectually as if, instead of Sintex Industries, Sintex Infra had been a party or beneficiary or obligee thereto.

11.8 In so far as various incentives, subsidies, exemptions, special status, service tax benefits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Government body, regulatory authority, local authority or by any other person, or availed of by Sintex Industries are concerned, the same shall, without any further act or deed, in so far as they relate to the Prefab Undertaking, vest with and be available to Sintex Infra on the same terms and conditions, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to Sintex Infra.

11.9 Any claims due to Sintex Industries from its customers or otherwise and which have not been received by Sintex Industries as on the date immediately preceding the Effective Date as the case may be, in relation to or in connection with the Prefab Undertaking, shall also belong to and be received by Sintex Infra.

11.10 All assets, estate, rights, title, interest and authorities acquired by Sintex Industries after the Appointed Date and prior to the Effective Date for operation of the Prefab Undertaking shall also stand transferred to and vested in Sintex Infra upon the coming into effect of this Scheme.

11.11 Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities (including contingent liabilities) of Sintex Industries relating to the Prefab Undertaking shall without any further act, instrument or deed be and stand transferred to Sintex Infra and shall thereupon become, the debts, duties, obligations and liabilities of Sintex Infra, which it undertakes to meet, discharge and satisfy to the exclusion of Sintex Industries and to keep Sintex Industries indemnified at all times from and against all such debts, duties, obligations and liabilities and from and against all actions, demands and proceedings in respect thereto. It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, obligations, duties and liabilities have arisen in order to give effect to the provisions of this clause.

11.12 In so far as loans and borrowings of Sintex Industries are concerned, the loans and borrowings and such amounts pertaining to the general and multipurpose



loans and borrowings, and liabilities, if any, which are to be transferred to Sintex Infra in terms of clause 11.11 above, being a part of the Prefab Undertaking shall, without any further act or deed, become loans and borrowings of Sintex Infra, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against Sintex Infra as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities shall be that of Sintex Infra. However, without prejudice to such transfer of proportionate liability amount, if any, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, Sintex Infra may discharge such liability (including accretions) by making payments on the respective due dates to Sintex Industries, which in turn shall make payments to the respective creditors.

11.13 Subject to clause 11.12 above, from the Effective Date, Sintex Infra alone shall be liable to perform all obligations in respect of the liabilities of the Prefab Undertaking as the borrower/issuer thereof, and Sintex Industries shall not have any obligations in respect of the said liabilities.

11.14 Where any of the liabilities and obligations of Sintex Industries as on the Appointed Date deemed to be transferred to Sintex Infra, have been discharged by Sintex Industries after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Sintex Infra and all liabilities and obligations incurred by Sintex Industries for the operations of the Prefab Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of Sintex Infra and to the extent of their outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Sintex Infra and shall become the liabilities and obligations of Sintex Infra which shall meet, discharge and satisfy the same.

11.15 Any claims, liabilities or demands arising on account of the Prefab Undertaking of Sintex Industries which relates to the period prior to the Appointed Date but arises at any time after the Effective Date shall be entirely borne by Sintex Infra. In the event that such liability is incurred by or such claim or demand is made upon Sintex Industries, then Sintex Infra shall indemnify Sintex Industries for any payments made in relation to the same.

11.16 Upon the coming into effect of this Scheme, all debentures including NCDs or other debt securities and other instruments of like nature issued by Sintex Industries, in relation to its connection with the Prefab Undertaking, shall upon





the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in Sintex Infra. If the debt securities (including the NCDs) are listed on any stock exchange, the same shall, subject to applicable law and regulations, be listed and/or admitted to trading on the relevant stock exchanges in India where such debt securities were listed and/or admitted to trading, on the same terms and conditions, subject to the requirements, if any, imposed by the stock exchanges, unless otherwise modified in accordance with applicable law.

11.17 Subject to the other provisions of this Scheme, in so far as the assets of the Prefab Undertaking are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Custom Moulding Undertaking and/or Remaining Business of Sintex Industries shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of Sintex Industries which are not transferred to Sintex Infra.

11.18 In so far as the assets of the Custom Moulding Undertaking and/or the Remaining Business of Sintex Industries are concerned, the security, pledge, existing charges and mortgages over such assets, to the extent they relate to any loans or borrowings of the Prefab Undertaking shall, without any further act, instrument or deed be released and discharged from such security, pledge, charges and mortgages. The absence of any formal amendment, which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this clause.

11.19 In so far as the existing security in respect of the loans and other liabilities relating to the Remaining Business of Sintex Industries are concerned, such security shall, without any further act, instrument or deed be continued with Sintex Industries only on the assets which are remaining with Sintex Industries.

11.20 Without any prejudice to the provisions of the foregoing clauses and upon the Scheme being effective, Sintex Industries and Sintex Infra shall enter into and execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies, Gujarat at



Ahmedabad to give formal effect to the provisions of this clause and foregoing clauses, if required.

11.21 Upon the coming into effect of this Scheme, Sintex Industries alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Business of Sintex Industries and Sintex Infra shall not have any obligations in respect of the Remaining Business of Sintex Industries.

11.22 The foregoing provisions shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

11.23 On and from the Effective Date, and thereafter, Sintex Infra shall be entitled to operate all bank accounts of Sintex Industries, in relation to or in connection with the Prefab Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of Sintex Industries, in relation to or in connection with the Prefab Undertaking, in the name of Sintex Infra in so far as may be necessary until the transfer of rights and obligations of the Prefab Undertaking to Sintex Infra under this Scheme have been formally given effect to under such contracts and transactions.

11.24 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of bank accounts of Sintex Industries, in relation to or in connection with the Prefab Undertaking, have been replaced with that of Sintex Infra, Sintex Infra shall be entitled to operate the bank accounts of Sintex Industries, in relation to or in connection with the Prefab Undertaking, in the name of Sintex Industries in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Sintex Industries, in relation to or in connection with the Prefab Undertaking, after the Effective Date shall be accepted by the bankers of Sintex Infra and credited to the account of Sintex Infra, if presented by Sintex Infra. Sintex Infra shall be allowed to maintain bank accounts in the name of Sintex Industries for such time as may be determined to be necessary by Sintex Infra for presentation and deposition of cheques and pay orders that have been issued in the name of Sintex Industries, in relation to or in connection with the



Prefab Undertaking. It is hereby expressly clarified that any legal proceedings by or against Sintex Industries, in relation to or in connection with the Prefab Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Sintex Industries shall be instituted, or as the case may be, continued by or against Sintex Infra after the coming into effect of this Scheme.

11.25 It is clarified that in order to ensure the smooth transition and sales of products and inventory of Sintex Industries, in relation to or in connection with the Prefab Undertaking, manufactured and/or branded and/or labelled and/or packed in the name of Sintex Industries prior to the Effective Date, Sintex Infra shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Prefab Undertaking at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/payment related documents pertaining to such products and inventory (including packing material) shall be raised in the name of Sintex Infra after the Effective Date.

11.26 It is hereby clarified that all assets and liabilities of the Prefab Undertaking, which are set forth in the closing balance sheet of Sintex Industries as on the close of business hours on the date immediately preceding the Appointed Date, shall be transferred at values appearing in the books of account of Sintex Industries as on the Appointed Date.

## 12 LEGAL PROCEEDINGS

12.1 Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against Sintex Industries, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the Prefab Undertaking shall be continued and enforced by or against Sintex Infra after the Effective Date. In the event that the legal proceedings referred to herein require Sintex Industries and Sintex Infra to be jointly treated as parties thereto, Sintex Infra shall be added as a party to such proceedings and shall prosecute and defend such proceedings in co-operation with Sintex Industries. In the event of any difference or difficulty in determining as to whether any specific legal or other proceedings relate to the Prefab Undertaking or not, a decision



jointly taken by the Board of Directors of Sintex Industries and Sintex Infra in this regard, shall be conclusive evidence of the matter.

12.2 If proceedings are taken against Sintex Industries in respect of the matters referred to in clause 12.1 above, it shall defend the same in accordance with the advice of Sintex Infra and at the cost of Sintex Infra, and the latter shall reimburse and indemnify Sintex Industries against all the liabilities and obligations incurred by Sintex Industries in respect thereof.

12.3 Sintex Infra shall have all legal or other proceedings initiated by or against Sintex Industries with respect to the Prefab Undertaking, transferred into its name and to have the same continued, prosecuted and enforced by or against Sintex Infra to the exclusion of Sintex Industries.

### 13 CONTRACTS, DEEDS, ETC.

13.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Prefab Undertaking to which Sintex Industries is a party or to the benefit of which Sintex Industries may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of Sintex Infra, as the case may be, and may be enforced as fully and effectually as if, instead of Sintex Industries, Sintex Infra had been a party or beneficiary or obligee thereto.

13.2 Notwithstanding the fact that vesting of the Prefab Undertaking occurs by virtue of this Scheme itself, Sintex Infra may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which Sintex Industries is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. Sintex Infra will, if necessary, also be a party to the above. Sintex Infra shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Sintex Industries and to carry out or perform all such formalities or compliances referred to above on the part of Sintex Industries to be carried out or performed



13.3 Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interests in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Prefab Undertaking which Sintex Industries own or to which Sintex Industries is a party to, cannot be transferred to Sintex Infra for any reason whatsoever, Sintex Industries shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of Sintex Infra, in so far as it is permissible so to do, till such time as the transfer is effected.

#### 14 SAVING OF CONCLUDED TRANSACTIONS

14.1 The transfer and the vesting of the assets, liabilities and obligations of the Prefab Undertaking under clause 11 hereof and the continuance of proceedings by or against Sintex Infra under clause 12 hereof shall not affect any transaction or proceedings already completed by Sintex Industries on or after the Appointed Date, to the end and intent that Sintex Infra accepts all acts, deeds and things done and executed by and/or on behalf of Sintex Industries as acts, deeds and things made, done and executed by and on behalf of Sintex Infra.

#### 15 STAFF, EMPLOYEES & WORKMEN

15.1 Upon the coming into effect of this Scheme, all the employees relating to the Prefab Undertaking that were employed by Sintex Industries, immediately before the Effective Date, shall become the employees of Sintex Infra without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Prefab Undertaking of Sintex Industries immediately prior to the demerger of the Prefab Undertaking.

15.2 Sintex Infra agrees that the service of all employees pertaining to the Prefab Undertaking with Sintex Industries up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in Sintex Industries up to the Effective Date. Sintex Infra further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Sintex Industries, shall also be taken into account and agrees and undertakes to pay the same as and when payable.





15.3 Upon the coming into effect of this Scheme, Sintex Infra shall make all the necessary contributions for such transferred employees relating to the Prefab Undertaking, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Sintex Infra will also file relevant intimations in respect of the Prefab Undertaking to the statutory authorities concerned, who shall take the same on record and substitute the name of Sintex Infra for Sintex Industries.

15.4 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Sintex Industries for employees of the Prefab Undertaking are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Prefab Undertaking as on the Effective Date, who are being transferred along with the Prefab Undertaking in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of Sintex Infra and till the time such necessary funds, schemes or trusts are created by Sintex Infra, all contribution shall continue to be made to the existing funds, schemes or trusts of Sintex Industries.

## **16 BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF PREFAB UNDERTAKING FOR SINTEX INFRA**

With effect from the Appointed Date and up to and including the Effective Date:

16.1 Sintex Industries shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Prefab Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Prefab Undertaking for and on account of, and in trust for Sintex Infra;

16.2 all profits and income accruing or arising to Sintex Industries from the Prefab Undertaking, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Prefab Undertaking shall, for all purposes, be treated as and be



deemed to be the profits income, losses or expenditure, as the case may be, of Sintex Infra;

16.3 any of the rights, powers, authorities, privileges, attached, related or pertaining to the Prefab Undertaking exercised by Sintex Industries shall be deemed to have been exercised by Sintex Industries for and on behalf of, and in trust for and as an agent of Sintex Infra. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Prefab Undertaking that have been undertaken or discharged by Sintex Industries shall be deemed to have been undertaken for and on behalf of and as an agent for Sintex Infra;

16.4 Sintex Industries undertakes that it will preserve and carry on the business of the Prefab Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Prefab Undertaking or any part thereof or recruit new employees or conclude settlements with union or employees or undertake substantial expansion or change the general character or nature of the business of the Prefab Undertaking or any part thereof save and except in each case:

- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
- (b) if the same is expressly permitted by this Scheme; or
- (c) if the prior written consent of the Board of Directors of Sintex Infra has been obtained.

16.5 Sintex Industries and/or Sintex Infra shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government(s), regulatory/local/administrative bodies and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which Sintex Infra may require to carry on the business of the Prefab Undertaking.

## 17 TAX CREDITS

17.1 Sintex Infra will be the successor of Sintex Industries vis-à-vis the Prefab Undertaking. Hence, it will be deemed that the benefits of any tax credits whether central, state, or local, availed vis-à-vis the Prefab Undertaking and the obligations, if any, for payment of taxes on any assets of the Prefab Undertaking



or their erection and/or installation, etc. shall be deemed to have been availed by Sintex Infra, or as the case may be deemed to be the obligation of Sintex Infra.

- 17.2 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess, receivables/payables by Sintex Industries relating to the Prefab Undertaking including all or any refunds/credits/claims/tax losses/unabsorbed depreciation relating thereto shall be treated as the assets/liability or refund/credit/claims/tax losses/unabsorbed depreciation, as the case may be, of Sintex Infra.

- 17.3 Sintex Industries and Sintex Infra are expressly permitted to revise their tax returns including tax deducted at source ('TDS') certificates/returns and to claim refund, advance tax, credits, excise and service tax credits, set off etc. on the basis of the accounts of the Prefab Undertaking as vested with Sintex Infra upon coming into effect of this Scheme.

#### PART - IV

#### SUB-DIVISION OF THE EQUITY SHARE CAPITAL OF SINTEX PLASTICS TECHNOLOGY, CONSIDERATION, REDUCTION OF PAID-UP SHARE CAPITAL OF SINTEX PLASTICS TECHNOLOGY, ACCOUNTING TREATMENT, REDUCTION OF CAPITAL, REDEMPTION RESERVE ACCOUNT AND THE SECURITIES PREMIUM ACCOUNT OF SINTEX INDUSTRIES, CHANGE IN NAME OF SINTEX INFRA, AND ALTERATION OF OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF SINTEX-BAPL AND SINTEX INFRA, RESPECTIVELY

#### **18 SUB-DIVISION OF EQUITY SHARE CAPITAL OF SINTEX PLASTICS TECHNOLOGY**

- 18.1 As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the face value per equity share of Sintex Plastics Technology shall be sub-divided from INR 10/- to INR 1/-, without any further act, instrument or deed on the part of Sintex Plastics Technology, such that upon the coming into effect of this Scheme, the authorised share capital of Sintex Plastics Technology shall be INR 65,00,00,000/- (Rupees Sixty Five Crores Only) divided into 65,00,00,000 (Sixty Five Crores) equity shares of INR 1/- (Rupee One Only). Clause V of the Memorandum of Association of Sintex Plastics Technology shall, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:



"V. The Authorised Share Capital of the Company is Rs. 65,00,00,000/- (Rupees Sixty Five Crores Only) divided into 65,00,00,000 (Sixty Five Crores) Equity Shares of Re. 1/- (Rupee One Only) each."

18.2 It is hereby clarified that for the purposes of clause 18, the consent of the shareholders of Sintex Plastics Technology to the Scheme shall be deemed to be sufficient for sub-division of the equity share capital of Sintex Plastics Technology and no further resolutions under the applicable provisions of the Act would be required to be separately passed.

18.3 Pursuant to this Scheme, Sintex Plastics Technology shall file the requisite form with the Registrar of Companies, Gujarat and pay necessary fees in respect thereof, if required, for sub-division of its equity share capital.

## 19 CONSIDERATION

19.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Custom Moulding Undertaking and Prefab Undertaking of Sintex Industries in Sintex-BAPL and Sintex Infra, respectively, in terms of Part II and Part III of the Scheme, respectively, Sintex Plastics Technology shall, without any further act or deed, issue and allot to the equity shareholders of Sintex Industries, whose names appear in the Register of Members of Sintex Industries, on a date (hereinafter referred to as "Record Date") to be fixed in that behalf by the Board of Directors of Sintex Industries in consultation with Sintex Plastics Technology for the purpose of reckoning the names of the equity shareholders of Sintex Industries, equity shares of the face value of INR 1/- each in Sintex Plastics Technology, credited as fully paid-up in the following manner:

- (i) 1 (One) equity share of INR 1/- each credited as fully paid-up of Sintex Plastics Technology for every 2 (Two) equity shares of INR 1/- each fully paid-up and held by such equity shareholder in Sintex Industries, being the consideration of the transfer and vesting of the Custom Moulding Undertaking of Sintex Industries in Sintex-BAPL; and



- (ii) 1 (One) equity share of INR 1/- each credited as fully paid-up of Sintex Plastics Technology for every 2 (Two) equity shares of INR 1/- each fully paid-up and held by such equity shareholder in Sintex Industries, being the consideration of the transfer and vesting of the Prefab Undertaking of Sintex Industries in Sintex Infra.

19.2 If any equity shareholder of Sintex Industries becomes entitled to any fractional shares pursuant to issue and allotment of equity shares under clause 19.1(i) and clause 19.1(ii), respectively, the Board of Directors of Sintex Plastics Technology, shall consolidate such fraction to whole number, and thereupon shall issue and allot new equity shares of Sintex Plastics Technology to the concerned equity shareholders of Sintex Industries.

19.3 The new equity shares issued, pursuant to clauses 19.1 and 19.2 above, shall be issued and allotted in a dematerialized form to those equity shareholders who hold equity shares in Sintex Industries in dematerialized form, into the account with the depository participant in which the equity shares of Sintex Industries are held or such other account with the depository participant as is intimated by the equity shareholders of Sintex Industries to Sintex Plastics Technology before the Record Date. All those equity shareholders of Sintex Industries who hold equity shares of Sintex Industries in physical form shall also have the option to receive the new equity shares, as the case may be, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to Sintex Plastics Technology before the Record Date. In the event that Sintex Plastics Technology has received notice from any equity shareholder of Sintex Industries that equity shares are to be issued in physical form or if any equity shareholder has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required or if the details furnished by any equity shareholder do not permit electronic credit of the shares of Sintex Plastics Technology, then Sintex Plastics Technology shall issue new equity shares of Sintex Plastics Technology in accordance with clauses 19.1 and 19.2 above, as the case may be, in physical form to such equity shareholder.

19.4 The new equity shares of Sintex Plastics Technology to be issued to the shareholders of Sintex Industries in terms of clauses 19.1 and 19.2 above, shall be subject to the provisions of the Memorandum and Articles of Association of Sintex Plastics Technology and shall rank par-passu, in all respects with the then existing equity shares of Sintex Plastics Technology.





- 19.5 Where the new equity shares of Sintex Plastics Technology are to be allotted, pursuant to clauses 19.1 and 19.2 above, to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of Sintex Industries, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of Sintex Plastics Technology.
- 19.6 The new equity shares to be issued by Sintex Plastics Technology, pursuant to clauses 19.1 and 19.2 above, in respect of any equity shares of Sintex Industries, which are held in abeyance under the provisions of Section 126 of the Companies Act, 2013 or otherwise shall, pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by Sintex Plastics Technology.
- 19.7 The approval of this Scheme by the shareholders of Sintex Plastics Technology shall be deemed to be due compliance of the provisions of Section 81(1A) of the Act or section 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act and the Companies Act, 2013 for the issue and allotment of new equity shares by Sintex Plastics Technology to the shareholders of Sintex Industries, as provided in this Scheme.
- 19.8 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of Sintex Industries, the Board of Directors of Sintex Industries shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in Sintex Industries as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in Sintex Plastics Technology issued by Sintex Plastics Technology upon the coming into effect of this Scheme.
- 19.9 Sintex Plastics Technology shall, if and to the extent required to, apply for and/or intimate and/or obtain any approvals from the concerned regulatory authorities including the Reserve Bank of India, for the issue and allotment of new equity shares by Sintex Plastics Technology to the non-resident equity shareholders of Sintex Industries. Sintex Plastics Technology shall comply with the relevant and applicable rules and regulations including the provisions of Foreign Exchange Management Act, 1999, if any, to enable Sintex Plastics Technology to issue and allot new equity shares to the non-resident equity shareholders of Sintex Industries.



19.10 The new equity shares to be issued by Sintex Plastics Technology, in terms of clauses 19.1 and 19.2 above, will be listed and/or admitted to trading on the BSE and NSE, where the equity shares of Sintex Industries are listed and/or admitted to trading in terms of the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable regulations. Sintex Plastics Technology shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the aforesaid stock exchanges. On such formalities being fulfilled the said stock exchanges shall list and /or admit such new equity shares also for the purpose of trading. The new equity shares allotted by Sintex Plastics Technology, pursuant to clauses 19.1 and 19.2 above, shall remain frozen in the depositories system till the listing/trading permission is given by the BSE and NSE.

19.11 (a) Upon the coming into effect of this Scheme and subject to applicable law, if a FCCB holder exercises the option of conversion ("**Converting FCCB Holder**"), Sintex Industries shall issue such number of equity shares to the Converting FCCB Holder in accordance with the terms and conditions as set out in the Offering Circular dated 20.5.2016 issued in respect of the FCCBs ("**Offering Circular**") and pursuant to clauses 19.1 and 19.2 above, Sintex Plastics Technology shall also issue corresponding number of equity shares of Sintex Plastics Technology, as per the share entitlement ratio mentioned in clauses 19.1 and 19.2 above, to such Converting FCCB Holder who are allotted equity shares of Sintex Industries. However, in all respects, the rights of the FCCB holders to receive the shares of Sintex Plastics Technology shall be treated as if he is the shareholder of Sintex Industries, in case the right to convert the FCCBs is exercised by such Converting FCCB Holder pursuant to the terms and conditions as set out in the Offering Circular.

(b) The corresponding equity shares to be allotted by Sintex Plastics Technology to the Converting FCCB Holder, in terms of sub-clause (a) above, will be listed and/or admitted to trading on the BSE and NSE in terms of the provisions of applicable law. The aforesaid corresponding equity shares to be allotted by Sintex Plastics Technology, pursuant to sub-clause (a) above, shall remain frozen in the depositories system till the listing/trading permission is given by the BSE and NSE.



- (c) As per the terms and conditions as set out in the Offering Circular, Sintex Plastics Technology, upon the coming into effect of this Scheme and subject to applicable law, shall guarantee the due payment of all sums expressed to be payable by Sintex Industries to the outstanding FCCB holders and in this regard shall enter into such deed or document, as may be required, with the trustee of the outstanding FCCB holders to give effect to the aforesaid. In case of payment of any outstanding sum to the outstanding FCCB holder by Sintex Plastics Technology, as per the terms and conditions set out in the Offering Circular, Sintex Industries shall, without any further act, instrument, deed, matter or thing, make the payment to Sintex Plastics Technology within such period as may be mutually decided between Sintex Industries and Sintex Plastics Technology.

## 20 REDUCTION OF SHARE CAPITAL OF SINTEX PLASTICS TECHNOLOGY

- 20.1 Simultaneously, with the issue and allotment of the new equity shares by Sintex Plastics Technology to the equity shareholders of Sintex Industries in accordance with clauses 19.1 and 19.2 of the Scheme, in the books of Sintex Plastics Technology, all the equity shares issued by Sintex Plastics Technology to Sintex Industries and held by it shall stand cancelled, extinguished and annulled on and from the Effective Date.

- 20.2 The cancellation, as mentioned under clause 20.1 above, which amounts to reduction of share capital of Sintex Plastics Technology, shall be effected as an integral part of this Scheme itself in accordance with the provisions of Section 100 to 103 of the Act and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and the provisions of Section 101 will not be applicable. Notwithstanding the reduction as mentioned above, Sintex Plastics Technology shall not be required to add "and reduced" as suffix to its name and Sintex Plastics Technology shall continue in its existing name.



**21 ACCOUNTING TREATMENT IN THE BOOKS OF SINTEX INDUSTRIES AND  
REDUCTION OF CAPITAL REDEMPTION RESERVE ACCOUNT AND  
SECURITIES PREMIUM ACCOUNT OF SINTEX INDUSTRIES**

21.1 The assets and liabilities pertaining to the Custom Moulding Undertaking and the Prefab Undertaking of Sintex Industries being transferred to Sintex-BAPL and Sintex Infra, respectively, shall be, at values appearing in the books of account of Sintex Industries as on the Appointed Date which are set forth in the closing balance sheet of Sintex Industries as of the close of business hours on the date immediately preceding the Appointed Date.

21.2 Upon the Scheme being effective, the inter-company balances, if any, appearing in the books of accounts of Sintex Industries pertaining to the Custom Moulding Undertaking and Sintex-BAPL and the inter-company balances, if any, appearing in the books of accounts of Sintex Industries pertaining to the Prefab Undertaking and Sintex Infra, shall stand cancelled.

21.3 The difference between the value of assets and value of liabilities of the Custom Moulding Undertaking and the Prefab Undertaking transferred to Sintex-BAPL and Sintex Infra, respectively, and the cancellation of the equity shares held by Sintex Industries in the paid-up share capital of Sintex Plastics Technology as per clause 20 above, shall be appropriated as follows:

21.3.1 Firstly, against Capital Reserve Account of Sintex Industries;

21.3.2 Secondly, against Capital Redemption Reserve Account of Sintex Industries;

21.3.3 Thirdly, against Securities Premium Account of Sintex Industries;

21.3.4 Fourthly, against General Reserves of Sintex Industries; and

21.3.5 The balance difference, if any, remaining shall be appropriated against the surplus in Profit and Loss Account of Sintex Industries.

21.4 The reduction in the Capital Reserve Account and/or Capital Redemption Reserve and/or Securities Premium Account and/or General Reserve and/or Profit & Loss Account of Sintex Industries shall be effected as an integral part of the Scheme, and where applicable, in accordance with the provisions of Sections 52 and 55 of the Companies Act, 2013 read with Sections 100 to 103 of the Act and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act for the purpose of confirming the relevant reductions. The reductions would not involve either a diminution of



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liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable. Notwithstanding the reduction as mentioned above, Sintex Industries shall not be required to add "and reduced" as a suffix to its name and Sintex Industries shall continue in its existing name.

**22 ACCOUNTING TREATMENT IN THE BOOKS OF SINTEX PLASTICS TECHNOLOGY, SINTEX-BAPL AND SINTEX INFRA**

**IN THE BOOKS OF SINTEX PLASTICS TECHNOLOGY**

22.1 Sintex Plastics Technology shall credit to the Equity Share Capital Account in its books of accounts, the aggregate face value of the new equity shares issued and allotted to the equity shareholders of Sintex Industries as per clauses 19.1 and 19.2 above and the amount equivalent to the face value of such new equity shares issued will be debited to the investments in Sintex-BAPL and Sintex Infra Account proportionately as may be decided by the management and auditors.

22.2 Upon the Scheme being effective, the existing shareholding of Sintex Industries in Sintex Plastics Technology shall stand cancelled. Upon cancellation, Sintex Plastics Technology shall debit to its Equity Share Capital Account, the aggregate face value of existing equity shares held by Sintex Industries in Sintex Plastics Technology, which stands cancelled and the same shall be credited to the General Reserves of Sintex Plastics Technology.

22.3 Upon exercise of conversion option by the Converting FCCB Holder after the Scheme coming into effect, Sintex Plastics Technology shall credit its Equity Share Capital Account in its books of accounts, the aggregate face value of the equity shares issued and allotted to the Converting FCCB Holder of Sintex Industries and the amount equivalent to the face value of equity shares issued will be debited to the General Reserves of Sintex Plastics Technology.

**IN THE BOOKS OF SINTEX-BAPL**

22.4 Upon the coming into effect of this Scheme, Sintex-BAPL shall record the assets and liabilities of the Custom Moulding Undertaking transferred to and vested in Sintex-BAPL pursuant to this Scheme, at values appearing in the books of account of Sintex Industries as on the Appointed Date, which are set forth in the





closing balance sheet of Sintex Industries as on the close of business hours on the date immediately preceding the Appointed Date.

22.5 Upon the Scheme being effective, the inter-company balances, if any, appearing in the books of accounts of Sintex Industries pertaining to the Custom Moulding Undertaking and Sintex-BAPL, shall stand cancelled.

22.6 The excess of the assets over liabilities of the Custom Moulding Undertaking, transferred to and recorded by Sintex-BAPL shall be credited to the General Reserves of Sintex-BAPL. The shortfall, if any, shall be debited to Goodwill Account of Sintex-BAPL.

22.7 The Board of Directors of Sintex-BAPL shall any time after the Appointed Date fair value the assets in its financial statements as per the report of the independent valuer to reflect the real worth of the business assets and any difference will be suitably adjusted in the General Reserve of Sintex-BAPL.

#### IN THE BOOKS OF SINTEX INFRA

22.8 Upon the coming into effect of this Scheme, Sintex Infra shall record the assets and liabilities of the Prefab Undertaking transferred to and vested in Sintex Infra pursuant to this Scheme, at values appearing in the books of account of Sintex Industries as on the Appointed Date, which are set forth in the closing balance sheet of Sintex Industries as on the close of business hours on the date immediately preceding the Appointed Date.

22.9 Upon the Scheme being effective, the inter-company balances, if any, appearing in the books of accounts of Sintex Industries pertaining to the Prefab Undertaking and Sintex Infra, shall stand cancelled.

22.10 The excess of the assets over liabilities of the Prefab Undertaking, transferred to and recorded by Sintex Infra shall be credited to the General Reserves of Sintex Infra. The shortfall, if any, shall be debited to Goodwill Account of Sintex Infra.

#### 23 CHANGE IN NAME OF SINTEX INFRA AND ALTERATION OF THE OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF SINTEX-BAPL AND SINTEX INFRA

#### CHANGE IN NAME OF SINTEX INFRA



23.1 Upon the Scheme being effective, the name of Sintex Infra without any further act, instrument or deed, shall stand changed to "SINTEX PREFAB AND INFRA LIMITED" and Clause 1 of the Memorandum of Association of Sintex Infra shall stand accordingly modified, changed and amended with effect from the Effective Date. The Registrar of Companies, Gujarat will record such change and issue a fresh certificate of incorporation with the new name. Approval of the Scheme shall be deemed to be approval for change of name in compliance with the provisions of Section 13 of the Companies Act, 2013. Sintex Infra, upon the Scheme being effective, shall file requisite form with the concerned Registrar of Companies for obtaining the new certificate of change of name of Sintex Infra.

**ALTERATION OF THE OBJECT CLAUSE OF THE MEMORANDUM OF  
ASSOCIATION OF SINTEX-BAPL AND SINTEX INFRA**

**AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF SINTEX-BAPL**

23.2 Upon the coming into effect of this Scheme, the objects of Sintex-BAPL shall be deemed to have been altered by adding new clauses, in the main objects clause [III.(A)] of the Memorandum of Association of Sintex-BAPL, which shall stand inserted immediately after existing clause 1., and shall read as under:

- "2. To carry on the business as manufacturers of and dealers in water treatment equipment, effluent treatment equipment, pollution control equipment and other equipments useful for controlling and regulating the working of factories and industries reducing hazards to the person and property of human beings arising out of the working of such factories and industries.
3. To carry on the business as manufacturers of and dealers in all kinds of plastic and plastic products (including all type of water storage tanks) and raw materials used for the manufacture of plastic.
4. To carry on the business as manufacturers of and dealers of Custom Moulded products such as Sheet Moulded Compound (SMC) products, Industrial Containers, Fibre Reinforced Plastic (FRP), Plastic Pallets and Insulated Boxes



5. *To carry on the business as manufacturers of and dealers in Dies and Tools which are used by the Plastic Processing industries to convert Plastic Raw Materials in desired semi-finished or finished forms.*

6. *To carry on the business as manufacturers of and dealers in Component, Assemblies and Assemblies for Plastic Processing Machines."*

23.3 It is hereby clarified that the consent of the equity shareholders of Sintex-BAPL to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendments and that no further resolution under Section 13 the Companies Act, 2013 or any other applicable provisions of the Act or the Companies Act, 2013, would be required to be separately passed. Sintex-BAPL, upon the Scheme being effective, shall file requisite e-forms with the Registrar of Companies, Gujarat for alteration of its Memorandum of Association.

#### **AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF SINTEX INFRA**

23.4 Upon the coming into effect of this Scheme, the objects of Sintex Infra shall be deemed to have been altered by adding a new clause, in the main objects clause (III.[A]) of the Memorandum of Association of Sintex Infra, which shall stand inserted immediately after existing clause 7., and shall read as under:

"8. *To carry on the business of construction of roads, bridges, dams, tunnels, setting up of various infrastructural facilities for village, town/ city developments and to carry on the business of builders, contractors, dealers in and manufacturers of prefabricated/ monolithic construction and pre-cast houses, buildings and erections and materials, tools, implements, machinery and metal ware in connection therewith or incidental thereto and to carry on any other business that is customarily, usually and conveniently carried on therewith, including but not restricted to trainways, rail system, mass rapid transit system, light rain transit system, rapid bus systems, Inland Container Depot (ICD) and Central Freight Sanitation (CFS) water tanks canals, reservoirs, structures, drainage & sewage works water distribution & filtration systems, laying of pipelines, docks, harbors, piers, irrigation works foundation works, power plants, railway terminus, bus terminus, bridges, tunnels, effluent treatment plants, underpass, airports, heliports, ports, runways,*



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*transmission line(s) towers, telecommunication facilities, water, oil and gas pipe line, sanitation and sewerage system, solid waste management system, solar water heating systems, rain water harvesting structures/ systems or any other public utilities of similar nature."*

- 23.5 It is hereby clarified that the consent of the equity shareholders of Sintex Infra to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13 the Companies Act, 2013 or any other applicable provisions of the Act or the Companies Act, 2013, would be required to be separately passed. Sintex Infra, upon the Scheme being effective, shall file requisite e-forms with the Registrar of Companies, Gujarat for alteration of its Memorandum of Association.

#### PART - V

#### REMAINING BUSINESS OF SINTEX INDUSTRIES

#### **24 REMAINING BUSINESS TO CONTINUE WITH SINTEX INDUSTRIES**

- 24.1 The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by Sintex Industries subject to the provisions of the Scheme.
- 24.2 All legal or other proceedings by or against Sintex Industries under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of Sintex Industries in respect of the Remaining Business) shall be continued and enforced by or against Sintex Industries. Sintex-BAPL and Sintex Infra shall in no event be responsible or liable in relation to any such legal or other proceedings by or against Sintex Industries.
- 24.3 With effect from the Appointed Date and up to and including the Effective Date:
- 24.3.1 Sintex Industries shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;



24.3.2 all profits and income accruing or arising to Sintex Industries, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Remaining Business shall, for all purposes, be treated as and be deemed to be the profits income, losses or expenditure, as the case may be, of Sintex Industries; and

24.3.3 all employees relatable to the Remaining Business shall continue to be employed by Sintex Industries and Sintex-BAPL and Sintex Infra shall not in any event be liable or responsible for any claims whatsoever regarding such employees.

#### PART VI

#### GENERAL TERMS AND CONDITIONS

#### **25 APPLICATIONS TO HIGH COURT**

25.1 The Companies shall, with all reasonable dispatch, make necessary applications/petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court for seeking sanction of this Scheme.

#### **26 MODIFICATIONS OR AMENDMENTS TO THE SCHEME**

26.1 The Companies by their respective Board of Directors or any Director/Executive/Employee authorized in this behalf (hereinafter referred as to the "Delegates") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which the High Court or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Companies may in their discretion accept, or such modification(s) or addition(s) as the Board of Directors of the Companies or as the case may be, their respective Delegates may deem fit, or require for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The Companies by their respective Board of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any





conditions are imposed by the High Court or any authorities, which the Board of Directors of the Companies find unacceptable for any reason, then the Companies shall be at liberty to withdraw the Scheme.

- 26.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates of the Companies may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt, it is clarified that where this Scheme requires the approval of the Board of Directors of the Companies to be obtained for any matter, the same may be given through their Delegates.

## 27 SCHEME CONDITIONAL ON APPROVAL/SANCTIONS

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

- 27.1 the requisite consent, approval or permission from BSE and NSE and/or SEBI, which by law or otherwise may be necessary for the implementation of this Scheme in compliance with the provisions of SEBI Circular;
- 27.2 the approval of the Scheme by the respective requisite majorities of the shareholders and/or creditors (where applicable) of the Companies in accordance with Section 391 of the Act;
- 27.3 the Scheme being sanctioned by the High Court in terms of Sections 391 to 394 and other relevant provisions of the Act and the requisite orders of the High Court referred to in clause 25 hereof being obtained;
- 27.4 certified copies of the orders of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Gujarat at Ahmedabad; and
- 27.5 the applicable regulatory and governmental approvals including the approval of the Reserve Bank of India as may be required by law in respect of the Scheme being obtained, for Sintex Plastics Technology to (a) issue equity shares to Converting FCCB Holder who exercises the option of conversion as per the terms and conditions as set out in the Offering Circular, and (b) comply with the obligations under clause 19.11(c) above.



**28 SEVERABILITY**

- 28.1 If any part of this Scheme is found to be unworkable or unviable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Companies affect the validity or implementation of the other parts and/or provisions of this Scheme.

**29 EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

- 29.1 In the event of any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of the Companies shall mutually waive such conditions as they may consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

**30 COSTS, CHARGES AND EXPENSES**

Subject to clause 29.1 above:

- 30.1 all costs, charges, levies and expenses, duties, etc. in relation to or in connection with or incidental to this Scheme shall be borne and paid by Sintex-BAPL and Sintex Infra, respectively, in equal proportion.



*Sh. M.*