

# UMANG DAIRIES LIMITED

Corporate Identification No. (CIN) - L15111UP1992PLC014942

Registered Office: Gajraula Hasanpur Road, 3 Km Stone, Dist Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh – 244 235

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Website: www.umangdairies.com

## NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF UMANG DAIRIES LIMITED PURSUANT TO ORDER, DATED MAY 14, 2024, OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH

<b>Day</b>	Saturday
<b>Date</b>	August 3, 2024
<b>Time</b>	10:30 AM (IST)
<b>Mode of Meeting</b>	Through Video Conferencing (VC) with the facility of remote e-voting
<b>Cut-off Date</b>	Friday, June 21, 2024
<b>Remote e-voting start date and time</b>	Thursday, July 25, 2024, at 10:00 A.M. (IST)
<b>Remote e-voting end date and time</b>	Friday, August 2, 2024, at 5:00 P.M. (IST)

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The Notice of the Meeting, Statement under sections 102, 230 to 232 and other applicable provisions of the Companies Act, 2013 and rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular on Scheme of Arrangement (SEBI/HO/CFD/POD-2/P/CIR/2023/93) dated June 20, 2023 (SEBI Scheme Circular) and other applicable circulars and Annexures 1 to Annexure 13 (Page nos. [28] to [268]) constitute a single and complete set of documents and should be read in conjunction with each other, as they form integral part of this document.

# BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH

C.A. (CAA) No. 04/ALD of 2024

FORM NO. CAA. 2

[Pursuant to Section 230(3) of The Companies Act ,2013 and  
Rule 6 and 7 of The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

In the matter of Sections 230 to 232 read with other applicable Sections and provisions of the Companies Act, 2013 read together with the Rules made there under;

AND

In the matter of Scheme of Arrangement amongst:

Umang Dairies Limited, a Company incorporated under the Companies Act, 1956, having its Registered Office at Gajraula, Hasanpur Road, 3 Km Stone, Dist. Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh 244235

...**Demerged Company / Amalgamating Company**

AND

Panchmahal Properties Limited, a Company incorporated under the Companies Act, 1956, having its Registered Office at Gajraula, Hasanpur Road, 3 Km Stone, Dist. Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh 244235

...**Resulting Company 1**

AND

Bengal & Assam Company Limited, a Company incorporated under the Companies Act, 1913, having its Registered Office at 7, Council House Street, Kolkata, West Bengal 700001

... **Amalgamated Company / Resulting Company 2**

AND

their respective Shareholders and Creditors.

## NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF UMANG DAIRIES LIMITED

To,

**The Equity Shareholders of  
Umang Dairies Limited**

*(Demerged Company or Amalgamating Company or Company)*

Notice is hereby given that, by an Order dated May 14, 2024 in the Company Scheme Application No. C.A.(CAA) 04/ ALD of 2024 (**Order**), the Hon'ble National Company Law Tribunal, Allahabad Bench (**Tribunal / NCLT**) has directed, inter-alia, that a meeting of the Equity Shareholders of Umang Dairies Limited (**Company**) to be convened and held on Saturday, August 3, 2024 at 10:30 AM (IST) through Video-Conferencing (**VC**) for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement between Umang Dairies Limited (**UDL / Demerged Company / Amalgamating Company**), Panchmahal Properties Limited (**PPL / Resulting Company 1**) and Bengal & Assam Company Limited (**BACL / Amalgamated Company / Resulting Company 2**) (*collectively referred hereinafter as **Participating Companies***) and their respective shareholders & creditors (**Scheme**).

Pursuant to the said Order of the Hon'ble NCLT and as directed therein, Notice is hereby given that the meeting of the Equity Shareholders of the Company will be held through VC on Saturday, August 3, 2024 at 10:30 A.M. (IST) (**Meeting**) in compliance with the provisions of the Companies Act, 2013 (**Act**) read with the applicable general circulars issued by the Ministry of Corporate Affairs, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**SEBI Listing Regulations**), other applicable SEBI circulars and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (**SS-2**), to consider and if, thought fit, to pass, the following Resolution for approval of the Scheme by requisite majority as prescribed under Section 230(6) of the Act read with Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 issued by Securities & Exchange Board of India ('SEBI'):

**“RESOLVED THAT** in terms of Sections 230-232 read with other applicable provisions of the Companies Act, 2013 along with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification or re-enactment thereof for the time being in force), applicable circulars and notifications issued by the Ministry of Corporate Affairs, the Securities and Exchange Board of India Act, 1992 and the regulations thereunder including SEBI Listing Regulations, and as amended, read with SEBI circulars, the Observation Letter issued by BSE Limited dated February 21, 2024, and the Observation Letter issued by National Stock Exchange of India Limited dated February 22, 2024 and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon’ble National Company Law Tribunal, bench at Allahabad and Kolkata (**Tribunal / NCLT**) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **Board**, which term shall be deemed to mean and include one or more committee(s) constituted / to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the proposed Scheme of Arrangement amongst Umang Dairies Limited (**UDL / Demerged Company / Amalgamating Company**), Panchmahal Properties Limited (**PPL / Resulting Company 1**) and Bengal & Assam Company Limited (**BACL / Amalgamated Company / Resulting Company 2**) and their respective shareholders & creditors (Scheme), as enclosed with this Notice of the NCLT convened meeting of the equity shareholders, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and / or conditions, if any, (including withdrawal of the Scheme), which may be required and / or imposed by the NCLT while sanctioning the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, including passing such accounting entries or making adjustments in the Books of Accounts and deciding on transfer/vesting of assets and liabilities as the Board in its absolute discretion may deem fit, proper or desirable, subject to compliance with the applicable laws and regulations, as the Board may deem fit and proper, without being required to seek any further approval of the shareholders and the shareholders shall be deemed to have given their approval thereto expressly by authority under this Resolution.

**RESOLVED FURTHER THAT** the Board may delegate all or any of its powers herein conferred to any director(s) and / or officer(s) of the Company to give effect to this Resolution, if required, as it may in its absolute discretion deem fit, necessary, or desirable, without any further approval from shareholders of the Company.”

The Hon’ble Tribunal has appointed Shri Adarsh Bhushan, Advocate, as the Chairperson, Shri Varad Nath, Advocate, as the Co-Chairperson, of the Meeting including for any adjournments thereof and Shri Anuj Tiwari, Company Secretary in Practice, as Scrutinizer for the Meeting, including any adjournments thereof, to scrutinize the process of remote e-voting prior to the Meeting as well as e-voting during the Meeting, to ensure that it is fair and transparent.

**Date: June 25, 2024**

**Place: New Delhi**

**Registered Office:**

Gajraula Hasanpur Road, 3 Km Stone, Dist Jyotiba Phule Nagar,  
Amroha, Gajraula, Uttar Pradesh – 244 235

**Sd/-  
Pankaj Kamra  
Company Secretary  
Umang Dairies Limited**

## NOTES:

1. In compliance with the provisions of the Order of the Hon'ble NCLT and Section 108, 230 and other applicable provisions of the Companies Act, 2013 (**Act**), read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**CAA Rules**), (including any statutory modification or re-enactment thereof for the time being in force), Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**SEBI Listing Regulations**); Secretarial Standard-2 on General Meetings, Master Circular bearing number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (**SEBI Master Circular**) and any other circular issued by the Securities and Exchange Board of India (**SEBI**), (including any statutory modification or re-enactment thereof for the time being in force), and other relevant laws and regulations, as may be applicable, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs (**MCA**) for holding general meetings through VC and e-voting vide General circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022, and 9/2023 dated September 25, 2023 (collectively **MCA Circulars**), the Company has provided the facility of remote e-voting prior to the Meeting as well as e-voting during the Meeting. The Company has appointed Central Depository Services (India) Limited (**CDSL**) for the purposes of providing the VC facility and for purpose of providing remote e-voting / e-voting for the Meeting. The detailed procedure for participating in the meeting through VC is mentioned hereunder in this Notice. The deemed venue for the aforesaid Meeting shall be the Registered Office of the Company.
2. Statement under Sections 102, 230 to 232 and other applicable provisions of the Act and Rule 6 of **CAA Rules**, SEBI Listing Regulations and other applicable SEBI circulars, along with a copy of the Scheme and other Annexures to the Statement, as indexed are enclosed herewith. A copy of this Notice, Statement and the Annexures are also available on the websites of the Company at [www.umangdairies.com](http://www.umangdairies.com), Central Depository Services (India) Limited at [www.evotingindia.com](http://www.evotingindia.com), being the depository appointed by the Company to provide remote e-voting / e-voting and other facilities for the Meeting, and Stock Exchanges where the equity shares of the Company are listed, i.e., BSE Limited viz. [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited viz. [www.nseindia.com](http://www.nseindia.com). Alternatively, a written request in this regard, along with details of your shareholding in the Company, may be addressed to the Company Secretary at [pankaj.kamra@jkm.com](mailto:pankaj.kamra@jkm.com) and the Company will arrange to send the same to you at your registered email id.  
  
A copy of the Notice together with the accompanying documents can be obtained free of charge on any day (except Saturday, Sunday, and public holidays) from the Registered Office of the Company at Gajraula, Hasanpur Road, 3 Km Stone, Dist Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh – 244 235 from 10:00 A.M. (IST) to 05:00 P.M. (IST) prior to the date of meeting.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since this meeting is being held pursuant to the MCA circulars and directions of NCLT through VC facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this meeting and therefore the proxy form, route map and attendance slip are not annexed to this notice  
  
Members entitled to attend and vote may vote through remote e-voting / e-voting facility made available for the Meeting and attend through VC. An institutional / body corporate which is a member, is entitled to appoint a representative for the purposes of participating and / or vote through remote e-voting or e-voting during the Meeting.
4. As per the directions of the NCLT, the quorum of the Meeting of the Shareholders shall be in accordance with the provisions of Companies Act, 2013.  
  
If the quorum for the Meeting is not present at the commencement of the meeting, the meeting shall be adjourned by 30 minutes and thereafter the Members attending the Meeting through VC facility will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. In case of joint holders, only the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled for voting.
6. Notice in relation to the Meeting, together with the documents accompanying the same, is being sent to all the Shareholders of the Company as on the Cut-off Date, i.e. Friday, June 21, 2024, through registered post / registered parcel / speed post as well as e-mails (whose e-mail IDs are registered with the Company's Registrar & Share Transfer Agent / Depository Participant(s), wherever email addresses are available.
7. Equity Shareholders may note that the aforesaid documents are also available on the website of the Company at [www.umangdairies.com](http://www.umangdairies.com) and on the website of the Stock exchanges where the equity shares of the Company are listed i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
8. Para 10 of Part – I (A) the SEBI Scheme Circular, inter-alia, provides that approval of Public Shareholders of the Company for the Scheme shall also be obtained by way of e-voting. Since, the Company is seeking the approval of all its equity shareholders (including Public Shareholders) for the Scheme by way of e-voting, no separate procedure would be required to be carried out by the Company for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Scheme Circular. The aforesaid Notice sent to the equity shareholders (which includes Public Shareholders) of the Company would be deemed to be the notice sent to the Public Shareholders of the Company. For this purpose, the term "Public" shall have the meaning assigned to it in rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term 'Public Shareholders' shall be construed accordingly. In terms of SEBI Scheme Circular, the Company has provided the facility of e-voting to its Public Shareholders.

9. Further, in accordance with the SEBI Scheme Circular, the Scheme shall be acted upon only if the number of votes cast by the Public Shareholders in favour of the aforesaid Resolution for approval of Scheme is greater than votes cast by the Public Shareholders against it.
10. The Scheme, if approved by the requisite majority of Equity Shareholders of the Company as per Section 230(6) of the Act read with SEBI Master Circular on Scheme of Arrangement bearing No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended, (**SEBI Scheme Circular**) and other applicable SEBI circulars, if any, will be subject to subsequent approval of the Hon'ble Tribunal and such other approvals, permissions and sanctions from any other regulatory or statutory authority(ies) as may be deemed necessary.
11. Only a person, whose name is recorded in the Register of Members maintained by the Company / Registrar and Transfer Agents or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off Date (i.e. Friday, June 21, 2024) shall be entitled to exercise his / her / its voting rights on the Resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the Cut-off Date should treat the Notice for information purpose only.
12. Voting rights of the Equity Shareholders shall be in proportion to their respective share(s) in the paid-up equity share capital of the Company as on the closure of business hours on Friday, June 21, 2024 (**Cut-Off Date**), as per the Register of Members furnished by the Company's Registrar and Transfer Agents (**RTA**) / list of Beneficial Owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
13. The Scrutinizer shall submit his Consolidated Report, including a separate report in respect of voting by public shareholders within two working days from the conclusion of the Meeting to the Chairperson of the Meeting or a person authorized by him in writing. The Scrutinizer's decision on the validity of the votes cast shall be final.
14. The results, together with the Scrutinizer's reports, will be displayed at the registered office of the Company situated at Gajraula Hasanpur Road, 3 Km Stone, Dist. Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh – 244 235, on the website of the Company, [www.umangdairies.com](http://www.umangdairies.com) besides being communicated to BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") where the equity shares of the Company are listed and also on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
15. The voting period for remote e-voting (prior to the Meeting) shall commence on and from Thursday, July 25, 2024, at 10:00 A.M. (IST) and shall end on Friday, August 2, 2024, at 05:00 P.M. (IST). Post this period the remote e-voting module shall be disabled by CDSL. Thereafter, the Company is additionally providing the facility of e-voting at the Meeting.
16. Facility to join the Meeting shall be opened thirty minutes before the scheduled time of the Meeting. The members will be able to view the live proceedings of the Meeting on the CDSL's e-voting website at [www.evotingindia.com](http://www.evotingindia.com). The facility of participation at the Meeting through VC will be made available to members on a first come first served basis as per MCA Circulars.
17. Pursuant to the provisions of the Act, the Institutional / Corporate shareholders (i.e., other than Individuals / HUF / NRI, etc.) are required to send legible scan of certified true copy of its board resolution or governing body resolution / power of attorney / authority letter etc., together with attested specimen signature(s) of the authorised representative(s), to attend the Meeting through VC on its behalf and vote at the Meeting. The said resolution / authorisation self-attested by the person so authorized to attend the Meeting, shall be sent to the Company at its registered office at Gajraula Hasanpur Road, 3 Km Stone, Dist Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh – 244 235 or via email to the Company, marking the same at [pankaj.kamra@jkmil.com](mailto:pankaj.kamra@jkmil.com) and to the Scrutinizer appointed for the Meeting at the following address [anujtiwarics@gmail.com](mailto:anujtiwarics@gmail.com), at least forty-eight (48) hours before the meeting.
18. Members attending the Meeting through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Act and as per the terms of the Order of the NCLT. Further, the Order also directs that in case the required quorum for the Meeting is not present at the commencement of the Meeting, then the Meeting shall be adjourned by 30 minutes and thereafter, persons present shall be deemed to constitute the quorum.
19. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the Meeting.
20. It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle members from attending the Meeting. However, after exercising right to vote through remote e-voting prior to the Meeting, a member shall not vote again at the Meeting. In case any member cast his/her vote via both the modes i.e. remote e-voting prior to the Meeting as well as e-voting during the Meeting, then voting done through remote e-voting prior to the Meeting shall prevail. Once the vote on a resolution is cast by the member, whether partially or otherwise, the member shall not be allowed to change it subsequently. Members of the Company attending the Meeting through VC who have not cast their vote through remote e-voting prior to the Meeting shall be entitled to exercise their vote using the e-voting facility made available during the Meeting through VC.

**THE SHAREHOLDERS ARE REQUESTED TO CAREFULLY READ ALL THE NOTES SET OUT HEREIN AND IN PARTICULAR, INSTRUCTIONS FOR JOINING THE MEETING AND MANNER OF CASTING VOTE THROUGH REMOTE E-VOTING OR E-VOTING AT THE MEETING.**

**REMOTE E-VOTING AND JOINING THE EQUITY SHAREHOLDERS' MEETING THROUGH VC ARE AS FOLLOWS:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 09, 2020, the Company is pleased to provide to the Members the facility to exercise their votes at [www.evotingindia.com](http://www.evotingindia.com) through electronic voting system (Remote e-voting) services provided by Central Depository Services (India) Limited (CDSL). Remote e-voting is optional. The remote e-voting period begins on Thursday, July

25, 2024, at 10:00 A.M. (IST) and ends on Friday, August 2, 2024, at 05:00 P.M. (IST). During this period, Members of the Company holding shares as on the Cut-off Date i.e. Friday, June 21, 2024 may cast their vote through electronic means in the manner given hereunder. The facility for E-voting shall also be made available at the Meeting and the Members attending the Meeting who have not already cast their vote by Remote e-voting (during the voting period) shall be eligible to exercise their right to cast vote at the Meeting through e-voting facility of CDSL. The remote e-voting module shall be disabled by CDSL for voting thereafter.

**Login method for Remote E-voting and joining virtual meeting for individual Members holding shares in demat mode**

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, e-voting facility has been enabled for all the individual demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants (DPs) in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the E-Voting Service Providers (ESP), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process. Members are advised to register / update their mobile number and email Id in their demat accounts in order to access e-Voting facility and / or attend the Meeting.

**Individual Members holding shares in demat mode are allowed to Vote / join the virtual Meeting through their demat accounts maintained with the Depository Participants (DPs) through the following login method below:**

Type of Members	Login Method
Individual members holding shares in Demat mode with CDSL	<p><b>1. Users who have opted for CDSL Easi / Easiest facility</b></p> <p>(i) Individual Members can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select My Easi New (Token).</p> <p>(ii) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting his vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. Individual Members who intend to register for CDSL Easi / Easiest facility may register themselves at <a href="https://web.cdslindia.com/myeasitoken/Home/Login">https://web.cdslindia.com/myeasitoken/Home/Login</a>.</p> <p><b>2. If the User has not opted for CDSL Easi / Easiest facility</b></p> <p>The user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual members holding shares in demat mode with NSDL	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https:// eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the Meeting.</p>

Individual Members (holding shares in demat mode) login through their Depository Participants	<p>(i) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option.</p> <p>(ii) Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>(iii) Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the Meeting.</p>
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**Important note:** Individual Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at above mentioned website(s).

**Individual Members holding shares in demat mode who need assistance for any technical issues related to login through Depository i.e., CDSL and NSDL may reach out to below helpdesk:**

Login type	Helpdesk details
Individual Members holding shares in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33
Individual Members holding shares in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000 and 022 - 2499 7000

**B. Login method for e-Voting and joining virtual meeting for Members other than Individual Members holding in demat form & Members holding shares in physical mode.**

- (i) Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" module.
- (iii) Now enter your User ID.
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login-New system Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on E-voting option and proceed directly to cast your vote electronically.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vi) If you are a first-time user follow the steps given below:

For Physical Members and other than individual Members holding shares in Demat Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or company, please enter the Member ID/Folio Number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that the company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



- (x) Click on the EVSN for Umang Dairies Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**INFORMATION AND INSTRUCTIONS FOR MEMBERS ATTENDING THE MEETING THROUGH VC & E-VOTING DURING MEETING ARE AS UNDER:**

- A. Members as on the cut-off date of Friday, June 21, 2024, shall be eligible to participate in the e-voting system of CDSL. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for Remote e-voting.
- B. The link for VC to attend the meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- C. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the Meeting.
- D. In case of joint holders attending the Meeting, the Shareholders whose name appears as the first holder in the order of names as per register of Members of the Company, will be entitled to vote.
- E. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- F. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- G. For ease of conduct, Members who wish to ask questions or have queries relating to the Scheme of Arrangement, may send their queries on or before July 24, 2024 mentioning their name, demat account number/folio number, e-mail id and mobile number at [pankaj.kamra@jkm.com](mailto:pankaj.kamra@jkm.com). These queries will be replied to by the Company suitably by e-mail.
- H. Members who would like to express their views / ask questions during the Meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number / folio number, e-mail id and mobile number at [pankaj.kamra@jkm.com](mailto:pankaj.kamra@jkm.com).
- I. Members who are registered, will be allowed to express their views or ask questions only relating to Scheme of Arrangement and / or on the Resolutions mentioned in the Notice of Equity Shareholders' Meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate, for smooth conduct of the said Meeting.
- J. Only those members, who are present in the Meeting through VC facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the Meeting.
- K. If any Votes are cast by the Members through the e-voting available during the Meeting and if the same shareholders have not participated in the Meeting through VC facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the Meeting is available only to the Members attending the Meeting.
- L. Members attending the Meeting through VC shall be reckoned for the purpose of quorum under Section 103 of the Act.

**PROCESS FOR THOSE MEMBERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.**

1. For Physical Shareholders – please provide necessary details like Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card), by email to the Company / RTA.
2. For Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**OTHER COMMON INSTRUCTIONS:**

- i. **Additional Facility for Non – Individual Members and Custodians – For Remote E-Voting only.**
  - Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
  - After receiving the login details a Compliance User should be created by using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with the attested specimen signature of the authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the e-mail address at pankaj.kamra@jksmail.com, if they have voted from individual tab & not uploaded the same in the CDSL e-voting system, for the scrutinizer to verify the same.
- ii. If you have any queries or issues regarding E-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33. All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.
  - iii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the Cut-off Date i.e. Friday, June 21, 2024.
  - iv. Any person, who acquires shares of the Company and becomes Member of the Company after despatch of the Notice and holding shares as on the Cut-off Date may follow the same instructions as mentioned above for e-voting. A person who is not a Member as on the Cut-off Date should treat the Notice for information purpose only.
  - v. The Scrutinizer shall immediately after the conclusion of voting at the Meeting, prepare a Report of the total votes cast in favour or against, if any, and submit the same to the Chairperson of the meeting or any person authorized by him. The Chairperson or a person authorized by him shall declare the result of the voting within two working days from the conclusion of the meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.umangdairies.com and on the website of CDSL i.e., www.evotingindia.com and shall simultaneously be forwarded to the Stock Exchange. The results of the voting will also be displayed at the Notice Board of the Registered Office and Administrative Office of the Company.

#### **Scrutinizer of Meeting**

Shri Anuj Tiwari, Company Secretary in Practice, Membership No.7285, the Scrutinizer shall unblock the votes cast during the Meeting and votes cast prior to the Meeting through remote e-voting and submit, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairperson of the Meeting.

The results declared along with the Scrutinizer's Report shall be disseminated on the website of the stock exchange, i.e. BSE Limited, and National Stock Exchange of India Limited and the Company's website, i.e., www.umangdairies.com and on the website of CDSL, i.e. www.evotingindia.com.

**Date: June 25, 2024**  
**Place: New Delhi**

**Registered Office:**  
 Gajraula Hasanpur Road, 3 Km Stone, Dist Jyotiba Phule Nagar,  
 Amroha, Gajraula, Uttar Pradesh – 244 235

**Sd/-**  
**Pankaj Kamra**  
**Company Secretary**  
**Umang Dairies Limited**

**BEFORE THE HON'BLE NATIONAL COMPANY  
LAW TRIBUNAL, ALLAHABAD BENCH**

**C.A. (CAA) No. 04/ ALD of 2024**

[Pursuant to Section 230(3) of The Companies Act ,2013 and  
Rule 6 and 7 of The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

In the matter of Sections 230 to 232 read with other applicable Sections and provisions of the Companies Act, 2013 read together with the Rules made there under;

AND

In the matter of Scheme of Arrangement amongst:

Umang Dairies Limited, a Company incorporated under the Companies Act, 1956, having its Registered Office at Gajraula, Hasanpur Road, 3 Km Stone, Dist. Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh 244235

**...Demerged Company / Amalgamating Company**

AND

Panchmahal Properties Limited, a Company incorporated under the Companies Act, 1956, having its Registered Office at Gajraula, Hasanpur Road, 3 Km Stone, Dist. Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh 244235

**...Resulting Company 1**

AND

Bengal & Assam Company Limited, a Company incorporated under the Companies Act, 1913, having its Registered Office at 7, Council House Street, Kolkata, West Bengal 700001

**... Amalgamated Company / Resulting Company 2**

AND

their respective Shareholders and Creditors.

**STATEMENT UNDER SECTION(S) 102, 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULE 6 OF THE COMPANIES (COMPROMISIES, ARRANGEMENTS AND AMALGAMATIONS) RULES, SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH OTHER APPLICABLE SEBI CIRCULARS, EACH AS AMENDED, ACCOMPANYING THE NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF UMANG DAIRIES LIMITED PURSUANT TO THE ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH, DATED MAY 14, 2024**

**I. Meeting of the Scheme**

This is a Statement accompanying the Notice convening the Meeting of Equity Shareholders of Umang Dairies Limited, pursuant to the Order dated May 14, 2024 passed by the Hon'ble National Company Law Tribunal, Allahabad Bench (**Tribunal / NCLT**), in the Company Application No. C.A. (CAA) No. 04/ ALD of 2024 (**Order**). The Meeting of the Equity Shareholders of Umang Dairies Limited is being convened and held through VC with facility of remote e-voting and voting during the Meeting through e-voting system on **Saturday, August 3, 2024 at 10:30 AM (Meeting)**, for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Arrangement between Umang Dairies Limited, Panchmahal Properties Limited and Bengal & Assam Company Limited and their respective shareholders and creditors under sections 230 – 232 read with other applicable provisions of the Companies Act, 2013 (**Scheme**).

In terms of the said Order, the quorum for the said Meeting shall be in accordance with the provisions of the Companies Act, 2013. It is also directed that if the required quorum is not present at the commencement of Meeting, then the Meeting will be adjourned for 30 minutes, and thereafter the persons present and voting, shall be deemed to constitute the quorum.

Further as per the said Order, the Tribunal has appointed Shri Adarsh Bhushan, Advocate, as the Chairperson and Shri Varad Nath, Advocate, as Co-Chairperson, and Shri Anuj Tiwari, Company Secretary in Practice, as the Scrutinizer for the Meeting, including for any adjournment or adjournments thereof.

In accordance with the provisions of Sections 230-232 of the Act read along with SEBI Scheme Circular, the Scheme shall be acted upon only and only if majority in persons representing three fourths in value of the equity shareholders of the Company, voting through remote e-voting or by e-voting system agree to the Scheme and the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it.

The Scheme provides for:

- (i) Demerger of the Dairy Business Undertaking of the Demerged Company and vesting of the same with and into the Resulting Company 1, on a going concern basis, in accordance with Part B of this Scheme; and
- (ii) Amalgamation of the Amalgamating Company into and with Amalgamated Company in accordance with Part C of this Scheme.

A Copy of the Scheme of Arrangement is enclosed herewith as **Annexure 1**.

## **II. Background of the Companies involved in the Scheme:**

### **1. Umang Dairies Limited (UDL / Demerged Company / Amalgamating Company)**

#### **a. Brief details**

- (i) **Umang Dairies Limited (UDL / Demerged Company / Amalgamating Company)** is a public limited company, formerly incorporated as J.K. Dairy & Foods Limited under the Companies Act, 1956 (as amended) on December 02, 1992, having its registered office at Gajraula Hasanpur Road, 3 Km Stone, Dist Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh – 244 235.
- (ii) The Demerged Company/ Amalgamating Company is primarily engaged in the dairy business, wherein it processes and sells milk and milk products (**Dairy Business / Demerged Undertaking**). UDL is also engaged in business of trading of Cattle feed and own certain other non-core assets. Equity Shares of UDL are publicly traded on the Bombay Stock Exchange (**BSE**) and National Stock Exchange (**NSE**).
- (iii) The Corporate Identity Number (**CIN**) of the Demerged Company/ Amalgamating Company is L15111UP1992PLC014942. Permanent Account Number (**PAN**) of UDL is AAACJ1322R. Presently, 55.30% shareholding in the Demerged Company is held by the Amalgamated Company.
- (iv) There has been no change in name, registered office, and objects of the Demerged Company / Amalgamating Company in the last 5 (five) years.

#### **b. The main objects of the Demerged Company / Amalgamating Company as appearing in the Memorandum of Association, are reproduced below:**

1. To carry on the business as manufactures, distributors, importers and exporters of and dealers in milk, condensed milk, evaporated milk, powdered milk, butter, cheese, cream and all types of milk products, including dairy whitener, non-dairy whitener, infant milk formulas, whey powder, casein and other related products such as chocolate, coffee, tea and other food preparations and beverages and as confectioners, dairymen, grocers, general provision merchants, refreshment contractors.
2. To buy, sell, manufacture, refine, prepare, pack and deal in all kinds of food including milk food products, beverages, infant food, dietetic products, and other articles thereof.
3. To carry on business of manufacture, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaires of and dealers in flour, cakes, pastry, corn flakes, bread, biscuits, chocolates, confectionery, sweets, fruit drops, sugar glucose, chewing gums, ice-cream, aerated or mineral waters, fruit juices, canned fruits and fruit products, milk and malted food, horticultural products, protein foods, maize products, butter, ghee, flowers, cheese and other dairy products, pickles, jams.
4. To carry on business whether as manufacturers, producers, processors, extractors, refiners, designers, contractors, merchants, stockists, distributors, exporters, importers, suppliers, franchisers, agents, repairers or in any other commercial form of all kinds of bamboo, timber, wood, forest or agricultural products, plastics, glasses, chinaware, stoneware, sanitaryware, tiles, furniture and fixtures, carpet and other home furnishings and office furnishing materials, home décor, bricks and boards, cement and cement products, chemicals, petrochemicals, pharmaceutical and medicine products, medical equipments and machinery, fertilizers and explosives, boxes, luggage carriers, stationery and allied items, equipments, machineries and accessories, paints and related products, iron, alloy, steel, metal or compound, material handling equipments, drilling machines, other tools and accessories, weighing & measuring machines, belts, wires and cables including optic fibre and raw materials used in telecommunications, electrical and electronic equipments and products, homeland protection systems, electronic warfare systems, military engineering systems, photographic films, electrical, electronic and data storage devices, vehicles, aeroplanes, ships, vessels for transport of goods or persons and defence purposes, generation and supply of power, engineering, construction, manpower supply and management, printing, designing and publishing, agriculture, floriculture, farming, poultry farming, Pulp, Paper and Board products, cold storages and warehouses, flour, rice, sugar and oil mill(s), processing of food grains, textile, garment and rubber products, hydrocarbon and mineral substances; acquire mining rights, mines and lands; infrastructure development, water-works, recreational centres, restaurants, hotels, motels, shopping outlets, malls, e-commerce, m-commerce, event management, broadcasting, advertising, dealing in educational and other programmes, globally managed data networks and related services, computer hardware and software or any other business capable of being carried on in the interest of the Company.

c. **The Capital Structure of the Demerged Company / Amalgamating Company:**

The Capital Structure of the Demerged Company / Amalgamating Company as on March 31, 2023 (Pre- Scheme Capital) is as below:

Authorised Share Capital	Amount in INR (lakhs)
3,00,00,000 Equity Shares of INR 5 each	1,500.00
6,00,000 Redeemable Preference shares of INR 100 each	600.00
<b>Total</b>	<b>2100.00</b>
Issued, Subscribed and Paid-Up Share Capital	Amount in INR (lakhs)
2,20,03,200 Equity Shares of INR 5 each	1,100.16
<b>Total</b>	<b>1,100.16</b>

Post effectiveness of the Scheme of Arrangement, Demerged Company / Amalgamating Company will stand dissolved without being liquidated / wound-up, hence, there would no Post Scheme Capital of the Demerged Company / Amalgamating Company.

d. **Financial Details of Demerged Company / Amalgamating Company:** The audited financial statement for the financial year ended on March 31, 2024 of the Demerged Company / Amalgamating Company is annexed herewith as **Annexure 13 (Colly)**.

e. **Details of Promoter (including Promoter group) and the Directors and Key Managerial Personnel (KMPs) of the Demerged Company as on March 31, 2024 are as follows:**

**Details of Promoter and Promoter Group:**

Sr. No.	Name	Address
1	Bengal & Assam Company Ltd	7, Council House Street, Kolkata, Kolkata, West Bengal – 700 001, India
2	Sidhivinayak Trading and Investment Ltd	Link House-3 Bahadur Shah Zafar Marg, New Delhi – 110 002, India
3	Accurate Finman Services Ltd	Link House-3 Bahadur Shah Zafar Marg, New Delhi – 110 002, India

**Details of Directors and KMPs:**

Sr. No.	Name	Category	Address
1	Amar Singh Mehta	Non-Executive Non-Independent Director	54, Gujarat Vihar, Laxmi Nagar (East Delhi), Gandhi Nagar, New Delhi- 110 092
2	Ramesh Chand Surana	Independent Director	S-466, Greater Kailash, Part-2, Delhi-110 048
3	Desh Bandhu Doda	Independent Director	Hmm Employees Co-Op GHS Limited Flat No.-103, Plot No.-6, Sector-10, Dwarka, New Delhi -110 075
4	Virupakshan Kumaraswamy	Non-Executive Non-Independent Director	Flat No. 201, Tower No. 22, 1st Floor, CWG Village, NH-24, Near Akshardham Temple, Noida Crossing, New Delhi – 110 092
5	Rajiv Sheopuri	Independent Director	Tower 15A, Flat No.31, ATS Village Noida, Uttar Pradesh – 201 304
6	Poonam Singh	Non-Executive Non-Independent Director	L-16091, 16th Avenue, Gaur City II, Sector 16C, Noida Ext. – 201 009
7	Raghav Garg	Chief Financial Officer	M-165, Second Floor, Today Blossoms-2, Near Artemis Hospital, Sector 51, South City-II, Gurgaon, Haryana-122018
8.	Pankaj Kamra	Company Secretary	J-16, Front side, 2nd Floor, West Patel Nagar, New Delhi-110008

## 2. Panchmahal Properties Limited (PPL / Resulting Company 1)

### a. Brief details

- (i) **Panchmahal Properties Limited (PPL / Resulting Company 1)** is a public limited company incorporated under the provisions of the Companies Act, 1956 on 23rd May 1995, having its registered office at 3 Km Stone, Hasanpur Road, Gajraula, Jyotiba Phule Nagar, Hasanpur, Uttar Pradesh – 244 235.
- (ii) PPL is a wholly owned subsidiary of BACL and was set up with the primary motive to engage in the business of leasing out properties.
- (iii) The Corporate Identity Number (**CIN**) of the Resulting Company 1 is U74899UP1995PLC189056. Permanent Account Number (**PAN**) of PPL is AAACP6666L. Presently, the entire 100% shareholding in the Resulting Company 1 is held by Bengal & Assam Company Limited, (including 6 shares held by nominee shareholders of Bengal & Assam Company Limited in order to fulfil the statutory requirement).
- (iv) The registered office of the company was shifted from New Delhi to Uttar Pradesh by way of altering the provisions of its Memorandum of Association under the applicable laws, having confirmed by an order of Regional Director dated July 24, 2023 and in effect thereof "Certificate of Registration of Regional Director order for Change of State" has been issued by Registrar of Companies – Uttar Pradesh on September 14, 2023. Apart from the above there has been no change in name, registered office, and objects of the Resulting Company 1 in the last 5 (five) years.

### b. The main objects of the Resulting Company 1 as appearing in the Memorandum of Association, are reproduced below:

1. To purchase, take on lease or in exchange or otherwise acquire for investment or resale and to traffic in lands and buildings, easements and other property of any tenor and any real estate or interest in, and any right connected with, any such lands and buildings.
2. To carry on the business of construction, sale, lease or exchange of properties including but not limited to buildings, apartments and building complexes – both commercial and residential, office complexes, shopping complexes; hospitals, hotels, holiday resorts, theatres and auditoria; industrial estates, factories, blast furnaces, chimneys, warehouses and godowns; sports complexes, stadia and swimming pools; dams, bridges, tunnels, reservoirs, tanks, canals and locks; roadways, railways, flyovers, subways, ropeways, air-ports, runways, ports, lighthouses and jetties and sale, lease or exchange, give on hire or leave and license of any such properties; and all appurtenances, easements and facilities thereto.
3. To carry on the business of trading in building material, scaffoldings, doors, gates, windows, and other items and materials that go into building construction.
4. To carry on the business of builders, property dealers, interior decorators, agents and concessionaires.

### c. The Capital Structure of the Resulting Company 1:

The Capital Structure of the Resulting Company 1 as on March 31, 2023 (Pre- Scheme Capital) is as below:

Authorised Share Capital	Amount in INR (Lakhs)
5,00,000 Equity Shares of INR 10 each	50.00
<b>Total</b>	<b>50.00</b>
Issued, Subscribed and Paid-Up Share Capital	Amount in INR (Lakhs)
3,51,230 Equity Shares of INR 10 each, fully paid up	35.12
<b>Total</b>	<b>35.12</b>

Post effectiveness of the Scheme of Arrangement, capital structure of PPL will remain the same as above.

- d. Financial Details of Resulting Company 1: The audited financial statement for the financial year ended on March 31, 2024 of the Resulting Company 1 is annexed herewith as **Annexure 13 (Colly)**.
- e. **Details of Promoter (including Promoter group) and the Directors and KMPs of the Resulting Company 1 as on March 31, 2024, are as follows:**

#### Details of Promoter and Promoter Group:

Sr. No.	Name	Address
1	Bengal & Assam Company Limited	7, Council House Street, Kolkata, West Bengal – 700 001, India

**Details of Directors and KMPs:**

Sr. No.	Name	Category	Address
1	Ram Ratan Gupta	Non-Executive Director	A -4/304, Printers Apartments, Sector - 13, Rohini, New Delhi - 110 085
2	Rajesh Kumar Ghai	Non-Executive Director	B-98, Ashok Vihar, Phase – I, Delhi – 110 052
3	Harish Kumar Wadhawan	Non-Executive Director	187, PNB Enclave, Near Laxmi Nagar, New Delhi – 110 092

There are no KMPs in Resulting Company 1 as it is not required to appoint KMPs as per the provisions of the Companies Act, 2013.

**3. Bengal & Assam Company Limited (BACL / Amalgamated Company / Resulting Company 2)****a. Particulars**

- (i) **Bengal & Assam Company Limited (BACL / Amalgamated Company / Resulting Company 2)** is a public limited company incorporated under the provisions of the Companies Act, 1913 on January 30, 1947, having its registered office at 7, Council House Street Kolkata, West Bengal – 700 001.
- (ii) The Amalgamated Company / Resulting Company 2 is a Core Investment Company-Non-Deposit Taking-Systemically Important (CIC-ND-SI) registered with the Reserve Bank of India (RBI) vide registration number B-05.07048. Equity Shares of BACL are publicly traded on the Bombay Stock Exchange (BSE).
- (iii) CIN of the Amalgamated Company is L67120WB1947PLC221402. PAN of BACL is AABCB0970C. Further, the Amalgamated Company holds 55.30% shares in the Amalgamating Company.
- (iv) BACL was originally incorporated as Bengal & Assam Investors Limited. The name was changed to its present name i.e., Bengal & Assam Company Limited on June 02, 1982. Apart from the above there has been no change in name, registered office and objects of the Resulting Company 2 / Amalgamated Company in the last 5 (five) years.

**b. The main objects of the Amalgamated Company / Resulting Company 2 as appearing in the Memorandum of Association, are reproduced below:**

1. To acquire and hold shares, stocks, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in British India or elsewhere, or in any British colony, or dependency, or possession, or in any foreign country and debentures, debenture-stock, bonds, obligation, and securities, issued or guaranteed by any government, specifically including the Government of India and a Provincial Government, sovereign ruler, commissioner, public body, or authority, imperial, supreme, national, municipal, local or otherwise, whether in India or elsewhere.
2. To acquire any such shares, stock, debentures, debenture-stock, bonds, obligations, or securities by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
3. To issue debentures, debenture-stock, bonds, obligations, and securities of all kinds, and to frame, constitute and secure the same, as may be deem expedient, with full power to make the same transferable by delivery, or by instrument of transfer or otherwise, and either perpetual or terminable and either redeemable or otherwise, and to charge or secure the same by trust deed, or otherwise, on the undertaking of the Company or upon any specific property and rights, present and future, or the Company (including, if thought fit, uncalled capital) or otherwise however and to purchase, redeem and pay off any such securities.
4. To facilitate and encourage the creation, issue or conversion of debentures, debenture-stock, bonds, obligations, shares, stocks and securities, and to act as trustees in connection with any such securities, and to take part in the conversion of business concerns and undertakings into companies.
5. To employ experts to investigate and examine into the condition, prospects, value, character, and circumstances, of any business concerns and undertakings, and generally of any assets, property or rights.
6. To constitute any trusts with a view to the issue of preferred and deferred or any other special stocks or securities based on or representing any shares, stocks or other assets specifically appropriated for the purposes of any such trust, and to settle and regulate and, if thought fit, to undertake and execute any such trusts, and to issue, dispose of, or hold any such preferred, deferred, or other special stocks or securities.

c. **The Capital Structure of the Amalgamated Company / Resulting Company 2:**

The Capital Structure of the Amalgamated Company/ Resulting Company 2 as on March 31, 2023 (Pre- Scheme Capital) is as below:

<b>Authorised Share Capital</b>	<b>Amount in INR (Lakhs)</b>
22,45,52,000 Equity Shares of INR 10 each	22,455.20
1,50,00,000 Preference Shares of INR 100 each	15,000.00
<b>Total</b>	<b>37,455.20</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	<b>Amount in INR (Lakhs)</b>
1,12,96,328 Equity Shares of INR 10 each, fully paid up	1,129.63
6,500,000 Preference Shares of INR 100 each fully paid up	6,500.00
<b>Total</b>	<b>7,629.63</b>

The Capital Structure of the Amalgamated Company / Resulting Company 2 (Post- Scheme Capital) is as below:

<b>Authorised Share Capital</b>	<b>Amount in INR (Lakhs)</b>
23,95,52,000 Equity Shares of INR 10 each	23,955.20
1,56,00,000 Preference Shares of INR 100 each	15,600.00
<b>Total</b>	<b>39,555.20</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	<b>Amount in INR (Lakhs)</b>
1,14,03,899 Equity Shares of INR 10 each, fully paid up	1,140.39
6,500,000 Preference Shares of INR 100 each fully paid up	6,500.00
<b>Total</b>	<b>7,640.39</b>

d. **Financial Details of Amalgamated Company / Resulting Company 2:** The audited financial statement for the financial year ended on March 31, 2024 of the Amalgamated Company / Resulting Company 2 is annexed herewith as **Annexure 13 (Colly)**.

e. **Details of Promoter (including Promoter group) and the Directors and KMPs of the Amalgamated Company / Resulting Company 2 as on March 31, 2024, are as follows:**

Details of Promoter and Promoter Group:

<b>Sr. No.</b>	<b>Name</b>	<b>Address</b>
1.	Late Hari Shankar Singhania	19, Prithviraj Road, New Delhi – 110 011
2.	Bharat Hari Singhania	19, The Greens, Rajokari New Delhi – 110 038
3.	Raghupati Singhania	40, Friends Colony (East) New Delhi – 110 065
4.	Vinita Singhania	101, Friends Colony (East) New Delhi – 110 065
5.	Harsh Pati Singhania	19, Prithviraj Road, New Delhi – 110 011
6.	Vikrampati Singhania	1/8, Shanti Niketan, Chanakya Puri, New Delhi – 110 021
7.	Anshuman Singhania	101, Friends Colony (East), New Delhi – 110 065
8.	Shrivats Singhania	47A, Friends Colony (East), New Delhi – 110 065
9.	Atashi Singhania	47A, Friends Colony (East), New Delhi – 110 065
10.	Shweta Singhania	101, Friends Colony (East), New Delhi – 110 065
11.	Sharda Singhania	19, The Greens, Rajokari, New Delhi – 110 038
12.	Sunanda Singhania	40, Friends Colony (East), New Delhi – 110 065
13.	Mamta Singhania	19, Prithviraj Road, New Delhi – 110 011
14.	Swati Singhania	1/8, Shanti Niketan, Chanakya Puri, New Delhi – 110 021



Sr. No.	Name	Address
15.	Anshuman Singhania (Karta of Shripati Singhania HUF)	101, Friends Colony (East), New Delhi – 110 065
16.	Harsh Pati Singhania (Karta of Harsh Pati Singhania HUF)	19, Prithviraj Road, New Delhi – 110 011
17.	Raghupati Singhania (Karta of Raghupati Singhania HUF)	40, Friends Colony (East), New Delhi – 110 065
18.	Vikrampati Singhania (Karta of Vikrampati Singhania HUF)	1/8, Shanti Niketan, Chanakya Puri, New Delhi – 110 021
19.	Chaitanya Hari Singhania	19, Prithviraj Road, New Delhi – 110 011
20.	Pranav Hari Singhania	19, Prithviraj Road, New Delhi – 110 011
21.	Shridhar Hari Singhania	19, Prithviraj Road, New Delhi – 110 011
22.	Hari Shankar Singhania Holdings Pvt. Ltd.	Nehru House, 3rd Floor, 4, Bahadur Shah Zafar Marg, New Delhi – 110 002
23.	Accurate Finman Services Limited	Patriot House, 3 Bahadur Shah Zafar Marg, New Delhi – 110 002
24.	Sidhivinayak Trading and Investment Limited	Link House 3 Bahadur Shahzafar Marg, New Delhi – 110 002
25.	Nav Bharat Vanijya Limited	Link House 3 Bahadur Shahzafar Marg, New Delhi – 110 002
26.	Pranav Investment (M.P.) Company Ltd.	Patriot House, 3 Bahadur Shah Zafar Marg, New Delhi – 110 002
27.	J.K. Credit & Finance Limited	Patriot House, 3 Bahadur Shah Zafar Marg, New Delhi – 110 002
28.	JK Tyre & Industries Ltd.	Jaykaygram, PO-Tyre Factory, Kankroli – 313 342
29.	Param Shubham Vanijya Ltd.	Patriot House, 3 Bahadur Shah Zafar Marg, New Delhi – 110 002
30.	Sago Trading Ltd.	Patriot House, 3 Bahadur Shah Zafar Marg, New Delhi – 110 002
31.	Bharat Hari Singhania Family Trust	19, The Greens, Rajokari, New Delhi – 110 038
32.	Raghupati Singhania Family Trust	40, Friends Colony (East), New Delhi – 110 065
33.	Vinita Singhania Family Trust	101, Friends Colony (East) New Delhi – 110 065

**Details of Directors and KMPs:**

Sr. No.	Name	Category	Address
1	Bharat Hari Singhania	Non-Executive Director & Chairman	19, The Greens, Rajokari, New Delhi – 110 038
2	Vinita Singhania	Non-Executive Non-Independent Director	101, Friends Colony (East), New Delhi – 110 065
3	Raghupati Singhania	Non-Executive Non-Independent Director	40, Friends Colony (East), New Delhi – 110 065
4	Sanjay Kumar Khaitan	Independent Director	114A, Central Avenue, Sainik Farms, New Delhi – 110 062
5	Shailendra Swarup	Independent Director	6th Floor, Vipps Centre No. 2, Masjid Moth, L.S.C., Greater Kailash-II, New Delhi – 110 048
6	Bakul Premchand Jain	Independent Director	Nirmal, 3rd Floor, Nariman Point, Mumbai – 400 022
7	Sanjeev Kumar Jhunjunwala	Independent Director	117/K/13, Gutaiya, Kanpur – 208 025, Uttar Pradesh
8	Ashok Kumar Kinra	Non-Executive Non-Independent Director	E-9/16, Vasant Vihar, New Delhi-110057
9	Deepa Gopalan Wadhwa	Independent Director	N-35 Panchsheel Park, Near Malviya Nagar, New Delhi – 110 017
10	Upendra Kumar Gupta	Chief Executive Officer & Chief Financial Officer	108, DDA Flat, Pocket -II, Sector-19, Dwarka, New Delhi-110075
11	Dillip Kumar Swain	Chief Compliance Officer	7471, Sector B, Pocket-10, Vasant Kunj, New Delhi-110070

### III. Brief Details of the Scheme of Arrangement:

S. No.	Particulars	Particulars
1	Parties involved in the Scheme	<ul style="list-style-type: none"> <li>• Umang Dairies Limited (Demerged Company / Amalgamating Company)</li> <li>• Panchmahal Properties Limited (Resulting Company 1)</li> <li>• Bengal &amp; Assam Company Limited (Amalgamated Company / Resulting Company 2)</li> </ul>
2	Relationship between the Companies	<p>The companies involved in the Scheme have following relationship with each other:</p> <ul style="list-style-type: none"> <li>• The Resulting Company 1 is a wholly owned subsidiary of Amalgamated Company / Resulting Company 2</li> <li>• Amalgamated Company / Resulting Company 2 is the holding company of Demerged Company / Amalgamating Company holding 55.30 % shares.</li> </ul>
3	Scheme of Arrangement	<p>The Scheme inter-alia provides for –</p> <ol style="list-style-type: none"> <li>a) Demerger of the Dairy Business Undertaking of the Demerged Company and vesting of the same with and into the Resulting Company 1 in accordance with the terms provided in Part B of the Scheme;</li> <li>b) Amalgamation of the Amalgamating Company into and with Amalgamated Company, and Dissolution of Amalgamating Company in accordance with Part C of this Scheme.</li> </ol>
4	Appointed Date	The opening of business hours on April 01, 2023, or such other date as may be approved by the NCLT, with effect from which the Scheme will be deemed to be effective in the manner described in the Scheme.
5	Effective Date	The date on which the order of the Tribunal sanctioning the Scheme or any particular part(s) of the Scheme, is filed with the Registrar of Companies (RoC) by Participating Companies.
6	Summary of Valuation Report, Share Exchange Ratio and Fairness Opinion	<p>The report on recommendation of fair value dated June 28, 2023, issued by Mr. Niranjan Kumar, Registered Valuer, in relation to the Scheme, has recommended following Share Exchange Ratio –</p> <ol style="list-style-type: none"> <li>a) The Resulting Company 2 shall issue and allot, its equity shares having face value of INR 10 each to the shareholders of the Demerged Company as on the Part B Record Date, whose names appear in the Register of Members (or records of the registrar and transfer agent) of the Demerged Company:  “1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up.”</li> <li>b) The Amalgamated Company shall issue and allot, its equity shares having face value of INR 10 each to the shareholders of the Amalgamating Company as on the Part C Record Date, whose names appear in the Register of Members (or records of the registrar and transfer agent) of the Amalgamating Company:  “1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 14,652 (Fourteen Thousand Six Hundred and Fifty Two only) equity shares held in UDL having face value of INR 5 each fully paid up”</li> </ol> <p>Further, since the equity shares of the Demerged Company / Amalgamating Company and Amalgamated Company / Resulting Company 2 are listed on Stock Exchanges, Fairness Opinion in form of a certificate have been obtained from:</p> <ol style="list-style-type: none"> <li>(i) Kunvarji Finstock Private Limited, an independent SEBI registered Category-I Merchant Banker, dated June 28, 2023; and</li> <li>(ii) D&amp;A Financial Services Private Limited, an independent SEBI registered Category-I Merchant Banker dated June 28, 2023</li> </ol> <p>The Valuation Report and Fairness Opinions are available for inspection at the registered office of Amalgamated Company.</p> <p>The Valuation Report and Fairness Opinions are annexed herewith as <b>Annexure 2</b> and <b>Annexure 3</b>, respectively.</p>
7	Basis of valuation	<p>Equity shares of UDL are listed on BSE and NSE. Market Price Approach and Income Approach have been used to value the equity shares of UDL.</p> <p>Shares of BACL are listed on BSE. Market Price Approach and Asset Approach have been used to value the equity shares of BACL.</p> <p>Asset Approach has been used to value the equity shares of PPL.</p>

S. No.	Particulars	Particulars
8	Rationale of the Scheme or the benefits of the Scheme as perceived by the Board of Directors of the Company to the Company, Shareholders, Creditors and Others	<p><b>Need for the Scheme</b></p> <p>The management of the Participating Companies is of the view that the Dairy business of UDL has huge potential for value unlocking and attracting strategic Partners / Investors. This will facilitate substantial growth of Dairy business with potential for a wider customer reach. Given that both the listed companies belong to the same Group, it is ideal to minimize compliances and entity rationalization. Proposed scheme of arrangement shall result in administrative convenience for the group and reduce regulatory, reporting and compliance functions. It shall lead to a simplified, cost efficient and streamlined organisation structure.</p> <p>The managements of the respective Participating Companies are of the view that the arrangement proposed in this Scheme is, in particular, expected to have the following benefits:</p> <ol style="list-style-type: none"> <li>Facilitate focused growth, concentrated approach, and increased operational focus for the Dairy business.</li> <li>Enable the structure for attracting strategic partners / investors for the Dairy business.</li> <li>Rationalization of operations with greater degree of operational efficiency and optimum utilization of resources.</li> <li>Amalgamation of the Demerged Company after giving effect of de-merger of Dairy business, with Amalgamated Company shall result in simplified and streamlined holding structure and help in optimizing the resources and thereby reducing the compliances.</li> <li>Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.</li> </ol> <p>The management of the respective Participating Companies is of the view that this Scheme is in the interest of the customers, employees, lenders, shareholders and all other stakeholders of the respective Participating Companies.</p>

Upon the issuance and allotment of equity shares pursuant to the Scheme, Amalgamated Company / Resulting Company 2 shall take necessary steps, including filing of the applications with the stock exchange where the shares of Amalgamated Company / Resulting Company 2 are listed (i.e. BSE), for the purpose of listing of shares issued pursuant to the Scheme, in accordance with the Applicable Laws.

**Note: You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid is only extract thereof.**

#### IV. Interest of Directors, Key Managerial Personnels (KMPs), their relatives and Debenture Trustee

None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Demerged Company / Amalgamating Company, Resulting Company 1 and Amalgamated Company / Resulting Company 2 and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their directorship and shareholding which is given below:

Sr. No.	Name of directors	Shares (%) held in		
		UDL	PPL	BACL
<b>Umang Dairies Limited</b>		-	-	-
1.	Amar Singh Mehta	-	-	-
2.	Ramesh Chand Surana	-	-	-
3.	Desh Bandhu Doda	50 (0.00%)	-	-
4.	Virupakshan Kumaraswamy	-	-	-
5.	Rajiv Sheopuri	-	-	-
6.	Pooja Gurwala	-	-	-
<b>Panchmahal Properties Limited</b>		-	-	-
1.	Ram Ratan Gupta	-	-	-
2.	Rajesh Kumar Ghai	-	-	-
3.	Harish Kumar Wadhawan	-	-	-
<b>Bengal &amp; Assam Company Limited</b>				
1.	Bharat Hari Singhania	-	-	*9,25,871 (8.20%)

2.	Vinita Singhania	-	-	1,51,772 (1.34%)
3.	Raghupati Singhania	-	-	**16,27,910 (14.41%)
4.	Sanjay Kumar Khaitan	-	-	-
5.	Shailendra Swarup	-	-	-
6.	Bakul Premchand Jain	-	-	22 (0.00%)
7.	Sanjeev Kumar Jhunjhunwala	-	-	-
8.	Ashok Kumar Kinra	-	-	21 (0.00%)
9.	Deepa Gopalan Wadhwa	-	-	-

\*9,25,871 equity shares held by Bharat Hari Singhania includes 6,53,810 (5.79%) equity shares as Partner of M/s. Yashodhan Enterprises and 584 (0.00%) equity shares as Partner of M/s. Juggilal Kamlapat Lakshmiapat.

\*\*16,27,910 equity shares held by Raghupati Singhania includes 6,53,809 (5.79%) equity shares as Partner of M/s. Yashodhan Enterprises

## V. Pre and Post Scheme of Arrangement Shareholding Pattern

### 1. Umang Dairies Limited (Demerged Company / Amalgamating Company)

The shareholding pattern (Pre Scheme) of the Demerged Company / Amalgamating Company as at March 31, 2024 is as follows:

S No.	Category	Pre-Scheme	
		Number of equity shares	Shareholding (%)
(A)	Promoter & Promoter Group		
(1)	Indian		
(a)	Individual/ HUF		
(b)	Body Corporate	16416234	74.61
	<b>Sub Total (A)(1)</b>		
(2)	Foreign	0	0
	<b>Total shareholding of Promoter &amp; Promoter Group (A1 + A2)</b>	<b>1,64,16,234</b>	<b>74.61</b>
(B)	Public		
B1	Institutions		
B2	Institutions (Domestic)		
	Banks	200	0.00
	Other Financial Institutions	100	0.00
	<b>Sub Total B1+B2</b>	<b>300</b>	<b>0.00</b>
B3	Institutions (Foreign)	0	0
	Foreign Portfolio Investors Category I	7057	0.03
B4	Central Government/ State Government(s)/ President of India	0	0
B5	Non-Institutions	0	0
	Investor Education and Protection Fund (IEPF)	756927	3.44
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	3603488	16.38
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	40,112	0.18
	Non-Resident Indians (NRIs)	76562	0.35
	Bodies Corporate	1097905	4.99
	Any Other (specify)		
	-Clearing Members	4615	0.02
	<b>Sub Total B5</b>	<b>55,79,609</b>	<b>25.39</b>
	<b>Total Public Shareholding</b>	<b>55,86,966</b>	<b>25.39</b>
	<b>Non-Promoter Non-Public Shareholding</b>	<b>0</b>	<b>0</b>
	<b>Total</b>	<b>2,20,03,200</b>	<b>100.00</b>

**Post Scheme shareholding pattern of Demerged Company / Amalgamating Company** - It is clarified that, upon the Scheme becoming operative on the Effective Date, Demerged Company / Amalgamating Company shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument, or deed. Thus, there would be no Post Scheme shareholding pattern of the Demerged Company / Amalgamating Company.

### 2. Panchmahal Properties Limited (Resulting Company 1)

The shareholding pattern (Pre-Scheme) of the Resulting Company 1 as at March 31, 2024 is as follows:

S No.	Category	Pre-Scheme	
		Number of equity shares	Shareholding (%)
(A)	Promoter & Promoter Group		
(1)	Indian		
(a)	Individual/ HUF	*60	0.02
(b)	Body Corporate	3,51,170	99.98
	<b>Sub Total (A)(1)</b>	<b>3,51,230</b>	<b>100.00</b>
(2)	Foreign	0	0
	<b>Total shareholding of Promoter &amp; Promoter Group (A1 + A2)</b>	<b>3,51,230</b>	<b>100.00</b>
(B)	Public	-	-
B1	Institutions	-	-
B2	Institutions (Domestic)	-	-
	Banks	-	-
	Other Financial Institutions	-	-
	<b>Sub Total B1+B2</b>	-	-
B3	Institutions (Foreign)	-	-
	Foreign Portfolio Investors Category - I	-	-
B4	Central Government/ State Government(s)/ President of India	-	-
B5	Non-Institutions	-	-
	Directors and their relatives (excluding independent directors and nominee directors)	-	-
	Investor Education and Protection Fund (IEPF)	-	-
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	-	-
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	-	-
	Non-Resident Indians (NRIs)	-	-
	Bodies Corporate	-	-
	Any Other (specify)	-	-
	<b>Sub Total B5</b>	-	-
	<b>Total Public Shareholding</b>	-	-
	<b>Non-Promoter Non-Public</b>	-	-
	<b>Total</b>	<b>3,51,230</b>	<b>100.00</b>

\* Jointly with Bengal & Assam Company Limited

**Post Scheme shareholding pattern of Resulting Company 1** - Post Scheme shareholding pattern of PPL shall remain the same as it was Pre-Scheme as depicted above.

3. Bengal & Assam Company Limited (Amalgamated Company / Resulting Company 2)

The shareholding pattern (Pre-Scheme and Post Scheme) of the Amalgamated Company / Resulting Company 2 basis shareholding pattern as on March 31, 2024 is as follows:

S No.	Category	Pre-Scheme		Post-Scheme	
		Number of equity shares	Shareholding (%)	Number of equity shares	Shareholding (%)
(A)	Promoter & Promoter Group				
(1)	Indian				
(a)	Individual/ HUF	50,34,352	44.57	50,34,352	44.15
(b)	Any Others	32,13,610	28.45	32,60,069	28.59
	<b>Sub Total (A)(1)</b>	<b>82,47,962</b>	<b>73.01</b>	<b>82,94,421</b>	<b>72.73</b>

S No.	Category	Pre-Scheme		Post-Scheme	
		Number of equity shares	Shareholding (%)	Number of equity shares	Shareholding (%)
(2)	Foreign	-	-	-	-
	<b>Total shareholding of Promoter &amp; Promoter Group (A1 + A2)</b>	<b>82,47,962</b>	<b>73.01</b>	<b>82,94,421</b>	<b>72.73</b>
(B)	Public				
B1	Institutions	-	-	-	-
B2	Institutions (Domestic)				
	Mutual Funds	364	0.00	364	0.00
	Banks	648	0.01	650	0.01
	Insurance Companies	126	0.00	126	0.00
	Other Financial Institutions	116	0.00	117	0.00
	<b>Sub Total B1+B2</b>	<b>1,254</b>	<b>0.01</b>	<b>1,257</b>	<b>0.01</b>
B3	Institutions (Foreign)				
	Foreign Portfolio Investors Category – I	4,86,810	4.31	4,86,886	4.27
B4	Central Government/ State Government(s)/ President of India	11	0.00	11	0.00
B5	Non-Institutions				
	Directors and their relatives (excluding independent directors and nominee directors)	24	0.00	24	0.00
	Investor Education and Protection Fund (IEPF)	52,665	0.47	60,942	0.53
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	8,50,622	7.53	8,85,860	7.77
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	4,34,062	3.84	4,34,500	3.81
	Non-Resident Indians (NRIs)	87,945	0.78	88,733	0.78
	Bodies Corporate	6,27,621	5.56	6,39,598	5.61
	Any Other	5,04,920	4.47	5,04,920	4.43
	Clearing Member	2,432	0.02	2,479	0.02
	Trust holding Fractional Entitlement shares	-	-	4,268	0.04
	<b>Sub Total B5</b>	<b>25,60,291</b>	<b>22.67</b>	<b>26,21,324</b>	<b>22.99</b>
	<b>Total Public Shareholding</b>	<b>30,48,366</b>	<b>26.99</b>	<b>31,09,478</b>	<b>27.27</b>
	<b>Non-Promoter Non-Public</b>	-	-	-	-
	<b>Total</b>	<b>1,12,96,328</b>	<b>100.00</b>	<b>1,14,03,899</b>	<b>100.00</b>

VI. Statement disclosing details of Arrangement as per sub-section 3 of Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

S. No.	Particulars	Details
1	Details of capital or debt restructuring	There is no capital or debt restructuring undertaken by UDL, PPL and BACL pursuant to the Scheme.
2	Benefits of the Arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable)	Refer Para III.8 of the Statement

3	Amount due to creditors as at January 31, 2024	<p><b>UDL:</b> Secured Creditors: INR 2,981.66 Lakhs Unsecured Creditors: INR 3,816.86 Lakhs</p> <p><b>PPL:</b> Secured Creditors: Nil Unsecured Creditors: Nil</p> <p><b>BACL:</b> Secured Creditors: Nil Unsecured Creditors: INR 4,787.77 Lakhs</p>
4	If the scheme of Arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or Arrangement, including holding, subsidiary or associate companies	Refer Para III.2 of the Statement
5	Disclosure about effect of the compromise or Arrangement on:	
a	Key Managerial Personnel	The effect of the Scheme on the Key Managerial Personnel, Director, Promoter and Non-Promoter shareholders of the Demerged Company / Amalgamating Company, Resulting Company 1, and Amalgamated Company / Resulting Company 2 is given in the reports adopted by the Board of Directors of the respective companies, which is enclosed as <b>Annexure 4 (Colly)</b> to this Notice.
b	Directors	
c	Equity shareholders (promoter shareholders and non-promoter shareholders)	
d	Creditors	<p>There is no impact of the Scheme on the creditors (secured and unsecured) of Demerged Company / Amalgamating Company.</p> <p>All the liabilities and dues payable pertaining to the Dairy Business Undertaking of the Demerged Company shall become the liabilities and dues payable of / by the Resulting Company 1.</p> <p>Further, remaining liabilities and dues payable pertaining to remaining undertaking (after demerger of Dairy Business Undertaking) shall become the liabilities and dues payable of / by the Amalgamated Company / Resulting Company 2.</p> <p>As on date, the Resulting Company 1 does not have any creditors, whether secured or unsecured and therefore, and therefore, the effect of the Scheme on any such creditors does not arise.</p> <p>There is no impact of the Scheme on the creditors (secured and unsecured) of the Amalgamated Company / Resulting Company 2.</p>
e	Depositors	As on date, the Demerged Company / Amalgamating Company, Resulting Company 1 and Amalgamated Company / Resulting Company 2 have no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustee(s) does not arise.
f	Debenture Holders	As on date, the Demerged Company / Amalgamating Company, Resulting Company 1 and Amalgamated Company / Resulting Company 2 has no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.
g	Deposit trustee and debenture trustee	As on date, the Demerged Company / Amalgamating Company, Resulting Company 1 and Amalgamated Company / Resulting Company 2 have no outstanding debentures and therefore, the effect of the Scheme on any such debenture holders or debenture trustee(s) does not arise.
h	Employees of the Company	<p>All the staff, workmen and other employees, if any, of the Dairy Business Undertaking of the Demerged Company, in service as on the Effective Date, shall become the staff, workmen and employees of the Resulting Company 1 as per the details mentioned in the Scheme of Arrangement.</p> <p>Remaining staff, workmen and other employees, if any, of the Demerged Company, in service as on the Effective Date, shall become the staff, workmen and employees of the Amalgamated Company / Resulting Company 2.</p> <p>There will be no effect on staff, workmen and other employees of Resulting Company 1 and Amalgamated Company / Resulting Company 2.</p>

6	Disclosure about effect of compromise or Arrangement on material interest of Directors, Key Managerial Personnel, their Relatives and Debenture Trustee	
a	Directors	None of the Directors, KMPs (as defined under the Companies Act 2013 and rules framed thereunder) of the Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding and / or Directorship in the companies involved in the Scheme, if any.
b	Key Managerial Personnel	
c	Debenture Trustee	Not Applicable

## VII. Board Approvals:

### Details of approval of the Board of Directors of the Participating Companies:

#### 1. Umang Dairies Limited

The details of the approval of the Board of Directors of Umang Dairies Limited on June 28, 2023, to the Scheme are provided below:

Sr. No.	Name of the Director	Voted in Favour / Against / Abstained from voting
1.	Amar Singh Mehta	Voted in Favour
2.	Ramesh Chand Surana	Voted in Favour
3.	Desh Bandhu Doda	Voted in Favour
4.	Virupakshan Kumaraswamy	Voted in Favour
5.	Rajiv Sheopuri	Voted in Favour
6.	Pooja Gurwala	Voted in Favour

#### 2. Panchmahal Properties Limited:

The details of the approval of the Board of Directors of Panchmahal Properties Limited on June 28, 2023, to the Scheme are provided below:

Sr. No.	Name of the Director	Voted in Favour / Against / Abstained from voting
1.	Ram Ratan Gupta	Voted in Favour
2.	Pradeep Singh Lodha	Voted in Favour
3.	Harish Kumar Wadhawan	Voted in Favour

#### 3. Bengal & Assam Company Limited:

The details of the approval of the Board of Directors of Bengal & Assam Company Limited on June 28, 2023, to the Scheme are provided below:

Sr. No.	Name of the Director	Voted in Favour/ Against/ Abstained from voting
1.	Bharat Hari Singhania	Voted in Favour
2.	Vinita Singhania	Voted in Favour
3.	Raghupati Singhania	Voted in Favour
4.	Sanjay Kumar Khaitan	Voted in Favour
5.	Shailendra Swarup	Voted in Favour
6.	Bakul Premchand Jain	Voted in Favour
7.	Sanjeev Kumar Jhunjhunwala	Voted in Favour
8.	Ashok Kumar Kinra	Voted in Favour
9.	Deepa Gopalan Wadhwa	Voted in Favour

## VIII. Approvals, sanction, or no-objection(s), if any from regulatory or any other government authorities required, received, or pending for the proposed Scheme of Arrangement:

1. BSE Limited (BSE) has vide its observation letter dated February 21, 2024, conveyed its 'No adverse observation' to the



Scheme. Copy of the observation letter issued by BSE dated February 21, 2024, is enclosed as **Annexure 6 (Colly)**

2. National Stock Exchange of India Limited (**NSE**) has vide its observation letter dated February 22, 2024, conveyed its 'No objection' to the Scheme. Copy of the observation letter issued by NSE dated February 22, 2024, is enclosed as **Annexure 6 (Colly)**
3. Pursuant to SEBI Circular on Schemes (SEBI/HO/CFD/POD-2/P/CIR/2023/93) dated June 20, 2023, and the comments contained in observation letter(s) issued by BSE and NSE:
  - a. Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against the Demerged Company / Amalgamating Company, their promoters and directors are enclosed as **Annexure 7 (Colly)**.
  - b. Disclosure document of Panchmahal Properties Limited (**Resulting Company 1**) (being an unlisted entity) in the format specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is annexed herewith as **Annexure 8**.
  - c. The response to NSE email dated October 4, 2023 and BSE email dated October 5, 2023 is attached herewith as **Annexure 9 (Colly)**.
  - d. As required under Point (g) of the BSE Observation Letter and Point (f) of NSE Observation Letter, additional details are disclosed as follows:

The details of assets, liabilities, revenue of all the companies involved in the scheme, both pre and post scheme of arrangement	Please refer <b>Annexure 10</b>
Latest net worth certificate along with statement of assets and liabilities of all the companies involved in the scheme of arrangement for both pre and post the scheme of arrangement	Please refer <b>Annexure 11</b>
Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company	The detailed rationale, methodology and workings for arriving at the swap ratio for issuance of shares in the proposed Scheme are provide in the valuation report date June 28, 2023 issued by independent registered valuer. The said valuation report is attached herewith as <b>Annexure 2</b> .
Classification of shareholders as a "Promoter and Promoter group" or Public and reasons thereof	<p>It is humbly submitted that the shareholders of UDL and BACL have been classified as 'Promoter and Promoter group' and 'Public' in accordance with extant regulations issued by Securities and Exchange Board of India.</p> <p>Promoters of BACL, as on date, would continue to remain the same post effectiveness of the Scheme.</p> <p>As on date, following are the promoters of UDL –</p> <ol style="list-style-type: none"> <li>1. Bengal &amp; Assam Company Limited</li> <li>2. Sidhivinayak Trading and Investment Limited</li> <li>3. Accurate Finman Services Limited</li> </ol> <p>Upon effectiveness of the Scheme, UDL shall cease to exist. Further, Sidhivinayak Trading and Investment Limited and Accurate Finman Services Limited already form part of promoter group of Bengal &amp; Assam Company Limited as on date.</p>

<p>Detailed explanation on how the scheme will be beneficial to the public shareholders of the Listed/transferee company and the value derived by the public shareholders from the scheme of arrangement.</p>	<ul style="list-style-type: none"> <li>• Upon the Scheme becoming effective, shareholders of UDL shall be issued equity shares of BACL for demerger of Dairy business into Resulting Company 1 and merger of remaining UDL with BACL, in the ratio as provided in the Scheme.</li> <li>• Shareholders of UDL shall be issued shares of BACL, which is holding company of UDL and is listed on BSE Limited. Public shareholders of UDL shall be benefitted by having shares of a company which is larger in market capitalization and holds investment in diversified businesses including the existing dairy business.</li> <li>• There would be no change in the value of shares held by public shareholders in UDL pre Scheme and in BACL post Scheme since public shareholders of UDL shall be issued shares of BACL having value equivalent to the value of shares which they currently own in UDL.</li> </ul>
<p>Supervisory concerns of RBI regarding BACL, with RBI's permission</p>	<ul style="list-style-type: none"> <li>• BACL is a Core Investment Company registered with the Reserve Bank of India (RBI).</li> <li>• Routine inspection of books of accounts of BACL has been carried out by the RBI from time to time. The last onsite routine inspection of books of accounts of BACL was carried out by the RBI at the administrative office of the Company between December 12, 2022, and December 21, 2022. Further, RBI officials had sought a virtual meeting with the Company's officials on February 15, 2023 to ascertain the timeline for compliance on major supervisory concerns observed by RBI during the said inspection.</li> <li>• BACL vide its letters dated July 18, 2023 and November 23, 2023 has submitted its reply to all the supervisory concerns raised by RBI and have not received any further communication from RBI as on date.</li> </ul>

Additionally, a copy of the order dated May 14, 2024 of Hon'ble National Company Law Tribunal, Allahabad Bench in the Company Scheme Application No. C.A.(CAA) No. 04/ ALD of 2024 is annexed herewith as **Annexure 12**.

#### **IX. General:**

1. Copy of the draft Scheme is being sent to the Registrar of Companies and such other authorities as per statutory requirements.
2. In respect of the Scheme, there is no compromise or arrangement with any of the creditors of UDL, PPL and BACL.
3. UDL, PPL and BACL are required to seek approvals / sanctions / no objections from certain regulatory and governmental authorities for the Scheme such as the Registrar of Companies, Regional Director, Official Liquidator, and Income-tax authorities.
4. The National Company Law Tribunal, Allahabad Bench by its Order dated May 14, 2024 has directed for convening of the meeting(s) of the Equity Shareholders by Video-Conferencing for Demerged Company / Amalgamating Company and publication of notice of meeting in newspaper for Demerged Company / Amalgamating Company.
5. The National Company Law Tribunal, Allahabad Bench by its Order dated May 14, 2024 has dispensed with the requirement of convening the meeting of secured creditors of Demerged Company / Amalgamating Company.
6. The National Company Law Tribunal, Allahabad Bench by its Order dated May 14, 2024 has dispensed with the requirement of convening the meeting(s) of equity shareholders, secured creditors and unsecured creditors of Resulting Company 1.
7. The National Company Law Tribunal, Allahabad Bench by its Order dated May 14, 2024 has ordered with the requirement of convening the meeting(s) of unsecured creditors of Demerged Company / Amalgamating Company.
8. No investigation or proceedings are pending under applicable provisions of Companies Act, 2013 or erstwhile provisions of Companies Act, 1956 against any Company involved in the Scheme.
9. No winding up petition has been admitted against the Companies involved in the Scheme.
10. A copy of the Scheme and Statement shall be furnished to the equity shareholder, free of charge, within 1 (one) day (except Saturdays, Sundays, and public holidays) on a requisition being so made for the same by such equity shareholder.

#### **X. Inspection of Documents**

The following documents will be open for obtaining extracts from or for making or obtaining copies or inspection by the equity shareholders of Demerged Company / Amalgamating Company at Gajraula Hasanpur Road, 3 Km Stone, Dist Jyotiba Phule Nagar, Amroha, Gajraula, Uttar Pradesh – 244 235 on all working days, except Saturdays, Sundays and Public Holidays between 10:00 A.M. (IST) to 05:00 P.M. (IST)

up to the date of Meeting:

- a. Copy of the Order of NCLT passed in Company Application No. C.A. (CAA) No. 04/ ALD directing the convening of meeting(s) of the Equity Shareholders of Umang Dairies Limited, via VC with facility of remote e-voting;
- b. Copy of the Company Application No. C.A. (CAA) No. 04/ ALD;
- c. Copy of Scheme of Arrangement;
- d. Copy of this Notice and Statement;
- e. Memorandum and Articles of Association of the Participating Companies;
- f. Audited financial statements the Participating Companies for the financial year ended March 31, 2024;
- g. Copy of Fair Equity Share Entitlement Ratio Report dated June 28, 2023, issued by Mr. Niranjan Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137)
- h. Copy of the Fairness Opinion in form of a certificate issued by:
  - Kunvarji Finstock Private Limited, an independent SEBI registered Category-I Merchant Banker, dated June 28, 2023; and
  - D&A Financial Services Private Limited, an independent SEBI registered Category-I Merchant Banker dated June 28, 2023;
- i. Certificates issued by Statutory Auditors of the Participating Companies in relation to the accounting treatment prescribed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued thereunder;
- j. Report of the Audit Committee and Committee of Independent Directors both dated June 28, 2023 of UDL (Demerged Company / Amalgamating Company) and BACL(Amalgamated Company / Resulting Company 2);
- k. Reports dated June 28, 2023 adopted by the respective Board of Directors of the Participating Companies, pursuant to the provisions of Section 232(2)(c) of the Act;
- l. Observation Letter issued by BSE to BACL and UDL dated February 21, 2024, and Observation Letter issued by NSE to UDL dated February 22, 2024.
- m. Applicable Additional information submitted by the Company to the Stock Exchanges while processing the Scheme
- n. All other documents displayed on the website of UDL and BACL at, <https://www.umangdairies.com> and <https://bengalassam.com>, respectively in terms of the SEBI Scheme Circular, as amended and other relevant SEBI Circulars.
- o. All other documents referred to or mentioned in the Statement to this Notice.

Considering the rationale and benefits, the Board of Directors of the Participating Companies recommend the Scheme for approval of the shareholders, as it is in the best interest of the Company and its stakeholders.

The Directors and KMPs of the Participating Companies, holding shares in the respective Participating eCompanies as mentioned above, and their respective relatives do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders in general.

**Date: June 25, 2024**

**Place: New Delhi**

**Registered Office:**

Gajraula Hasanpur Road, 3 Km Stone, Dist Jyotiba Phule Nagar,  
Amroha, Gajraula, Uttar Pradesh – 244 235

**Sd/-**  
**Pankaj Kamra**  
**Company Secretary**  
**Umang Dairies Limited**

**SCHEME OF ARRANGEMENT**  
**BETWEEN**  
**UMANG DAIRIES LIMITED**  
**(“DEMERGED COMPANY” or “AMALGAMATING COMPANY”)**  
**AND**  
**PANCHMAHAL PROPERTIES LIMITED**  
**(“RESULTING COMPANY 1”)**  
**AND**  
**BENGAL & ASSAM COMPANY LIMITED**  
**(“AMALGAMATED COMPANY” or “RESULTING COMPANY 2”)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE SECTIONS AND PROVISIONS  
OF THE COMPANIES ACT, 2013 READ TOGETHER WITH THE RULES MADE  
THEREUNDER)**

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## INTRODUCTION

### 1. PREAMBLE

This Scheme of Arrangement ("**Scheme**") is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the rules and regulations issued thereunder and also read with Sections 2(1B) and 2(19AA) and the other applicable provisions of the Income-tax Act, 1961, and further read together with the applicable framework and regulations as is provided and governed by the Securities and Exchange Board of India, in each case, as amended from time to time and as may be applicable, for:

- (i) Demerger of the Dairy Business Undertaking (*as more elaborately defined hereunder*) of Umang Dairies Limited (the "**Demerged Company**") and vesting of the same with and into Panchmahal Properties Limited (the "**Resulting Company 1**"), on a going concern basis; and
- (ii) Amalgamation of Umang Dairies Limited (the "**Amalgamating Company**"), after giving effect of the demerger of Dairy Business into the Resulting Company 1, into and with the Bengal & Assam Company Limited (the "**Amalgamated Company**"); and
- (iii) Various other matters consequential or otherwise integrally connected herewith.

### 2. BACKGROUND AND DESCRIPTION OF THE PARTIES TO THIS SCHEME

- a) **Umang Dairies Limited** ("**UDL**" / "**Demerged Company**" / "**Amalgamating Company**") is a public limited company, formerly incorporated as J.K. Dairy & Foods Limited under the Companies Act, 1956 (as amended) on 02<sup>nd</sup> December 1992, having its registered office at Gajraula Hasanpur Road, 3 Km Stone, Dist Jyotiba Phuley Nagar, Amroha, Gajraula, Uttar Pradesh - 244235. The Demerged Company is primarily engaged in the dairy business, wherein it processes and sells milk and milk products ("**Dairy Business**" / "**Demerged Undertaking**"). *UDL is also engaged in business of trading of Cattle feed and own certain other non-core assets.* The Corporate Identity Number ("**CIN**") of the Demerged Company is L15111UP1992PLC014942. Permanent Account Number ("**PAN**") of UDL is AAACJ1322R. Equity Shares of UDL are publicly traded on the Bombay Stock Exchange ("**BSE**") and National Stock Exchange ("**NSE**").

The Amalgamating Company is a subsidiary of the Amalgamated Company (*as defined hereunder*) wherein Amalgamated Company owns 55.30% equity shareholding in the Amalgamating Company.

- b) **Panchmahal Properties Limited** ("**PPL**" / "**Resulting Company 1**") is a public limited company incorporated under the provisions of the Companies Act, 1956 on 23<sup>rd</sup> May 1995, having its registered office at Nehru House 4, Bahadur Shah Zafar Marg New Delhi New Delhi - 110 002. The Resulting Company 1 is a wholly owned subsidiary company of BACL, incorporated on 23<sup>rd</sup> May 1995, having its registered office at Nehru House 4, Bahadur Shah Zafar Marg, New Delhi, 110002. *PPL is a wholly owned subsidiary of BACL and was set up with the primary motive to engage in the business of leasing out properties. Upon effectiveness of the Scheme, PPL shall be engaged in Dairy Business.* The Corporate Identity Number ("**CIN**") of the Resulting Company is U74899DL1995PLC068913. Permanent Account Number ("**PAN**") of PPL is AAACP6666L. The Board of PPL in its



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meeting held on 03<sup>rd</sup> April, 2023, had approved shifting of registered office from Nehru House 4, Bahadur Shah Zafar Marg, New Delhi - 110 002 to the State of Uttar Pradesh. The same has also been approved by the shareholders of the PPL and the currently an application for change of registered office is pending with office of Regional Director, Delhi. Pursuant to and with effect from the date of certificate of registration to be issued by the Registrar of Companies, Ministry of Corporate Affairs, Delhi, registering the Order of Regional Director, the registered office of PPL shall stand shifted from the state of Delhi to the State of Uttar Pradesh.

- c) **Bengal & Assam Company Limited** ("BACL"/ "Amalgamated Company"/ "Resulting Company 2") is a public limited company incorporated under the provisions of the Companies Act, 1913 on 30<sup>th</sup> January 1947, having its registered office at 7, Council House Street Kolkata, West Bengal - 700 001. The Amalgamated Company is a Core Investment Company-Non-Deposit Taking-Systemically Important (CIC-ND-SI) registered with the Reserve Bank of India (RBI) vide registration number B-05.07048. Equity Shares of BACL are publicly traded on the Bombay Stock Exchange ("BSE").

CIN of the Amalgamated Company is L67120WB1947PLC221402. PAN of BACL is AABCB0970C.

The Amalgamated Company holds 55.30% shares in the Amalgamating Company.

Hereinafter, collectively referred to as 'Participating Companies'.

### 3. NEED AND RATIONALE FOR THIS SCHEME

#### 3.1 Need for the Scheme

The management of the Participating Companies is of the view that the Dairy business of UDL has huge potential for value unlocking and attracting strategic Partners / Investors. This will facilitate substantial growth of Dairy business with potential for a wider customer reach. Given that both the listed companies belong to the same Group, it is ideal to minimize compliances and entity rationalization. Proposed scheme of arrangement shall result in administrative convenience for the group and reduce regulatory, reporting and compliance functions. It shall lead to a simplified, cost efficient and streamlined organization structure.

#### 3.2 Rationale for the Scheme

- 3.2.1 The managements of the respective Participating Companies are of the view that the arrangement proposed in this Scheme is, in particular, expected to have the following benefits:

- Facilitate focused growth, concentrated approach, and increased operational focus for the Dairy business.
- Enable the structure for attracting strategic partners / investors for the Dairy business.
- Rationalization of operations with greater degree of operational efficiency and optimum utilization of resources.
- Amalgamation of the Demerged Company after giving effect of de-merger of Dairy business, with Amalgamated Company shall result in simplified and streamlined holding structure and help in optimizing the resources and thereby reducing the compliances.



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- e) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.
- 3.2.2 The management of the respective Participating Companies is of the view that this Scheme is in the interest of the customers, employees, lenders, shareholders and all other stakeholders of the respective Participating Companies.

#### 4. OVERVIEW OF THE SCHEME

4.1 This Scheme is divided into the following parts:

<b>PART A</b>	-	Definitions, Compliance with Tax Laws and Capital Structure
<b>PART B</b>	-	Demerger of the Dairy Business and vesting of the same in the Resulting Company 1 and other related matters
<b>PART C</b>	-	Amalgamation of the Amalgamating Company, after giving effect of Part B of the Scheme, into and with Amalgamated Company, and other related matters
<b>PART D</b>	-	General Terms and Conditions applicable to the Scheme

#### 4.2 Sequencing of the Scheme:

Subject to the provisions of Part D of this Scheme, upon this Scheme becoming operative on the Effective Date, the following shall be deemed to have occurred on the Appointed Date and shall become effective and operative in the sequence and in the order mentioned hereunder:

- (i) Demerger of the Demerged Undertaking (Dairy Business) from UDL (Demerged Company) and vesting of the same into and with PPL (Resulting Company 1) in accordance with Part B of this Scheme; Discharge of consideration to the shareholders of Demerged Company by issuance of shares of and by BACL (Resulting Company 2).
- (ii) Amalgamation of the Residual UDL (Amalgamating Company) into and with BACL (Amalgamated Company). Discharge of consideration to the shareholders of UDL (Amalgamating Company) by issuance of shares of and by BACL (Amalgamated Company).
- (iii) Change in Authorized Share Capital of the Amalgamated Company, giving effect to Part C of this Scheme.



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**PART A**  
**DEFINITIONS, COMPLIANCE WITH TAX LAWS AND CAPITAL STRUCTURE**

**5. DEFINITIONS**

In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- 5.1 "Act" means, as the context may admit, the Companies Act, 2013 (as may be notified from time to time) and the rules made thereunder, and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 5.2 "Affiliate" means, in respect of any specified Person, any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified Person. In case of natural Persons, Relatives of such Persons shall be deemed to be Affiliates of such natural Persons.
- 5.3 "Amalgamated Company" means Bengal & Assam Company Limited, as mentioned in the Para 2(c) of this Scheme.
- 5.4 "Amalgamating Company" means Umang Dairies Limited, as mentioned in Para 2(a) of this Scheme, after giving effect of Part B of the Scheme.
- 5.5 "Applicable Law(s)" means all statutes, notifications, byelaws, rules, regulations, guidelines, rules or common law, policies, codes, directives, ordinances, schemes or orders enacted or issued or sanctioned by any governmental authority, including any modification or re-enactment thereof for the time being in force.
- 5.6 "Appointed Date" means the opening of business hours on 01<sup>st</sup> April 2023 or such other date as may be approved by the NCLT, with effect from which the Scheme will be deemed to be effective in the manner described in the Scheme.
- 5.7 "Board of Directors" means the respective boards of directors of the Participating Companies and shall, unless repugnant to the context or otherwise, include any duly authorized committee of directors or any person duly authorized by the Board of Directors or such committee of directors.
- 5.8 "BSE" means the Bombay Stock Exchange Ltd. and includes any successor thereof.
- 5.9 "Companies" / "Participating Companies" means collectively, the Demerged/ Amalgamating Company, Resulting Company 1 and the Amalgamated Company/ Resulting Company 2.
- 5.10 "Demerged Company" means Umang Dairies Limited, as mentioned in the Para 2(a) of this Scheme.
- 5.11 "Demerged Undertaking" means the business undertaking of the Demerged Company engaged in the Dairy Business, on a going concern basis, including all its assets, investments, infrastructures, rights, approvals, licenses and powers, leasehold rights and all its debts, outstanding liabilities, duties, obligations and employees, in each case, pertaining exclusively and solely to the Dairy Business of the Demerged Company and including, but not limited to, the following:
- (i) all immovable properties i.e. land together with the buildings and structures standing thereon, whether freehold or leasehold, including share of any joint assets, which are currently being used exclusively and solely for the purpose of and in relation to the Dairy



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Business of the Demerged Company and all related documents (including *parchnamas*, 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;

- (ii) all assets, as are movable in nature and exclusively and solely pertaining to and in relation to the Dairy Business of the Demerged Company, whether present or future, tangible or intangible, including goodwill, whether recorded in the books or not and actionable claims, financial assets, investments (including in subsidiaries, associates and joint ventures in India or outside India).
- (iii) all rights, licenses, privileges, claims, benefits, powers and facilities of every kind, nature and description whatsoever, exclusively and solely pertaining to and in relation to the Dairy Business of the Demerged Company, including all assignments and grants thereof and all permits, clearances licenses, authorizations and registrations, exclusively and solely pertaining to and in relation to the Dairy Business of the Demerged Company;
- (iv) all taxes, share of advance tax, TDS, TCS, MAT credit, deferred tax benefits and other benefits in respect of the Dairy Business of Demerged Company;
- (v) all provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Dairy Business of the Demerged Company;
- (vi) all books, records, files, papers, computer programs along with their licenses, manuals and back-up copies, advertising materials, and other data and records whether in physical or electronic form, in connection with or relating to the Dairy Business of the Demerged Company;
- (vii) all employees and other personnel employed/engaged by the Demerged Company that are determined by its Board of Directors to be engaged in or in relation to the Dairy Business of the Demerged Company on the date immediately preceding the Effective Date;
- (viii) all legal proceedings of whatsoever nature by or against or in relation to the Dairy Business of the Demerged Company;
- (ix) all liabilities and obligations (including liabilities, allocable as per this Scheme, if any), whether present or future and the contingent liabilities pertaining to or relating to the Dairy Business of the Demerged Company. The liabilities pertaining to the Dairy Business of the Demerged Company mean and include:
  - (a) All liabilities (including contingent liabilities) arising out of the activities or operations of the Dairy Business of the Demerged Company, including in relation to or in connection with taxes or under or in relation to its contracts, obligations and duties;
  - (b) Specific loans and borrowings raised, incurred and utilized, if any, solely for the activities or operations of the Dairy Business of the Demerged Company; and
  - (c) Liabilities other than those referred to above, which are general or multipurpose, if any, of the Demerged Company to be allocated to the Dairy Business of the Demerged Company in the same proportion which the value of the assets transferred under Part B of this Scheme bears to the total value of the assets of the Demerged Company immediately before the Appointed Date of the Scheme in accordance with the provisions of Section 2 to the Section 2(19AA) of the IT Act.



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- (x) All the existing accounts of the clients, existing funds, cash and bank balance, securities, collaterals, respective bank and demat accounts, fixed deposit receipts, bank guarantees, leased lines, software, in house/ empaneled vendors, and other assets etc., relating to the Dairy Business of the Demerged Company
- (xi) Any other asset (including any cash) specifically allocated by the Board of Directors of the Demerged Company for the Dairy Business of the Demerged Company.

Any issue as to whether any asset or liability pertains to or is relatable to the Demerged Undertaking shall be mutually decided between the Board of Directors of the Demerged Company and the Resulting Company 1 on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company).

- 5.12 **"Effective Date"** means the date on which the order of the Tribunal sanctioning the Scheme or any particular part(s) of the Scheme, is filed with the RoC by Participating Companies.  
Any references in this Scheme to **"upon this Scheme becoming effective"** or **"effectiveness of this Scheme"** shall be construed accordingly.
- 5.13 **"Exchange"** or **"Exchanges"** shall mean the National Stock Exchange of India Limited ("NSE"), the Bombay Stock Exchange Limited ("BSE")
- 5.14 **"Government"** or **"Governmental Authority"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- 5.15 **"GST"** means goods and services tax.
- 5.16 **"INR"** means the Indian National Rupee
- 5.17 **"IT Act"** means the Indian Income-Tax Act, 1961 and the rules, regulations, circulars, notifications and orders issued thereunder including any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 5.18 **"MAT"** means minimum alternate tax.
- 5.19 **"NCLT" / "Tribunal"** means the jurisdictional bench(es) of the Hon'ble National Company Law Tribunal, or such other court, forum or authority as may be vested with any of the powers of the NCLT under the Act and/or as may be having jurisdiction for sanctioning this Scheme.
- 5.20 **"NSE"** means the National Stock Exchange of India Ltd. and includes any successor thereof.
- 5.21 **"Part B Record Date"** has the meaning ascribed to it in Clause 13.1.
- 5.22 **"Part C Record Date"** has the meaning ascribed to it in Clause 24.1
- 5.23 **"RBI"** means the Reserve Bank of India or any successor thereof.
- 5.24 **"Registrar of Companies"** or **"RoC"** means the Registrar of Companies having jurisdiction over the Companies.
- 5.25 **"Remaining Business of the Demerged Company"** means the business of the Demerged Company including its assets and/or liabilities other than Demerged Undertaking (as defined in clause 5.11 of this Scheme);
- 5.26 **"Residual UDL"** means Umang Dairies Limited after giving the effect of demerger of the Demerged Undertaking.



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- 5.27 "Rules" means The Companies (Compromises, Arrangements and Amalgamations) Rules 2016 and any other applicable rules, issued under the Act and as amended from time to time;
- 5.28 "Resulting Company 1" means Panchmahal Properties Limited, as mentioned in Para 2(b) of this Scheme.
- 5.29 "Resulting Company 2" means the Amalgamated Company as defined in Clause 5.3 read with Clause 2(c).
- 5.30 "Scheme of Arrangement" or "Scheme" means this scheme of arrangement in its present form, or with or without any modification(s), as may be approved or imposed or directed by the Tribunal, Court, SEBI and any other Governmental Authority.
- 5.31 "SEBI" means the Securities and Exchange Board of India or any successor thereof.
- 5.32 "SEBI Scheme Circular" means the SEBI Master Circular bearing number SEBI/HO/POD-2/P/CIR2023/93 dated June 20, 2023, consolidating SEBI circulars dated March 10, 2017, March 23, 2017, May 26, 2017, September 21, 2017, January 3, 2018, September 12, 2019, November 3, 2020, November 16, 2021, and November 18, 2021, further amended from time to time, *inter alia* in relation to the Scheme of Arrangement by Listed Entities.
- 5.33 "SEBI Regulations" means the regulations *inter-alia* including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and any other applicable circulars, notifications, orders, and other communication, existing and/ or as may be introduced by SEBI, from time to time.
- 5.34 "TCS" means Tax Collected at Source.
- 5.35 "TDS" means Tax Deducted at Source.

The expressions, which are used but are not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the rules, regulations made thereunder), the IT Act and other Applicable Laws.

## 6. COMPLIANCE WITH TAX LAWS

- 6.1 This Scheme, in so far as it relates to the demerger of the Demerged Undertaking of UDL (Demerged Company) into PPL (Resulting Company 1) and discharge of consideration by BACL (Resulting Company 2) pursuant to Part B of the Scheme, has been drawn up under Section 230-232 of the Act, to comply with the conditions relating to "Demerger" as specified under the tax laws, including Section 2(19AA) and with the other relevant sections (including Sections 47 and 72A) of the IT Act.
- 6.2 If any terms or provisions of the Scheme is / are inconsistent with the provisions of Section 2(19AA) of the IT Act, the provisions of Section 2(19AA) of the IT Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the IT Act; such modification to not affect other parts of the Scheme. In accordance with Section 2(41A) of the IT Act, BACL shall be considered as the resulting company for the limited purpose of compliance with the conditions prescribed under Section 2(19AA) and the other applicable sections of the IT Act. Further, in accordance with Section 2(19AAA) of the Income Tax Act, UDL shall be considered as the Demerged Company.



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- 6.3 This Scheme, in so far as it relates to the amalgamation of Amalgamating Company into the Amalgamated Company, has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, including Section 2(1B) and other relevant sections (including Sections 47 and 72A) of the IT Act. If any terms or provisions of the Scheme is / are inconsistent with the provisions of Section 2(1B) of the IT Act, the provisions of Section 2(1B) of the IT Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the IT Act; such modification to not affect other parts of the Scheme.
- 6.4 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date whether as a result of a new enactment or any amendment to any existing enactment or the coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail and this Scheme (including any parts hereof) may be modified to comply with such laws or may be withdrawn at the discretion of the Board of Directors of the affected Companies provided however that no modification to the Scheme will be made which adversely affects the rights or interest of the creditors without seeking their approval. Further, such modification/withdrawal will not affect other Parts of the Scheme which have not been so modified or withdrawn.

## 7. CAPITAL STRUCTURE

### 7.1 UDL

- 7.1.1 The authorised, issued, subscribed and paid-up share capital of the UDL, as on 31<sup>st</sup> March 2023 is as under:

Authorised Share Capital	Amount in INR (lakhs)
3,00,00,000 Equity Shares of INR 5 each	1,500.00
6,00,000 Redeemable Preference shares of INR 100 each	600.00
<b>Total</b>	<b>2100.00</b>
Issued, Subscribed and Paid-Up Share Capital	Amount in INR (lakhs)
2,20,03,200 Equity Shares of INR 5 each	1,100.16
<b>Total</b>	<b>1,100.16</b>

- 7.1.2 Subsequent to 31<sup>st</sup> March 2023 and until the date of the Scheme being approved by the Board of Directors of the UDL, there has been no change in the authorised, issued, subscribed and paid-up equity share capital of the Demerged Company.



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7.2 **PPL**

7.2.1 The authorised, issued, subscribed and paid-up share capital of the PPL, as on 31<sup>st</sup> March 2023 is as under:

<b>Authorised Share Capital</b>	<b>Amount in INR (lakhs)</b>
5,00,000 Equity Shares of INR 10 each	50
<b>Total</b>	<b>50</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	<b>Amount in INR (lakhs)</b>
3,51,230 Equity Shares of INR 10 each, fully paid up	35.12
<b>Total</b>	<b>35.12</b>

7.2.2 Subsequent to 31<sup>st</sup> March 2023 and until the date of the Scheme being approved by the Board of Directors of the PPL, there has been no change in the authorised, issued, subscribed and paid-up equity share capital of the PPL.

7.3 **BACL**

7.3.1 The authorised, issued, subscribed and paid-up share capital of the BACL, as on 31<sup>st</sup> March 2023 is as under:

<b>Authorised Share Capital</b>	<b>Amount in INR (lakhs)</b>
22,45,52,000 Equity Shares of INR 10 each	22,455.20
1,50,00,000 Preference Shares of INR 100 each	15,000.00
<b>Total</b>	<b>37,455.20</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	<b>Amount in INR (lakhs)</b>
1,12,96,328 Equity Shares of INR 10 each, fully paid up	1,129.63
6,500,000 Preference Shares of INR 100 each fully paid up	6500.00
<b>Total</b>	<b>7629.63</b>

7.3.2 Subsequent to 31<sup>st</sup> March 2023 and until the date of the Scheme being approved by the Board of Directors of the BACL, there has been no change in the authorised, issued, subscribed and paid-up equity share capital of the BACL.



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**PART B**  
**DEMERGER OF THE DEMERGED UNDERTAKING AND VESTING OF THE SAME INTO AND WITH THE RESULTING COMPANY 1**

**8. DEMERGER OF THE DEMERGED UNDERTAKING AND VESTING OF THE SAME WITH THE RESULTING COMPANY 1**

8.1 Subject to the provisions of Part B and Part D of this Scheme in relation to the modalities of the demerger of the Demerged Undertaking of UDL (Demerged Company) and vesting of the same with PPL (Resulting Company 1), upon Part B of this Scheme becoming Effective, the Demerged Undertaking together with all its assets, liabilities, infrastructures, rights and obligations, properties, benefits and interests therein, shall by virtue of this Part B of this Scheme demerge from UDL and be, transferred to, and stand vested in, the Resulting Company 1, and shall become the assets, liabilities, rights, obligations, business and undertaking of the Resulting Company 1, subject to the existing encumbrances thereon in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders), without any further act, instrument or deed being required from UDL and/or the Resulting Company 1 and without any approval or acknowledgement of any third party, unless otherwise required in terms of Applicable Laws, in accordance with Sections 230 to 232 of the Act read with Section 2(19AA) of the IT Act and all other applicable provisions of Applicable Laws if any, in accordance with the provisions contained herein.

8.2 Without prejudice to the generality of the above, in particular, the Demerged Undertaking shall be demerged from UDL and transferred and vested in the Resulting Company 1 upon effectiveness of the Scheme and with effect from Appointed Date, in the manner described in the sub-paragraphs below, subject to the existing encumbrances in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders): -

- (i) All the assets (including but not limited to investments) forming part of the Demerged Undertaking, that are movable in nature or incorporeal or intangible in nature or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by transfer or by delivery instructions in relation to dematerialized shares or by vesting and recordal pursuant to the Scheme, including plant, machinery and equipment, shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company 1 and shall become the property and an integral part of the Resulting Company 1, without any further act, instrument or deed required by either of UDL and/or the Resulting Company 1 and without any approval or acknowledgement of any third party. The transfer and vesting of the movable assets forming part of the Demerged Undertaking, pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or by vesting and recordal, pursuant to this Part B of this Scheme, as appropriate to the property being transferred and vested and the title to such property shall be deemed to have been transferred and vested accordingly.



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- (ii) All other movable properties (except those specified elsewhere in this Clause) forming part of the Demerged Undertaking, including sundry debts and receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, actionable claims, deposits, if any, with any person or body including without limitation any government, semi-government, local and other authorities and bodies, customers and other persons shall, without any further act, instrument or deed required by either of UDL or the Resulting Company 1 and without any approval or acknowledgement of any third party, become vested in, and shall become the property of, the Resulting Company 1.
- (iii) All immovable properties forming part of the Demerged Undertaking, including without limitation, all land together with all buildings and structures standing thereon (including but not limited to details provided in Annexure 1) and all rights and interests therein, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall stand transferred and be vested in and/or be deemed to have been transferred and vested in the Resulting Company 1 and shall become the property and an integral part of the Resulting Company 1, without any further act, instrument or deed being required from UDL and/or the Resulting Company 1 and without any approval or acknowledgement of any third party. Resulting Company 1 shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay all rent, charges and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The Resulting Company 1 shall be entitled to seek mutation/substitution of title in its name in such immovable properties, for the purposes of information and record and such mutation / substitution of the title to and interest in such immovable properties shall be made and duly recorded in the name of the Resulting Company 1, by the appropriate authorities pursuant to the sanction of the Scheme by the Tribunal, in accordance with the terms hereof. However, it is hereby clarified that the absence of any such mutation/substitution shall not adversely affect the rights, title or interest of the Resulting Company 1 in such immovable properties which shall be deemed to have been transferred to the Resulting Company 1 automatically upon Part B of the Scheme becoming Effective. UDL shall take all steps as may be necessary to ensure that lawful and peaceful possession, right, title, interest of such immovable properties of the Demerged Undertaking is given to the Resulting Company 1 in accordance with the terms hereof.
- (iv) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, forming part of the Demerged Undertaking (including inter-unit payables, if any, between the Demerged Undertaking and the Retaining Business of UDL), whether provided for or not in the books of accounts of UDL or disclosed in the balance sheet of UDL, including general and multipurpose borrowings, if any, dealt with in accordance with Section 2(19AA) of the IT Act, shall become and be deemed to be, the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company 1, without any further act, instrument or deed being required from UDL and/or the Resulting Company 1 and without any approval or acknowledgement of any third party, unless otherwise required in terms of Applicable Laws. The Resulting Company 1 undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that, unless otherwise required in terms of Applicable Laws, it shall not be necessary to obtain the consent



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of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause. However, UDL and the Resulting Company 1 shall, if required, file appropriate forms with the RoC accompanied by the sanction order of the Tribunal or a certified copy thereof and execute necessary deeds or documents in relation to creation / satisfaction / modification of charges to the satisfaction of the lenders, in relation to the assets being transferred to the Resulting Company 1 as part of the Demerged Undertaking and/or in relation to the assets remaining in UDL after the demerger and vesting of the Demerged Undertaking in the Resulting Company 1 pursuant to Part B of this Scheme becoming effective in accordance with the terms hereof. The Resulting Company 1 shall be entitled to take the benefit of all duties and charges already paid by UDL for the creation/modification of any such security interest. Where any of the loans, liabilities and obligations attributed to the Demerged Undertaking have been discharged by UDL after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been done by UDL on behalf of the Resulting Company 1.

- (v) All incorporeal or intangible property of or in relation to the Demerged Undertaking shall stand transferred to and vested in the Resulting Company 1 and shall become the property and an integral part of the Resulting Company 1 without any further act, instrument or deed required by either UDL and/or the Resulting Company 1 and without any approval or acknowledgement of any third party.
- (vi) All letters of intent, memoranda of understanding, memoranda of agreements, tenders, bids, letters of award, expressions of interest, experience and/or performance statements, contracts, deeds, bonds, agreements, guarantees and indemnities, schemes, arrangements, undertakings and other instruments of every nature and description including without limitation, those relating to tenancies, privileges, powers and facilities of every kind and description pertaining to the Demerged Undertaking, to which UDL is a party or to the benefit of which UDL may be eligible or under which UDL is an obligor (except to the extent provided in this Clause) and which are subsisting or having effect immediately prior to Part B of the Scheme coming into effect, shall be and shall remain in full force and effect against or in favour of the Resulting Company 1 and may be enforced by or against it as fully and effectually as if, instead of UDL, the Resulting Company 1 had been a party or beneficiary or obligee or obligor thereto, without any further act, instrument or deed being required from UDL and/or the Resulting Company 1 and without any approval or acknowledgement of any third party.
- (vii) All statutory or regulatory licenses (including but not limited to FSSAI license) and permits, grants, allotments, recommendations, no-objection certificates, permissions, approvals, certificates, consents, quotas, exemptions, clearances (including environmental approvals and consents), tenancies, privileges, powers, offices, facilities, entitlements, rights or registrations granted/available/renewed/applied for, to or by UDL in relation to the Demerged Undertaking shall stand transferred to and vested in the Resulting Company 1, without any further act, instrument or deed being required by UDL and/or the Resulting Company 1 and without any approval or acknowledgement of any third party, unless any filing, compliance and approval requirements arises in the hands of UDL and/ or the Resulting Company 1, in terms of



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Applicable Laws. Upon Part B of the Scheme becoming operative from the Effective Date and with effect from the Appointed Date, the Resulting Company 1 shall be entitled to all the benefits thereof and shall be liable for all the obligations thereunder. In relation to the same, any procedural requirements required to be fulfilled solely by UDL (and not by any of their successors), shall be fulfilled by the Resulting Company 1 as if it is the duly constituted attorney of UDL. It is hereby clarified that if the consent or approval (by whatever name called) of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall duly record or provide such consent or approval and shall make the necessary substitution/endorsement in the name of the Resulting Company 1 pursuant to the sanction of this Scheme by the Tribunal, and upon Part B of this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company 1 may file appropriate applications/documents with relevant authorities concerned for information and record purposes. However, it is hereby clarified that the absence of any such substitution/endorsement shall not adversely affect the rights, benefits or interest of the Resulting Company 1 which shall be deemed to have been transferred to the Resulting Company 1 automatically upon the Part B of the Scheme becoming effective.

- (viii) All workmen and employees forming part of the Demerged Undertaking, who are on the payrolls of UDL, shall become employed by the Resulting Company 1, on such terms and conditions as are no less favourable than those on which they were engaged with UDL immediately prior to the Effective Date, without any interruption of service as a result of this demerger and transfer. With regard to provident fund, gratuity fund, superannuation fund and any contributions required to be made in relation to employees under any statute or regulation, leave encashment and any other special scheme or benefits created or existing for the benefit of the personnel employed by UDL immediately prior to Part B of the Scheme coming into effect and transferred to the Resulting Company 1, the Resulting Company 1 shall stand substituted for UDL for all intents and purposes whatsoever, upon Part B of this Scheme becoming effective, including with regard to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents and/or in accordance with the provisions of Applicable Laws or otherwise. All existing contributions made to such schemes and funds and all benefits accrued thereto shall also stand transferred in the name of the Resulting Company 1 and all such benefits and schemes shall be continued by the Resulting Company 1 for the benefit of such personnel employed by UDL in relation to the Demerged Undertaking and transferred to the Resulting Company 1, on the same terms and conditions. Further, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of UDL in relation to such schemes or funds in relation to the employees and workmen forming part of the Demerged Undertaking shall become those of the Resulting Company 1. It is clarified that the services of all personnel employed by UDL in the Demerged Undertaking, who are entitled to the benefits under such schemes and funds, will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds.
- (ix) Resulting Company 1 undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labour unions/employees of the Demerged Undertaking by UDL. The Resulting Company 1 agrees that for the purpose



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of payment of any future retrenchment compensation, gratuity and other terminal benefits, the past services of such employees of the Demerged Undertaking, if any, with UDL, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable. Further, upon Part B of the Scheme coming into effect, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee of the Demerged Undertaking by UDL shall be continued or shall continue to operate against the relevant employee and shall be enforced effectively by the Resulting Company 1.

- (x) All rights, entitlements, licenses, applications and registrations relating to trademarks, service marks, copyrights, domain names, brand name, logos, patents and other intellectual property rights of every kind and description, including without limitations, all rights whether registered, unregistered or pending registration, and the goodwill arising therefrom, if any, to which UDL is a party or to the benefit of which UDL may be eligible or entitled, and in each case which form part of the Demerged Undertaking, shall stand transferred to and vested in the Resulting Company 1, and shall become the rights, entitlement or property of the Resulting Company 1 and shall be enforceable by or against the Resulting Company 1, as fully and effectually as if, instead of UDL, the Resulting Company 1 had been a party or beneficiary or obligee thereto or the holder or owner thereof, without any further act, instrument or deed required by either of UDL or the Resulting Company 1 and without any approval or acknowledgement of any third party.
- (xi) Resulting Company 1 shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of Demerged Undertaking and/or any of its assets or employees and the name of the Resulting Company 1 shall stand substituted as the "Insured" in all such policies as if the Resulting Company 1 was originally a party thereto without any further act, instrument or deed required by either of UDL or the Resulting Company 1 and without any approval or acknowledgement of any third party. Further, the Resulting Company 1 shall be entitled to the benefit of all claims filed, prosecuted, proposed to be filed, pending and/or adjudicated in relation to all insurance policies issued in respect of Demerged Undertaking and/or any of its assets or employees.
- (xii) All taxes and duties of whatsoever description (including but not limited to all carry forward tax losses comprising of unabsorbed depreciation, advance tax payments, TDS, TCS, MAT, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, value added tax, GST, sales tax, service tax etc.) payable by or refundable to UDL in relation to the Demerged Undertaking, including all or any refunds or claims in relation thereto (including unutilized input credits of the Demerged Undertaking) shall be treated as the tax liability or refunds/claims, as the case may be, of the Resulting Company 1, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to UDL in relation to the Demerged Undertaking, shall pursuant to this Scheme becoming effective, be available to the Resulting Company 1 without any further act, instrument or deed required by either of UDL or the Resulting Company 1 and without any approval or acknowledgement of any third party but in the manner more particularly set out herein below. Upon Part B of the Scheme becoming operative from the Effective Date and with effect from the Appointed Date, all existing and



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future incentives, un-availed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT), excise (including Modvat/ Cenvat), customs, value added tax, sales tax, service tax to which UDL is entitled in relation to the Demerged Undertaking shall be available to and shall stand transferred and vested in the Resulting Company 1 without any further act, instrument or deed required by either the Resulting Company 1 or UDL and without any approval or acknowledgement of any third party. Any tax deducted at source deducted by or on behalf of UDL until the Effective Date shall be deemed to have been deducted on behalf of the Resulting Company 1 to the extent of the income attributable to the Demerged Undertaking during such period.

- (xiii) Resulting Company 1 shall be entitled to claim the benefit of any and all corporate approvals and limits as may have already been taken by UDL in relation to the Demerged Undertaking, including without limitation, the approvals and limits under Sections 62, 179, 180, 185, 186, 188 etc., of the Act, until the time the same are duly modified by the Resulting Company 1.
- (xiv) All other estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Demerged Undertaking or by UDL in relation to the Demerged Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Resulting Company 1 and shall, upon Part B of this Scheme coming into effect, pursuant to the provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Resulting Company 1 to that extent and shall become the estates, assets, right, title, interests and authorities of the Resulting Company 1.
- (xv) All books, record files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, designs, catalogues, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records whether in physical form or electronic form or in any other form in connection with or relating to UDL pertaining to the Demerged Undertaking shall be deemed to have been transferred to or acquired for and on behalf of the Resulting Company 1 and shall, upon Part B of this Scheme coming into effect, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Resulting Company 1.
- (xvi) Resulting Company 1 shall bear the burden and the benefits of any legal, tax, quasi-judicial, administrative, regulatory or other proceedings initiated by or against UDL in relation to the Demerged Undertaking. If any suit, appeal or other proceeding of whatsoever nature by or against UDL, in relation to the Demerged Undertaking, shall be pending as on the Effective Date, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the demerger of such Demerged Undertaking and transfer and vesting of the same in the Resulting Company 1 or of anything contained in Part B of this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Resulting Company 1 in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against UDL in relation to the Demerged Undertaking as if Part B of



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this Scheme had not been made effective. Upon Part B of the Scheme becoming effective, the Resulting Company 1 undertakes to have such legal or other proceedings initiated by or against UDL in relation to the Demerged Undertaking transferred in its name and to have the same continued, prosecuted and enforced by or against the Resulting Company 1 to the exclusion of UDL. The Resulting Company 1 also undertakes to handle all legal or other proceedings which may be initiated against UDL in relation to the Demerged Undertaking, after the Effective Date in its own name and account and further undertakes to pay all amounts including interest, penalties, damages etc., pursuant to such legal/ other proceedings.

- 8.3 Upon Part B of the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company 1 shall be entitled to the benefit of the past experience, accreditation, and/or performance of UDL, in relation to the Demerged Undertaking, for all purposes without any further act, instrument or deed required by either of UDL or the Resulting Company 1 and without any approval or acknowledgement being required from any third party. If any instrument or deed or document is required or deemed necessary or expedient to give effect to the provisions of this Clause by UDL, the Resulting Company 1 shall, under the provisions of Part B of the Scheme, be deemed to be duly authorized to execute all such writings on behalf of UDL and to carry out or perform all such formalities or compliances referred to above on behalf of UDL.

## 9. CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE

- 9.1 In the event Part B becomes effective from the Appointed Date, up to and including the Effective Date:
- (i) UDL shall be deemed to have carried on the business activities of the Demerged Undertaking and stand possessed of the properties and assets of the Demerged Undertaking, for, on behalf of and in trust for, the Resulting Company 1; and
  - (ii) all profits or income accruing to or received by UDL in relation to the Demerged Undertaking and all taxes paid thereon (including but not limited to advance tax, TDS, TCS, MAT, fringe benefit tax, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, value added tax, GST, sales tax, service tax etc.) or losses arising in or incurred by UDL in relation to the Demerged Undertaking shall, for all purposes, be treated as and deemed to be the profits, income, taxes or losses, as the case may be, of the Resulting Company 1.
- 9.2 Subject to the provisions of Clause 9.1 hereinabove, in the event any asset, contract, document, liability or property or the rights, interest, obligations and benefits thereof or thereunder (including without limitation, shipping documents, bills of entry, foreign inward remittance certificates and bank realization certificates), which is a part of the Demerged Undertaking does not get automatically transferred to the Resulting Company 1 upon Part B of the Scheme coming into effect on the Appointed Date, UDL shall take all necessary steps and execute all necessary documents, to ensure the transfer of such asset, contract, document, liability and property or the rights, interest, obligations and benefits thereof and thereunder to the Resulting Company 1 forthwith after the Effective Date without any further consideration and until the transfer of any such asset, the Resulting Company 1 will have the right to use the same without payment of any additional consideration. It is clarified that even after Part B of the Scheme comes into effect on the Appointed Date, UDL shall, with the written consent of the Resulting Company 1, be entitled



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to realize or pay all monies and to complete, enforce or discharge all pending contracts, arrangements or obligations in relation to the Demerged Undertaking in trust and at the sole cost and expense of the Resulting Company 1 in so far as may be necessary until all rights and obligations of UDL in respect of such pending contracts, arrangements or obligations stand fully devolved to and in favour of the Resulting Company 1.

- 9.3 The Resulting Company 1 shall also be entitled, pending the sanction of this Scheme, to apply to the central government, state government, and all other agencies, departments, statutory authorities and Governmental Authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Resulting Company 1 may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for the time being in force for carrying on the business of the Demerged Undertaking.

## 10. TREATMENT OF TAXES

- 10.1 Upon Part B of this Scheme becoming operative on the Effective Date and with effect from the Appointed Date, all taxes and duties payable by UDL (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, Integrated Goods and Services Tax Act, 2017 ('IGST'), Central Goods and Services Tax Act, 2017 ('CGST'), and any other State Goods and Services Tax Act, 2017 ('SGST'), the Goods and Services Tax (Compensation to States) Act, 2017 and all other Applicable Laws), accruing and/or relating to, the Demerged Undertaking, for any period falling on or after the Appointed Date, including all advance tax payments, TDS, TCS, MAT and all refunds and claims in relation thereto shall, for all purposes, be treated as advance tax payments, TDS, TCS, MAT or refunds and claims, as the case may be, of the Resulting Company 1.
- 10.2 Upon Part B of this Scheme becoming operative on the Effective Date, and with effect from the Appointed Date, all unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including TDS, TCS, advance tax, MAT credit etc.), CENVAT, customs, IGST, CGST, SGST etc. relating to the Demerged Undertaking to which UDL is entitled / obligated to, shall be available to and vest in the Resulting Company 1, without any further act, deed or instrument.
- 10.3 Upon Part B of this Scheme becoming operative on the Effective Date, and with effect from the Appointed Date, UDL and the Resulting Company 1 shall be permitted to revise and file their respective income tax returns, withholding tax returns, including TDS certificates, TDS returns, GST returns and other tax returns for the period commencing on and from the Appointed Date to give effect to the demerger and transfer of the Demerged Undertaking from UDL to the Resulting Company 1 and any matters connected therewith, and to claim all refunds, credits, etc., pertaining to the Demerged Undertaking, pursuant to the provisions of this Scheme without any further act, deed or instrument or consent or approval of any third party.
- 10.4 The Board of Directors of UDL shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Demerged Undertaking and therefore is required to be transferred to the Resulting Company 1.
- 10.5 Upon Part B of the Scheme becoming operative on the Effective Date and with effect from the Appointed Date, any TDS withheld / TCS collected, TDS/ TCS deposited, TDS/ TCS certificates issued or TDS/ TCS returns filed by UDL relating to the Demerged Undertaking shall continue to hold good as if such TDS/ TCS amounts were withheld / collected and deposited, TDS/ TCS certificates were issued, and TDS/ TCS returns were filed by the Resulting Company 1.



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- 10.6 All the expenses incurred by UDL and the Resulting Company 1 in relation to Part B of the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to UDL and the Resulting Company 1 in accordance with the Section 35DD of the IT Act over a period of five (5) years beginning with the previous year in which Part B of the Scheme becomes effective.
- 10.7 Upon Part B of the Scheme becoming operative on the Effective Date and with effect from the Appointed Date, any refund under the tax laws due to UDL pertaining to the Demerged Undertaking consequent to the assessments made on UDL and for which no credit is taken in the accounts of UDL as on the date immediately preceding the Appointed Date shall belong to and be received by the Resulting Company 1. The relevant Government Authorities shall be bound to transfer to the account of and give credit for the same to, the Resulting Company 1 upon this Part B of the Scheme becoming effective upon relevant proof and documents being provided to the said Governmental Authorities.

## 11. CONDUCT OF AFFAIRS AFTER THE EFFECTIVE DATE

- 11.1 The Resulting Company 1, shall, at any time after Part B of this Scheme becomes operative on the Effective Date, in accordance with the provisions hereof, if so required under any law, contract or otherwise, be entitled to do and take all such actions as may be required to give full effect to the provisions of this Part B and for this purpose the Resulting Company 1 shall, under the provisions hereof, be deemed to be authorised on behalf of UDL. Without prejudice to the generality of the above, the Resulting Company 1 shall be, with respect to the Demerged Undertaking, entitled and deemed to be authorised to:-
- (i) execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement (including without limitation any bank guarantee, performance guarantee, fixed deposit, letters of credit, bill of entry etc.) in relation to the Demerged Undertaking, which UDL have been a party or to the benefit of which UDL may have been entitled, and to make any filings with the regulatory authorities, in order to give formal effect to the provisions of Part B of the Scheme; and
  - (ii) do all such acts or things as may be necessary to effectually transfer/obtain in favour of the Resulting Company 1 the approvals, consents, bids, awards, tenders, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates etc. which were held or enjoyed by UDL in relation the Demerged Undertaking including without limitation, execute all necessary or desirable writings and confirmations on behalf of UDL and to carry out and perform all such acts, formalities and compliances as may be required in this regard.
- 11.2 The provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or certificate or license or the terms of sanction or issue or any security, all of which instruments and documents shall stand modified and/or superseded by the foregoing provisions.
- 11.3 This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) read with Section 2(41A) of the IT Act. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with the said provision at a later date whether as a result of a new enactment or any amendment to any existing enactment or the coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation



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or for any other reason whatsoever, the aforesaid provision shall prevail and this Scheme (including any parts hereof) may be modified to comply with such laws or may be withdrawn at the discretion of the Board of Directors of UDL and the Resulting Company 1. Such modification/withdrawal will however not affect other Parts of the Scheme which have not been so modified or withdrawn.

## 12. SAVING OF CONCLUDED TRANSACTIONS

- 12.1 Except as expressly provided hereunder in this Scheme, the transfer of properties and liabilities to, and the continuance of proceedings by or against, Resulting Company 1 as envisaged in this Part B shall not affect any transaction or proceedings already concluded by UDL in relation to the Demerged Undertaking on or before the Appointed Date and after the Appointed Date and until the Effective Date, and to such end and intent the Resulting Company 1 accepts and adopts all acts, deeds and things done and executed by UDL in respect thereto as done and executed on behalf of itself.

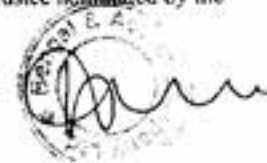
## 13. DISCHARGE OF CONSIDERATION

- 13.1 Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, in consideration for the demerger of the Demerged Undertaking from UDL (Demerged Company) and vesting into and with the Panchmahal Properties Limited (Resulting Company 1), the Board of Directors (including any committee thereof) of Demerged Company in consultation with Board of Directors (including any committee thereof) of Resulting Company 1 and BACL (Resulting Company 2) shall determine a record date, for the purpose of determining the members of Demerged Company, to whom shares of Resulting Company 2 will be allotted under the Scheme ("**Part B Record Date**"). Resulting Company 2 shall issue and allot, its equity shares having face value of INR 10 each to the shareholders of Demerged Company as on the Part B Record Date ("**Part B Equity Shares**"), whose names appear in the Register of Members (or records of the registrar and transfer agent) of Demerged Company.
- 13.2 Based on (i) the valuation report issued by Mr. Niranjana Kumar, Registered Valuer (Securities or Financial Assets) (IBBI Registration No. – IBBI/RV/06/2018/10137, dated 28<sup>th</sup> June 2023, and (ii) the fairness opinion issued by (a) Kunvarji Finstock Private Limited, an independent SEBI registered Category-I merchant banker on such valuation, dated 28<sup>th</sup> June 2023, and (b) D&A Financial Services Private Limited, an independent SEBI registered Category-I merchant banker on such valuation, dated 28<sup>th</sup> June 2023, the Board of Directors of Demerged Company, the Resulting Company 1 and Resulting Company 2 have determined the following share exchange ratio for issue of Part B Equity Shares:
- '1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up.'*
- 13.3 In terms of the applicable provisions of the SEBI Master Circular No: SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, read with the clarification(s) and Addendum(s) issued thereafter, in case of any fractional entitlement of shares arising out of the aforesaid share exchange ratio, the Board of Directors (including any committee thereof) of Resulting Company 2 shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next whole number and issue consolidated Part B Equity Shares to a trustee nominated by the



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Board of Directors of Resulting Company 2 (the "Trustee"), who shall hold such Part B Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price and on such time within ninety (90) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to Resulting Company 2, the net sale proceeds (after deduction of applicable taxes and cost incurred) thereof and any additions and accretions, whereupon Resulting Company 2 shall, subject to withholding tax, if any, distribute such sale proceeds to the eligible shareholders of Demerged Company in proportion to their respective fractional entitlements.

- 13.4 In the event of any increase in the issued, subscribed or paid up share capital of Demerged Company or Resulting Company 2 or issuance of any instruments convertible into equity shares or restructuring of its equity share capital including by way of share split/consolidation/issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar actions in relation to share capital of Demerged Company or Resulting Company 2 at any time before the Part B Record Date, the share exchange ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.
- 13.5 The Part B Equity Shares of Resulting Company 2 issued as per this Clause shall be subject to its Memorandum and Articles of Association and shall rank *pari passu* in all respects, including dividend and voting rights, with the existing equity shares of Resulting Company 2.
- 13.6 On the approval of Part B of the Scheme by the members of Resulting Company 2 pursuant to Sections 230 to 232 of the Act, it shall be deemed that the members of Resulting Company 2 have also accorded their consent under Sections 42 and 62 of the Act and the applicable rules and regulations issued thereunder for the aforesaid issuance of equity shares of Resulting Company 2, to the eligible shareholders of Demerged Company, and all actions taken in accordance with this Clause of this Scheme shall be deemed to be in full compliance of Sections 42 and 62 of the Act and other applicable provisions of the Act and no further resolution or actions under Sections 42 and 62 of the Act or the rules and regulations issued thereunder, including, *inter alia*, issuance of a letter of offer by Resulting Company 2 shall be required to be passed or undertaken.
- 13.7 In accordance with the regulatory requirements, all Part B Equity Shares required to be issued by BACL to the shareholders of Demerged Company shall be issued in dematerialized form and shall be credited to the depository account of the equity shareholders of the Demerged Company to the extent the details of such depository participant accounts have been provided to/are available with Demerged Company as of the Part B Record Date.
- 13.8 For the purpose of allotment of Part B Equity Shares of Resulting Company 2, in case any shareholder of Demerged Company on the Part B Record Date holds equity shares in Demerged Company in physical form and/or details of the depository participant account of such shareholder have not been provided to the Demerged Company as of the Part B Record Date, Resulting Company 2 shall not issue its equity shares to such shareholder but shall subject to Applicable Laws, issue the corresponding number of equity shares in dematerialized form, to a demat account held by a trustee nominated by the Board of Directors of Resulting Company 2 or into a suspense account opened in the name of Resulting Company 2 with a depository participant or into an escrow account opened by Resulting Company 2 with a depository, as determined by the Board of Directors of Resulting Company 2. The equity shares of Resulting Company 2 so held in a trustee's account or suspense account or escrow account, as the case may be, shall be transferred to the respective shareholder as per his entitlement once such shareholder provides details of his / her



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/ its depository participant account to Resulting Company 2 in accordance with Applicable Laws, along with such documents as maybe required under Applicable Laws.

- 13.9 Upon the issuance and allotment of equity shares pursuant to the Scheme, Resulting Company 2 shall take necessary steps, including the filing of the applications with BSE, for the purpose of listing of the Part B Equity Shares of Resulting Company 2 on BSE, in accordance with the Applicable Laws. Shares allotted pursuant to this Scheme may remain frozen in the Depositories system till listing/trading permission is given by the Stock Exchanges.
- 13.10 The issuance of any equity shares under this clause, against such equity shares of Demerged Company which are held in abeyance (if any), pending allotment or settlement of dispute by order of Tribunal or otherwise, be held in abeyance by Resulting Company 2. The equity shares lying in Unclaimed Suspense Account (if any) and the equity shares held in the Investor Education and Protection Fund (if any) shall also be eligible for issuance of equity shares under this clause and such equity shares shall be dealt with in the same manner as equity shares lying in the said Unclaimed Suspense Account and/or the Investor Education and Protection Fund (as the case may be).
- 13.11 The Board of Directors (including any committee thereof) of Demerged Company, the Resulting Company 1 and Resulting Company 2 shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in Resulting Company 2 on account of the difficulties if any in the transition period.

#### 14. ACCOUNTING TREATMENT IN THE BOOKS OF UDL [DEMERGED COMPANY]

Upon Part B the Scheme becoming effective and with effect from the Appointed Date, the transfer of the Demerged Undertaking shall be accounted for in the books of the Demerged Company in accordance with applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 and/or generally accepted accounting principles in India. Accordingly, Demerged Company shall provide the following accounting treatment in its books of accounts:

- (i) The Demerged Company, as on Appointed Date shall reduce the carrying value of all assets and liabilities including reserves, pertaining to the Demerged Undertaking transferred to the Resulting Company 1 from its books of accounts.
- (ii) the inter-corporate deposits/ loans and advances/ balances outstanding between the Demerged Undertaking of the Demerged Company and the Resulting Company 1, if any, shall stand cancelled and thereafter there shall be no obligation in that behalf;
- (iii) The difference between the carrying value of assets and liabilities including reserves, pertaining to the Demerged Undertaking of the Demerged Company, transferred to the Resulting Company 1, and post giving effect to clause 14(ii) above shall be adjusted against the capital reserve of the Demerged Company.
- (iv) Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Demerged Company in consultation with its Statutory Auditors, shall be allowed to account for any of these balances in any manner whatsoever as may be deemed fit in accordance with the applicable accounting standards as notified under section 133 of the Companies Act, 2013 and / or generally accepted accounting principles and / or the clarifications issued by the ICAI.



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## 15. ACCOUNTING TREATMENT IN THE BOOKS OF PANCHMAHAL PROPERTIES LIMITED [RESULTING COMPANY I]

15.1 Upon Part B of the Scheme becoming effective, with effect from the Appointed Date, transfer of the Demerged Undertaking shall be accounted for in the books of the Resulting Company I using the "Pooling of interests" method in accordance with Appendix C to Ind AS 103 — Business combinations of entities under common control, prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time. Accordingly, the Resulting Company I shall provide the following accounting treatment in its books of accounts:

- (i) Resulting Company I shall record the assets and liabilities including reserves, pertaining to the Demerged Undertaking, transferred to and vested in Resulting Company I pursuant to this Scheme, at values appearing in the books of accounts of Demerged Company as on the Appointed Date, which are set forth in the closing balance sheet of Demerged Company as on the close of business hours on the date immediately preceding the Appointed Date.
- (ii) Upon the Scheme being effective the inter-company balances (if any) appearing in the books of accounts of the Demerged Company pertaining to the Demerged Undertaking shall stand cancelled.
- (iii) Resulting Company I shall record the aggregate value of equity shares issued by BACL as deemed equity contribution in accordance with applicable Ind-AS.
- (iv) The difference between the equity contribution recorded by Resulting Company I as per 15.1(iii) above and net asset of the Demerged Undertaking transferred to and recorded by the Resulting Company I as per 15.1(i) above, after considering adjustment for 15.1(ii) above, shall be adjusted in the capital reserve of the Resulting Company I.
- (v) Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Resulting Company I in consultation with its Statutory Auditors, shall be allowed to account for any of these balances in any manner whatsoever as may be deemed fit in accordance with the applicable accounting standards as notified under section 133 of the Companies Act, 2013 and / or generally accepted accounting principles and / or the clarifications issued by the ICAI.

## 16. ACCOUNTING TREATMENT IN THE BOOKS OF BACL

16.1 Upon this Scheme coming into effect, BACL shall account for the Scheme in its books of account, as on the appointed date, in the following manner:

- (i) BACL shall credit its share capital account with the aggregate face value of the equity shares issued pursuant to Clause 13.1 above of this Scheme.
- (ii) The aggregate amount of the share capital recorded above shall be recorded as debit in investments in subsidiary i.e. Resulting Company I, in books of BACL.
- (iii) Notwithstanding anything to the contrary contained herein above, the Board of Directors of BACL in consultation with its Statutory Auditors, shall be allowed to account for any of these balances in any manner whatsoever as may be deemed fit in accordance with the applicable accounting standards as notified under section 133 of the Companies Act, 2013 and / or generally accepted accounting principles and / or the clarifications issued by the ICAI.



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## 17. CHANGE IN NAME OF THE RESULTING COMPANY I

- 17.1 As an integral part of the Scheme Upon this Scheme, and, upon the coming into effect of the Scheme, the name of the Resulting Company I, without any further act, instrument or deed, shall stand altered to 'Umang Dairies Limited' or such other name as may be decided by its Board of Directors or a committee thereof of the Resulting Company I and approved by the concerned Registrar of Companies. Further, the present name of "Panchmahal Properties Limited" wherever it occurs in its Memorandum and Article of Association be substituted by such altered Name.
- 17.2 It is hereby clarified that for the purpose of this Clause 17, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of alteration in name of the Resulting Company I and no further resolutions under the applicable provisions of the Act or any Rules thereunder, would be required to be separately passed.

Pursuant to this Scheme, the Resulting Company I shall file the requisite forms with the Registrar of Companies for such change in name.

## 18. AMENDMENT OF MAIN OBJECTS OF THE RESULTING COMPANY I

18.1. As an integral part of the Scheme, and upon the coming into effect of the Scheme, the main objects clause of the Resulting Company I, without any further act, instrument, resolution or deed on the part of the Resulting Company I, shall stand amended and substituted with the following:

1. "To carry on the business as manufactures, distributors, importers and exporters of and dealers in liquid milk, condensed milk, evaporated milk, powdered milk, butter, cheese, cream and all types of milk and milk products, including dairy whitener, non-dairy whitener, infant milk formulas, whey powder, casein and other related products such as chocolate, coffee, tea and other food preparations and beverages and as confectioners, dairymen, grocers, general provision merchants, refreshment contractors."

2. "To buy, sell, manufacture, refine, prepare, pack and deal in all kinds of food including milk food products, beverages, infant food, dietetic products, and other articles thereof."

3. "To carry on business of manufacture, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaires of and dealers in flour, cakes, pastry, corn flakes, bread, biscuits, chocolates, confectionery, sweets, fruit drops, sugar glucose, chewing gum, ice-cream, aerated or mineral waters, fruit juices, canned fruits and fruit products, milk and malted food, horticultural products, protein foods, maize products, butter, ghee, flowers, cheese, other dairy and food products, pickles and jams."

18.2. It is clarified that for the purpose of this Clause 18, the consent of the members of the Resulting Company I to the Scheme shall be deemed to be sufficient for the purpose of effecting the above amendment to the main objects clause of the Resulting Company I, and no further resolution under Section 13, or any other applicable provisions of the Companies Act, 2013 would be required to be separately passed.

Pursuant to this Scheme, the Resulting Company I shall file the requisite forms with the Registrar of Companies for such change of object.



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A handwritten signature in black ink over a circular stamp. The stamp contains the text "PANCHMAHAL PROPF" and "NEW DELHI".

**PART C**  
**AMALGAMATION OF AMALGAMATING COMPANY INTO AND WITH AMALGAMATED COMPANY AND DISSOLUTION OF AMALGAMATING COMPANY**

**19. AMALGAMATION OF UDL [AMALGAMATING COMPANY] INTO AND WITH BACL [AMALGAMATED COMPANY]**

- 19.1 Subsequent to the implementation of Part B of this Scheme and subject to the provisions of Part C and Part D of this Scheme in relation to the modalities of amalgamation, upon Part C of this Scheme becoming operative on the Effective Date and with effect from the Appointed Date, UDL along with Remaining Business of the Demerged Company (**Amalgamating Company**), shall by virtue of this Part C of the Scheme stand amalgamated with, transferred to and vested in BACL (**Amalgamated Company**), and shall become the inherent part of BACL, subject to the existing encumbrances thereon in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders), without any further act, instrument or deed being required from UDL and/or BACL and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law if any, in accordance with the provisions contained herein.
- 19.2 Without prejudice to the generality of the above, in particular, upon this Scheme becoming effective and from the Appointed Date, Amalgamating Company shall stand amalgamated with BACL in the manner described in the sub-paragraphs below, subject to the existing encumbrances in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders):-
- (i) All the assets (including investments) of the Amalgamating Company, that are movable in nature or incorporeal or intangible in nature or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by transfer or by delivery instructions in relation to dematerialized shares or by vesting and recordal pursuant to the Scheme, including plant, machinery and equipment, shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company, without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement of any third party. The transfer and vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being transferred and vested and the title to such property shall be deemed to have been transferred and vested accordingly.
  - (ii) All other movable properties of Amalgamating Company (except those specified elsewhere in this Clause), including cash and cash equivalents, sundry debts and receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any, with any person or body including without limitation any government, semi-government, local and other authorities and bodies, customers and other persons shall, without any further act,



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instrument or deed required by either of Amalgamating Company or BACL and without any approval or acknowledgement of any third party, become the property of BACL.

- (iii) All immovable properties of Amalgamating Company, if any, and all rights and interests therein, if any, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred and be vested in and/or be deemed to have been transferred vested in BACL and shall become the property and an integral part of BACL, without any further act, instrument or deed being required from Amalgamating Company and/or BACL and without any approval or acknowledgement of any third party. Upon Part C of the Scheme becoming operative on the Effective Date, BACL shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay all rent, charges and taxes and fulfil all obligations in relation to or applicable to such immovable properties.
- (iv) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts of Amalgamating Company or disclosed in the balance sheets of Amalgamating Company shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of BACL without any further act, instrument or deed being required from the Amalgamating Company; and/or BACL and without any approval or acknowledgement of any third party. BACL undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any.
- (v) All loans, advances, trade receivables and other obligations or liabilities due from, or any guarantees or similar obligations undertaken on behalf of Amalgamating Company to / by BACL or vice versa, if any, and all contracts between Amalgamating Company and BACL shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from either Amalgamating Company and/or BACL and without any approval or acknowledgement of any third party. Unless otherwise required under Applicable Laws, no further taxes, fees, duties or charges shall be required to be paid by BACL on account of such cancellation or termination.
- (vi) All incorporeal or intangible property of or in relation to Amalgamating Company shall stand transferred to and vested in BACL and shall become the property and an integral part of BACL without any further act, instrument or deed required by either UDL and/or BACL and without any approval or acknowledgement of any third party.
- (vii) All statutory or regulatory licenses, registrations and permits including without limitation, all such licenses, registrations and permits as set out in, grants, allotments, recommendations, no-objection certificates, permissions, registrations, approvals, certificates, consents, quotas, exemptions, clearances, tenancies, privileges, powers, offices, facilities, entitlements or rights granted/available/renewed/applied for, to or by Amalgamating Company shall stand transferred to and vested in BACL, without any further act, instrument or deed being required by Amalgamating Company and/or BACL and without any approval or acknowledgement of any third party.
- (viii) All workmen and employees of Amalgamating Company, who are on its payrolls shall become employed by BACL with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they were engaged with Amalgamating Company immediately prior to the Effective Date, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund,



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gratuity fund, superannuation fund and any contributions required to be made in relation to employees under any statute or regulation, leave encashment and any other special scheme or benefits created or existing for the benefit of the personnel employed by Amalgamating Company immediately prior to Part C of the Scheme becoming operative on the Effective Date and transferred to BACL, BACL shall stand substituted for Amalgamating Company for all intents and purposes whatsoever, upon Part C of this Scheme becoming operative on the Effective Date, including with regard to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents and/or in accordance with the provisions of Applicable Laws or otherwise. All existing contributions made to such schemes and funds and all benefits accrued thereto shall also stand transferred in the name of BACL and all such benefits and schemes shall be continued by BACL for the benefit of such personnel employed by Amalgamating Company and transferred to BACL, on the same terms and conditions.

- (ix) All rights, entitlements, licenses, applications and registrations relating to trademarks, service marks, copyrights, domain names, brand name, logos, patents and other intellectual property rights of every kind and description, including without limitations, whether registered, unregistered or pending registration, and the goodwill arising therefrom, if any, to which Amalgamating Company is a party or to the benefit of which Amalgamating Company may be eligible or entitled, shall stand transferred to and vested in BACL, and shall become the rights, entitlement or property of BACL and shall be enforceable by or against BACL, as fully and effectually as if, instead of Amalgamating Company, BACL had been a party or beneficiary or obligee thereto or the holder or owner thereof, without any further act, instrument or deed required by either of Amalgamating Company or BACL, and without any approval or acknowledgement of any third party.
- (x) All taxes and duties of whatsoever description (including but not limited to all carry forward tax losses comprising of unabsorbed depreciation, advance tax payments, TDS, TCS, MAT, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, value added tax, GST, sales tax, service tax etc.) payable by or refundable to Amalgamating Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of BACL, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to Amalgamating Company, shall pursuant to this Scheme becoming effective, be available to BACL without any further act, instrument or deed required by either of Amalgamating Company or BACL and without any approval or acknowledgement of any third party but in the manner more particularly set out herein below.
- (xi) BACL shall be entitled to claim the benefit of any and all corporate approvals and limits as may have already been taken by Amalgamating Company, including without limitation, the approvals and limits under Sections 62, 179, 180, 185, 186, 188 etc., of the Act, until the time the same are duly modified by BACL.
- (xii) All books, record files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, designs, catalogues, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records whether in physical form or electronic form or in any other



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form in connection with or relating to Amalgamating Company shall be deemed to have been transferred to or acquired for and on behalf of BACL and shall, upon Part C of this Scheme coming into effect, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in BACL.

- (xiii) BACL shall bear the burden and the benefits of any legal, tax, quasi-judicial, administrative, regulatory or other proceedings initiated by or against Amalgamating Company. If any suit, appeal or other proceeding of whatsoever nature by or against Amalgamating Company shall be pending as on the Effective Date, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the merger of Amalgamating Company and transfer and vesting of the same in BACL or of anything contained in Part C of this Scheme but the proceedings may be continued, prosecuted and enforced by or against BACL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Amalgamating Company as if Part C of this Scheme had not been made effective. Upon Part C of the Scheme becoming effective, BACL undertakes to have such legal or other proceedings initiated by or against Amalgamating Company transferred in its name and to have the same continued, prosecuted and enforced by or against BACL to the exclusion of Amalgamating Company. BACL also undertakes to handle all legal or other proceedings which may be initiated against Amalgamating Company after the Effective Date in its own name and account and further undertakes to pay all amounts including interest, penalties, damages etc., pursuant to such legal/ other proceedings.

## 20. CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE

- 20.1 In the event Part C of this Scheme becomes operative and with effect from the Appointed Date and up to and including the Effective Date:
- (i) Amalgamating Company shall be deemed to have carried on its business activities and stand possessed of the properties and assets of Amalgamating Company, for, on behalf of and in trust for, BACL; and
  - (ii) all profits or income accruing to or received by Amalgamating Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, tax collected at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, value added tax, goods and services tax, sales tax, service tax etc.) or losses arising in or incurred by Amalgamating Company shall, for all purposes, be treated as and deemed to be the profits, income, taxes or losses, as the case may be, of BACL.
- 20.2 BACL shall also be entitled, pending the sanction of this Scheme, to apply to the central government, state government, and all other agencies, departments, statutory authorities and Governmental Authorities concerned, wherever necessary, for such consents, approvals and sanctions which BACL may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for the time being in force for carrying on the business of Amalgamating Company.



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## 21. TREATMENT OF TAXES

- 21.1 Upon Part C of this Scheme becoming operative on the Effective Date and with effect from the Appointed Date, any surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, TDS or TCS and MAT credit, CENVAT credit or, GST Credit, as on the date immediately preceding the Appointed Date will also be transferred from Amalgamating Company to BACL. Any refund under the IT Act or other Applicable Laws dealing with taxes/ duties/ levies, including GST, allocable or related to the business of Amalgamating Company or due to Amalgamating Company, consequent to the assessment made in respect of Amalgamating Company, for which no credit is taken in the book of accounts of Amalgamating Company as on the date immediately preceding the Appointed Date, shall also belong to and be received by BACL and shall be deemed to have been on account of or paid by BACL and the relevant Governmental Authorities shall be bound to transfer to the account of and give credit for the same to BACL upon the approval of this Scheme by the Tribunal and upon relevant proof and documents being provided to the said authorities.
- 21.2 Without prejudice to the generality of the above, deductions, benefits, right to carry forward and set off accumulated losses and unabsorbed depreciation, and credits (including but not limited to MAT/CENVAT credits etc.) under the IT Act, Goods and Services Tax or Service Tax, any other central government / state government incentive schemes etc., to which Amalgamating Company are/ would be entitled to in terms of the Applicable Laws of the central and state government or of any foreign jurisdictions, shall be available to and vest in BACL.
- 21.3 Upon Part C of this Scheme becoming operative on the Effective Date and with effect from the Appointed Date, the tax payments (including without limitation income tax, GST, tax on distribution of dividends, excise duty, central sales tax, custom duty, applicable state value added tax and entry tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source or collected at source by the parties, advance tax or otherwise howsoever, by Amalgamating Company on or after the Appointed Date, shall be deemed to be paid by BACL and BACL shall be entitled to claim credit for such taxes/duties paid against its tax/ duty liabilities, notwithstanding that the certificates/ challans or other documents for payment of such taxes/duties are in the name of Amalgamating Company.
- 21.4 Upon Part C of the Scheme becoming operative on the Effective Date and with effect from the Appointed Date, Amalgamating Company and BACL are expressly permitted to prepare and/or revise, as the case may be, their financial statements and statutory / tax returns along with the prescribed forms, filings and annexures under the IT Act and/or in relation to central sales tax, custom duty, entry tax, applicable state value added tax, GST and other tax laws, if required, to give effect to the provisions of the Scheme.
- 21.5 Upon Part C of this Scheme becoming operative on the Effective Date and with effect from the Appointed Date, all inter-party transactions between Amalgamating Company and BACL shall be considered as intra-party transactions for all purposes (including for tax compliances, credits, refunds, etc.).
- 21.6 Upon Part C of this Scheme becoming operative on the Effective Date and with effect from the Appointed Date, obligation for deduction of tax at source on any payment made by or to be made by Amalgamating Company or for collection of tax at source on any supplies made by or to be made by Amalgamating Company shall be made or deemed to have been made and duly complied with by BACL. Further, any tax deducted at source or collected at source by Amalgamating



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Company and BACL on transactions with each other, if any (from the Appointed Date until Effective Date) and deposited with Governmental Authorities shall be deemed to be advance tax paid by BACL and shall, in all proceedings be dealt with accordingly.

- 21.7 Upon Part C the Scheme becoming operative on the Effective Date and with effect from the Appointed Date, all tax compliances under any tax laws by Amalgamating Company on or after the Appointed Date shall be deemed to be made by BACL.
- 21.8 Upon Part C of this Scheme becoming operative from the Effective Date and with effect from the Appointed Date, all tax assessment proceedings and appeals of whatsoever nature by or against Amalgamating Company, pending or arising as at the Effective Date, shall be continued and/enforced by or against BACL in the same manner and to the same extent as would or might have been continued and enforced by or against Amalgamating Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by the reason of the amalgamation of Amalgamating Company with BACL or anything contained in Part C of this Scheme.
- 21.9 Upon Part C of this Scheme becoming operative on the Effective Date and with effect from the Appointed Date, all the expenses incurred by Amalgamating Company and BACL in relation to the amalgamation of Amalgamating Company with BACL as per this Scheme, including stamp duty expenses and / or transfer charges, if any, shall be allowed as deduction to BACL in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which Part C of the Scheme becomes effective.
- 21.10 Upon Part C of this Scheme becoming operative on the Effective Date and with effect from the Appointed Date, all the deductions otherwise admissible to Amalgamating Company, including payment admissible on actual payment or on deduction of appropriate taxes or on payment of TDS (like Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to BACL upon fulfilment of required conditions under the IT Act.
- 21.11 The amalgamation under this Scheme is in compliance with the IT Act, specifically Section 2(1B) of the IT Act and other relevant provisions thereunder. If any of the terms of this Scheme are inconsistent with the provisions of Sections 2(1B) of the IT Act, the provisions of Sections 2(1B) of the IT Act shall to the extent of such inconsistency, prevail and this Scheme shall, stand and be deemed to be modified to that extent to comply with the said provisions and such modifications shall not affect the other Parts of this Scheme.

## 22. CONDUCT OF AFFAIRS AFTER THE EFFECTIVE DATE

- 22.1 The Amalgamated Company, shall, at any time after Part C of this Scheme becomes operative on the Effective Date, in accordance with the provisions hereof, if so required under any law, contract or otherwise, be entitled to do and take all such actions as may be required to give full effect to the provisions of this Part C and for this purpose the Amalgamated Company shall, under the provisions hereof, be deemed to be authorised on behalf of the Amalgamating Company. Without prejudice to the generality of the above, the Amalgamated Company shall be entitled and deemed to be authorised to:-
- (i) execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement (including without limitation any bank guarantee, performance guarantee, fixed deposit, letters of credit, bill of entry etc.) in relation to which



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the Amalgamating Company have been a party or to the benefit of which the Amalgamating Company may have been entitled, and to make any filings with the Governmental Authorities, in order to give formal effect to the provisions of Part C of the Scheme; and

- (ii) do all such acts or things as may be necessary to effectually transfer/obtain in favour of the Amalgamated Company the approvals, consents, bids, awards, tenders, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates etc. which were held or enjoyed by the Amalgamating Company including without limitation, execute all necessary or desirable writings and confirmations on behalf of the Amalgamating Company and to carry out and perform all such acts, formalities and compliances as may be required in this regard.

- 22.2. The provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or certificate or license or the terms of sanction or issue or any security, all of which instruments and documents shall stand modified and/or superseded by the foregoing provisions.

### 23. SAVING OF CONCLUDED TRANSACTIONS

Except as expressly provided hereunder in this Scheme, the transfer of properties and liabilities to, and the continuance of proceedings by or against, the Amalgamated Company as envisaged in this Part C shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date and after the Appointed Date and until the Effective Date, and to such end and intent the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company in respect thereto as done and executed on behalf of itself.

### 24. DISCHARGE OF CONSIDERATION

- 24.1. Upon Part C of the Scheme becoming operative on the Effective Date, and upon the amalgamation of Amalgamating Company into and with BACL, the Board of Directors (including any committee thereof) of Amalgamating Company shall determine a record date in consultation with Board of Directors (including any committee thereof) of BACL, for the purpose of determining the members of Amalgamating Company to whom shares in BACL will be allotted under the Part C of the Scheme ("Part C Record Date"). BACL shall issue and allot, its equity shares having face value of INR 10 each to the shareholders of Amalgamating Company as on the Part C Record Date ("Part C Equity Shares"), whose names appear in the Register of Members (or records of the registrar and transfer agent) of Amalgamating Company.
- 24.2. Based on (i) the valuation report issued by Mr. Niranjan Kumar, Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137, dated 28<sup>th</sup> June 2023, and (ii) the fairness opinion issued by (a) Kunvarji Finstock Private Limited, an independent SEBI registered Category – I merchant banker on such valuation, dated 28<sup>th</sup> June 2023, and (b) D&A Financial Services Private Limited, an independent SEBI registered Category – I merchant banker on such valuation, dated 28<sup>th</sup> June 2023, the Board of directors have determined the following share exchange ratio for issue of Part C New Equity Shares:



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'1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 14,652 (Fourteen Thousand Six Hundred and Fifty Two only) equity shares held in UDL, having face value of INR 5 each fully paid up.'

- 24.3. In case of any fractional entitlement of shares arising out of the aforesaid share exchange ratio, the Board of Directors (including any committee thereof) of BACL shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next whole number and issue consolidated Part C Equity Shares to a trustee nominated by the Board of Directors of BACL (the "Trustee"), who shall hold such Part C Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price and on such time within ninety (90) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Amalgamated Company, the net sale proceeds (after deduction of applicable taxes and cost incurred) thereof and any additions and accretions, whereupon BACL shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of UDL in proportion to their respective fractional entitlements.
- 24.4. In the event of any increase in the issued, subscribed or paid up share capital of Amalgamating Company or BACL or issuance of any instruments convertible into equity shares or restructuring of its equity share capital including by way of share split/consolidation/issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar action in relation to share capital of Amalgamating Company or BACL at any time before the Part C Record Date, except on account of exercise of the Warrants already issued by BACL, the share exchange ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.
- 24.5. The Part C Equity Shares of BACL issued as per this Clause shall be subject its Memorandum and Articles of Association and shall rank *pari passu* in all respects, including dividend and voting rights, with the existing equity shares of BACL.
- 24.6. On the approval of Part C of the Scheme by the members of BACL pursuant to Sections 230 to 232 of the Act, it shall be deemed that the members of BACL have also accorded their consent under Sections 42 and 62 of the Act and the applicable rules and regulations issued thereunder for the aforesaid issuance of equity shares of BACL, to the eligible shareholders of Amalgamating Company, and all actions taken in accordance with this Clause of this Scheme shall be deemed to be in full compliance of Sections 42 and 62 of the Act and other applicable provisions of the Act and no further resolution or actions under Sections 42 and 62 of the Act or the rules and regulations issued thereunder, including, *inter alia*, issuance of a letter of offer by BACL shall be required to be passed or undertaken.
- 24.7. In accordance with the regulatory requirements, all Part C Equity Shares required to be issued by BACL to the eligible shareholders of Amalgamating Company shall be issued in dematerialized form and shall be credited to the depository account of such equity shareholders of Amalgamating Company to the extent the details of such depository participant accounts have been provided to/are available with Amalgamating Company before the Part C Record Date.
- 24.8. For the purpose of allotment of Part C Equity Shares of BACL, in case any shareholder of Amalgamating Company on the Part C Record Date holds equity shares in Amalgamating Company in physical form and/or details of the depository participant account of such shareholder have not been provided to Amalgamating Company before the Part C Record Date, BACL shall



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not issue its equity shares to such shareholder but shall subject to Applicable Laws, issue the corresponding number of equity shares in dematerialised form, to a demat account held by a trustee nominated by the Board of Directors of BACL or into a suspense account opened in the name of BACL with a depository participant or into an escrow account opened by BACL with a depository, as determined by the Board of BACL. The equity shares of BACL so held in a trustee's account or suspense account or escrow account, as the case may be, shall be transferred to the respective shareholder as per his entitlement once such shareholder provides details of his / her / its depository participant account to BACL in accordance with Applicable Laws, along with such documents as maybe required under Applicable Laws.

- 24.9. Upon the issuance and allotment of equity shares pursuant to the Scheme, BACL shall take necessary steps, including the filing of the applications with the stock exchange where the shares of Resulting Company 2 are listed (i.e. BSE), for the purpose of listing of the Part C Equity Shares of BACL on BSE, in accordance with the Applicable Laws. Shares allotted pursuant to this Scheme may remain frozen in the Depositories system till listing/trading permission is given by the Stock Exchanges.
- 24.10. The issuance of any equity shares under this clause, against such equity shares of Amalgamating Company which are held in abeyance (if any), pending allotment or settlement of dispute by order of Tribunal or otherwise, be held in abeyance by BACL. The equity shares lying in Unclaimed Suspense Account (if any) and the equity shares held in the Investor Education and Protection Fund (if any) shall also be eligible for issuance of equity shares under this clause and such equity shares shall be dealt with in the same manner as equity shares lying in the said Unclaimed Suspense Account and/or the Investor Education and Protection Fund (as the case may be).
- 24.11. The Board of Directors (including any committee thereof) of Amalgamating Company and BACL shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in BACL on account of the difficulties if any in the transition period.

## 25. DISSOLUTION OF AMALGAMATING COMPANY

Upon Part C of this Scheme becoming operative on the Effective Date, Amalgamating Company shall stand automatically dissolved, without being liquidated or wound-up and without requiring any further act, instrument or deed from the Amalgamating Company and/or the Amalgamated Company.

## 26. ACCOUNTING TREATMENT

Upon Part C of the Scheme becoming operative on the Effective Date, with effect from the Appointed Date, the Amalgamated Company shall account for the amalgamation of Amalgamating Company in its books of accounts in accordance with principles as laid down in Appendix C to the Indian Accounting Standards 103 (Business Combinations) notified under Section 133 of the Act and under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, such that:



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- (i) All assets and liabilities of the Amalgamating Company shall be recorded by the Amalgamated Company at their respective book values as appearing in the books of the Amalgamating Company as on the Appointed Date;
- (ii) The identity of the reserves standing in the books of accounts of the Amalgamating Company shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form, as they appeared in the financial statements of the Amalgamating Company. As a result of preserving the identity, the reserves which are available for distribution before the amalgamation would also be available for distribution as dividend after amalgamation. The balance of the reserves appearing in the financial statements of the Amalgamating Company as on the Appointed Date will be aggregated with the corresponding balance appearing in the financial statements of the Amalgamated Company.
- (iii) Inter-corporate deposits / loans and advances / balances outstanding, if any, between the Amalgamated Company and the Amalgamating Company shall stand cancelled and there shall be no further obligation in this regard.
- (iv) Entire inter-company investments held by the Amalgamated Company in the Amalgamating Company shall stand cancelled.
- (v) The Amalgamated Company shall credit to its share capital and record the Part C New Equity Shares issued and allotted by it pursuant to Clause 24 of the Scheme.
- (vi) The surplus or deficit of the value of assets over the value of liabilities and reserves of the Amalgamating Company, pursuant to the amalgamation of Amalgamating Company with and into Amalgamated Company and as recorded in the books of accounts of Amalgamated Company shall after adjusting for cancellation of inter-company investments and other adjustments (if any) be recorded as Capital Reserve in the books of Amalgamated Company (debit or credit, as the case may be).
- (vii) Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Amalgamated Company in consultation with its Statutory Auditors, shall be allowed to account for any of these balances in any manner whatsoever as may be deemed fit in accordance with the applicable accounting standards as notified under section 133 of the Companies Act, 2013 and / or generally accepted accounting principles and / or the clarifications issued by the ICAI.

## 27. CHANGE IN AUTHORISED SHARE CAPITAL OF THE AMALGAMATED COMPANY

27.1. Upon this Scheme becoming operative on the Effective Date, the authorised share capital of UDL (**Amalgamating Company**) as on the Effective Date shall stand transferred to and be merged/amalgamated with the authorised share capital of BACL (**Amalgamated Company**), and the fee, if any, paid by the Amalgamating Company on its authorised share capital shall be set off against any fee payable by the Amalgamated Company on such increase in its authorised share capital, consequent to this Scheme.

27.2. Upon this Scheme becoming operative on the Effective Date, the authorized share capital of



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Amalgamated Company of INR 3,74,55,20,000 (Rupees Three Hundred Seventy Four Crores Fifty Five Lakh Twenty Thousand only) divided into 22,45,52,000 (Twenty Two Crores Forty Five Lakhs Fifty Two Thousand only) equity shares having face value of INR 10 (Rupees Ten) each and 1,50,00,000 (One Crore Fifty Lakh only) Redeemable Cumulative Preference Shares having face of INR 100 (Rupees Hundred) each, in terms of Clause 5 of its Memorandum of Association shall stand enhanced to INR 3,95,55,20,000 (Rupees Three Hundred Ninety Five Crores Fifty Five Lakh Twenty Thousand only) divided into 23,95,52,000 (Twenty Three Crores Ninety Five Lakhs Fifty Two Thousand only) equity shares having face value of INR 10 (Rupees Ten) each and 1,56,00,000 (One Crore Fifty Six Lakh only) Redeemable Cumulative Preference Shares having face of INR 100 (Rupees One Hundred only) each, without any further act or deed by the Amalgamated Company, except payment of necessary stamp duties and RoC fees, if payable after taking into consideration the fees already paid by the Amalgamating Company.

- 27.3. Subsequent to enhancement of the authorized share capital of the Amalgamated Company as contemplated in Clause 27.2 above, the authorized share capital clause of the Memorandum of Association (Clause 5) of the Amalgamated Company shall stand modified and read as follows:-

*"The Authorised Share Capital of the Company is Rs. 3,95,55,20,000 (Rupees Three Hundred Ninety Five Crores Fifty Five Lakh Twenty Thousand only) divided into 23,95,52,000 Equity Shares of Rs. 10/- each and 1,56,00,000 Cumulative Redeemable Preference Shares of Rs. 100/- each and the Company shall have the power to issue shares at par or at a premium or at a discount and shall also have the power to increase or reduce its capital and to divide the capital for the time being into several classes and attach thereto respectively such preferential, qualified, deferred, non-voting or special rights, privileges, conditions or restrictions attached thereto as may be permissible by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force, and to vary, modify or abrogate such rights, privileges, or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company, for the time being in force."*

- 27.4. It is hereby clarified that the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting amendment in the authorized share capital of the Amalgamated Company and consequential amendments in Clause 5 of its Memorandum of Association, and all actions taken in accordance with this Clause 27 of this Scheme shall be deemed to be in full compliance of Sections 13, 14, 61 and 64 of the Act and other applicable provisions of the Act and that no further resolutions or actions under Sections 13, 14, 61 and 64 of the Act and/or any other applicable provisions of the Act, would be required to be separately passed or undertaken by the Amalgamated Company.



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**PART D**  
**GENERAL TERMS AND CONDITIONS**

**28. CONDITIONALITY OF THE SCHEME**

28.1. The effectiveness of this Scheme or any Part thereof, is conditional upon and subject to the following:

- (a) this Scheme being approved by the requisite majorities of such classes of shareholders and creditors of the Participating Companies as may be required under Applicable Laws or as may be directed by the Tribunal;
- (b) receipt of an 'Observation Letter' or a 'No-objection Letter' from the designated stock exchange on the Scheme, as required under Applicable Laws;
- (c) this Scheme being approved by the public shareholders of the Demerged Company and Amalgamated Company through e-voting in terms of Para (A)(10)(b) of Part I of the SEBI Scheme Circular and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes by the public shareholders against it;
- (d) the sanction of the Scheme or any Part thereof, by the Tribunal;
- (e) the receipt of such other approvals including approvals of any Governmental Authority as may be necessary under Applicable Laws or under any material contract to make this Scheme or the relevant Part of this Scheme effective; and
- (f) the certified copies of the order of the Tribunal sanctioning this Scheme (wholly or partially) being filed with the Registrar of Companies by each of the relevant Participating Companies.

**29. EFFECTIVENESS OF THE SCHEME**

Subject to Clause 32 of this Scheme, upon this Scheme becoming operative on the Effective Date, the following shall be deemed to have occurred on the Appointed Date and shall become effective and operative in the sequence and in the order mentioned hereunder:

- (i) Demerger of the Demerged Undertaking and vesting of the same into and with Resulting Company I in accordance with Part B of this Scheme;
- (ii) Amalgamation of the Amalgamating Company into and with Amalgamated Company and Dissolution of Amalgamating Company in accordance with Part C of this Scheme;

**30. PROPERTY IN TRUST**

Notwithstanding anything contained in this Scheme, on or after the Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking, as the case may be, are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Resulting Company I, as the case may be, Resulting Company I is



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deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the relevant Parties, the Demerged/ Amalgamated Company (as the case may be) will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of Resulting Company, as the case may be.

### 31. APPLICATIONS

- 31.1. Participating Companies shall make applications and/or petitions under sections 230-232 and other applicable provisions of the Act to the Competent Authority for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.
- 31.2. Upon this Scheme becoming effective, the shareholders and the creditors of the Participating Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the specific provisions contained in this Scheme. The Participating Companies shall also make all other necessary applications before the Competent Authority for sanction of this Scheme.
- 31.3. The Participating Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any appropriate authority, if required, under any Applicable Law *inter-alia* including SEBI Regulations, for such consents and approvals, as agreed between the Participating Companies, which the Participating Companies may require to effect the transactions contemplated under this Scheme, in any case subject to the terms as may be mutually agreed between the Participating Companies.

### 32. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 32.1 The Participating Companies, acting through their respective Boards of Directors or committees or such other person or persons, as the respective Board of Directors may authorize, may assent to any modifications or amendments to this Scheme, in any manner including for the avoidance of doubt any Part thereof, which the Tribunal, SEBI and/or any other Governmental Authorities may deem fit to direct or impose, or which may otherwise be considered necessary or desirable in the absolute discretion of the respective Board of Directors or committees thereof or such other person or persons of the Participating Companies as the respective Board of Directors may authorize, for settling any question or doubt or difficulty that may arise in implementing and/or carrying out this Scheme. The Participating Companies, acting through their respective Boards of Directors, be and are hereby authorized to take all such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Tribunal or of any directive or orders of SEBI, or RBI or any other Governmental Authorities or otherwise howsoever, arising, out of, under, or by virtue of this Scheme and/or any matters related to or connected therewith.
- 32.2 If, at any time, before or after the Effective Date, any provision(s) or Part(s) of this Scheme are found to be, or interpreted to be, invalid or illegal or inconsistent with any Applicable Law(s), or rejected, or unreasonably delayed, or not sanctioned by the Tribunal or is or becomes unenforceable, under present or future Applicable Law(s), or due to any change in any Applicable Law(s), then it is the



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intention of the Participating Companies that such Part(s) shall be severable from the remainder of this Scheme and subject to Clause 32.1 other parts / provisions of this Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to any of the Participating Companies in the sole opinion of the Board of Directors of the relevant Participating Companies. In such a case, the Participating Companies, acting through their respective Boards of Directors or committees or such other person or persons, as the respective Board of Directors may authorize, may at their discretion, either bring about such modification in this Scheme, as is likely to best preserve for the relevant Participating Companies, the benefits and obligations of this Scheme and/or withdraw the Scheme or any Part thereof, wholly or partially.

- 32.3 The Participating Companies, acting through their respective Boards of Directors or committees or such other person or persons, as the respective Board of Directors may authorize, shall be at the liberty to withdraw this Scheme, including for the avoidance of doubt any Part(s) thereof, in any manner, at any time as may be mutually agreed between them prior to the Effective Date. In such a case, each of the Participating Companies shall respectively bear their own cost or as may be mutually agreed. In the event any Part(s) or provision(s) of this Scheme are withdrawn and the Participating Companies decide to implement the remaining Part(s) or provision(s) of this Scheme, to the extent of such withdrawn provision(s), this Scheme shall become null and void and no rights or liabilities whatsoever shall accrue to, or incurred by, the relevant Participating Companies, their respective shareholders and/or creditors and/or any other persons with respect to such provisions or Part(s) of the Scheme. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, any one of the company shall not be entitled to withdraw the Scheme unilaterally: (a) without the prior written consent of the other company(ies); or (b) unless such withdrawal is in accordance with written agreement entered into between the Participating Companies, if any.

### 33. EFFECT OF NON-RECEIPT OF APPROVALS/SEVERABILITY

- 33.1 In the event any of the sanctions, consents or approvals referred to in Clause 28 above are not obtained or received and/or the Scheme, or any Part(s) thereof, has not been sanctioned by the Tribunal the Board of Directors of each of the Participating Companies, shall, by mutual agreement, determine whether:
- (a) this Scheme shall stand revoked and cancelled in entirety and shall be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or under Applicable Laws and in such event, each Company shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme; or
  - (b) such Part shall be severable from the remainder of the Scheme and the remainder of the Scheme shall not be affected thereby, unless the deletion of such Part shall cause the Scheme to become materially adverse to any Company, in which case each of the Participating Companies, (acting through their respective Boards of Directors or committees or such other person or persons, as the respective Board of Directors may authorize) shall attempt to bring about a modification in the Scheme, as will best preserve for the Participating Companies, the benefits and obligations of this Scheme, including but not limited to such Part. Provided, however, that no modification to the Scheme shall be made which adversely affects the rights or interests of the creditors, without seeking their approvals.



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- 33.2 For the avoidance of doubt, it is clarified that, notwithstanding the above, the non-receipt of any sanctions, consents or approvals in connection with (a) Part B of the Scheme, shall not affect the effectiveness of Part C, Part D and of the Scheme; (b) Part C of the Scheme shall not affect the effectiveness of Part B, Part D of the Scheme.

#### 34 CAPITAL AND DIVIDENDS

- 34.1 Nothing in this Scheme shall be interpreted to restrict the ability of any of the Participating Companies to declare and/or pay reasonable dividends, whether interim and/or final or issue bonus shares, to their respective shareholders prior to the Effective Date.
- 34.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Participating Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Participating Companies, and if applicable as per the provisions of the Act, shall also be subject to the approval of the shareholders of the relevant Company or Participating Companies.
- 34.3 Nothing in this Scheme shall be interpreted to restrict the ability of any of the Participating Companies to raise capital or funds whether by way of equity or debt, in any manner whatsoever, at any time prior to the Effective Date.

#### 35 COSTS

All costs, charges, taxes including stamp duty, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with implementing of this Scheme and matters incidental thereto shall be borne by the Demerged Company or Amalgamated Company.



**Annexure I**

Location	Plot Number	Area (Hectare)
Village Chhoya, Tehsil Hasanpur, Dist. Moradabad, UP	152	0.295
	155	0.295
	156	0.595
Village Daudpur Buzurg, Tehsil Hasanpur, Dist. Moradabad, UP	1	0.316
	2	0.316
	5	0.725
	6	0.975
	8	0.235
	9	0.279
	10	0.652
	11	1.141
	15	0.486
	17	0.283
	18	0.417
Village Firozpur Gandawali, Paragana Hasanpur, Dist. Moradabad, UP	61	1.255



*Pankaj*

A handwritten signature in black ink, appearing to be "Pankaj".

**Niranjan Kumar**

Registered Valuer - Securities or Financial Assets

Date: 28 June 2023

To,  
The Board of Directors,  
Umang Dairies Limited,  
Gajraula Hasanpur Road,  
Gajraula Jyotiba Phule Nagar,  
Amroha, Uttar Pradesh 244235.

To,  
The Board of Directors,  
Bengal & Assam Company Limited,  
7, Council House Street Kolkata,  
West Bengal 700001.

To,  
The Board of Directors,  
Panchmahal Properties Limited,  
Nehru House 4, Bahadur Shah Zafar Marg,  
New Delhi 110002

**Subject: Recommendation of share entitlement ratio for the proposed demerger of the 'Dairy Business' of Umang Dairies Limited ('UDL') into Panchmahal Properties Limited ('PPL').**

**Recommendation of share exchange ratio for the proposed amalgamation of Umang Dairies Limited ('UDL') (post proposed demerger of Dairy Business) with Bengal & Assam Company Limited ('BACL')**

Dear Sir/Madam,

We refer to the engagement letter dated 18 May 2023 and discussion undertaken with the Management of Umang Dairies Limited ('UDL' or 'Demerged Company' or 'Amalgamating Company'), Bengal & Assam Company Limited ('BACL' or 'Resulting Company 2' or 'Amalgamated Company'), Panchmahal Properties Limited ('PPL' or 'Resulting Company 1') (hereinafter together referred to as 'the Management'), wherein the Management has requested Niranjan Kumar, Registered Valuer - Securities or Financial Assets ('NK') to undertake a valuation exercise and recommend:

1. Share entitlement ratio for the proposed demerger of 'Dairy Business' of UDL ('Demerged Company') into PPL ('Resulting Company 1') (hereinafter referred to as 'proposed demerger') in Step 1; and
2. Share exchange ratio for the proposed amalgamation of UDL (post giving effect of proposed demerger in Step 1) (Amalgamating Company) with BACL (Amalgamated Company) (hereinafter referred to as 'proposed amalgamation') in Step 2.

Hereinafter the Management including the Board of Directors of UDL, PPL and BACL shall together be referred to as 'the Management'; and Amalgamating Company / Demerged Company, Resulting Company 1 and Amalgamated Company / Resulting Company 2 shall together be referred to as 'Transacting Companies'.

Please find enclosed the report (comprising 21 pages including annexures) detailing our recommendation of share entitlement ratio for the proposed demerger and share exchange ratio for the proposed amalgamation, the methodologies employed, and the assumptions used in our analysis.

This report sets out our scope of work, background, sources of information, procedures performed by us and our recommendation of share entitlement ratio and share exchange ratio.



## **COMPANY BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT**

**Umang Dairies Limited ('UDL' or 'Demerged Company' or 'Amalgamating Company')** was incorporated on 02 December 1992 and is engaged in the dairy business, wherein it processes and sells milk and milk products. Its product portfolio includes milk powder, butter, ghee, fresh cream and other value added products (hereinafter referred to as 'Dairy Business'). UDL also undertakes trading activity. The equity shares of UDL are listed and traded on BSE and NSE.

**Bengal & Assam Company Limited ('BACL' or 'Amalgamated Company' or 'Resulting Company 2')** was incorporated on 30 January 1947 and is a Core Investment Company-Non-Deposit Taking-Systemically Important (CIC-ND-SI) company registered with the Reserve Bank of India (RBI). It holds investments in various subsidiaries, associates, other group companies, equity shares, mutual funds, etc. The equity shares of BACL are listed and traded on BSE. BACL holds 55.3% equity stake in UDL.

**Panchmahal Properties Limited ('PPL' or 'Resulting Company 1')** was incorporated on 23 May 1995. PPL is a wholly owned subsidiary of BACL.

We understand that the Management of Transacting Companies are contemplating a Scheme of Arrangement, wherein they intend to:

1. Demerge the 'Dairy Business' of UDL ('Demerged Company') into PPL ('Resulting Company 1') (hereinafter referred to as 'proposed demerger') in Step 1; and
2. Post proposed demerger in Step 1, Amalgamate UDL ('Amalgamating Company') into BACL ('Amalgamated Company') (hereinafter referred to as 'proposed amalgamation') in Step 2.

[both proposed demerger and amalgamation together referred to as Proposed Transaction]

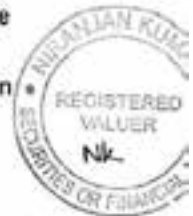
in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued therein, in each case, as amended from time to time, and in a manner provided in the Draft Scheme of Arrangement ('the Scheme').

The rationale of the proposed demerger as mentioned in the Scheme and confirmed by the Management is to facilitate growth of Dairy Business of UDL through concentrated approach and increased operational focus. The proposed demerger will enable the structure for attracting strategic partners / investors for the Dairy business and optimum utilization of resources and achieve greater degree of operational efficiency. Further, the proposed amalgamation would result in simplified and streamlined holding structure and help in optimizing the resources and thereby reducing the compliances.

We understand that as a consideration:

- i) for the proposed demerger under Part B of the Scheme, equity shares of BACL (Holding Company of PPL) would be issued to equity shareholders of the Demerged Company; and
- ii) for the proposed amalgamation under Part C of the Scheme, equity shares of Amalgamated Company (BACL) would be issued to equity shareholders of the Amalgamating Company (UDL).

Further, as a part of the Scheme, the entire shareholding of Amalgamated Company held in Amalgamating Company shall stand cancelled.



The equity shares to be issued for the aforesaid proposed demerger and proposed amalgamation will be based on the share entitlement/ exchange ratio as determined by the Board of Directors on the basis of valuation report prepared by a Registered Valuer as required under the applicable provisions of the Companies Act, 2013.

In connection with the above-mentioned proposed transaction, the Management has appointed Niranjn Kumar, Registered Valuer – Securities or Financial Assets ("NK") to submit a report recommending share entitlement/ exchange ratio for the proposed transaction.

We would like to emphasize that certain terms of the proposed demerger and proposed amalgamation are stated in our report, however the detailed terms of the proposed demerger and proposed amalgamation shall be more fully described and explained in the Scheme of Arrangement to be submitted with relevant authorities in relation to proposed demerger and proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme document.

We understand that the appointed date for the proposed demerger and proposed amalgamation shall be 01 April 2023 as defined in the Scheme or such other date as the competent authority may direct or approve. We have determined the share entitlement/exchange ratio for the proposed demerger and amalgamation as at 27 June 2023 (Valuation Date).

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of BACL, UDL (post proposed demerger) and fair value of the Dairy Business of UDL using internationally accepted valuation methodologies as may be applicable to BACL, UDL (post proposed demerger) and the Dairy Business of UDL and then arrive at the share entitlement/ exchange ratio and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI) and requirement prescribed by the Regulations applicable to listed companies as prescribed by SEBI.

The Management have informed us that:

- a) With effect from the appointed date, and up to and including the effective date, there would not be any capital variation in the Transacting Companies except by mutual consent of the Board of Directors of Transacting Companies or such other events as contemplated in the Scheme.
- b) Till the proposed demerger and proposed amalgamation becomes effective, neither of the Transacting Companies would declare any dividend which are materially different from those declared in the past few years. Any variance would need to be approved by the Board of Directors of Transacting Companies.
- c) There are no unusual/ abnormal events in the Transacting Companies other than those represented to us by the Management till the report date materially impacting their operating / financial performance.
- d) There would be no significant variation between the Draft Scheme of Arrangement and the final scheme approved and submitted with the relevant authorities.

We have been informed that, in the event either of the Transacting Companies restructure their equity share capital by way of share split/ consolidation/ issue of bonus shares/ merger/ demerger/ reduction of share capital before the Scheme becomes effective, the issue of



shares pursuant to the share entitlement/ exchange ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.

#### **BACKGROUND OF VALUER**

I am registered with the Insolvency and Bankruptcy Board of India (IBBI), as a Registered Valuer for asset class - 'Securities or Financial Assets' with Registration No. IBBI/RV/06/2018/10137 located at N5 - 1003, Hills and Dales Ph 3, NIBM Annexe, Pune - 411060. I am also a practicing Chartered Accountant since 2008 and registered with The Institute of Chartered Accountants of India ('ICAI').

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## SOURCES OF INFORMATION

In connection with the recommendation of share entitlement/ exchange ratio, we have used the following information obtained from the Management and/or gathered from public domain:

### A. Company specific information:

Information provided by the Management which includes:

- Audited financial statements of BACL and UDL for the financial year ended 31 March 2023 ('FY23');
- Management certified segmental financial statements of UDL (i.e. split between Dairy Business and remaining business) for the financial year ended 31 March 2023 ('FY23');
- Audited financial statements of JK Fenner Limited ('JKF'), LVP Foods Private Limited ('LFPL'), Divyashree Company Private Limited ('DCPL'), PPL, JK Insurance Brokers Limited ('JKIBL'), CliniRx Research Private Limited ('CRPL') for the financial year ended 31 March 2023;
- Shareholding pattern of BACL, PPL and UDL as at report date;
- Terms of redeemable preference shares issued by BACL, Hari Shankar Singhania Holdings Private Limited ('HSSHPL') and Terrestrial Foods Limited ('TFL') and outstanding as at report date including dividend rate, redemption terms, tenure, etc.;
- Financial projections of Dairy Business of UDL and JKF from 01 April 2023 to 31 March 2027 ('Management Projections') which represent Management's best estimate of the future financial performance of Dairy Business and JKF;
- Demat account statement of BACL as at 10 June 2023;
- Valuation report dated 24 June 2023 issued by Er. Ratan Dev Garg, IBBI Registered Valuer, Land and Building with respect to fair value of immovable property held as investment properties by BACL and DCPL;
- Valuation report dated 13 April 2023 issued by Er. Ram Doss Nagalingam, IBBI Registered Valuer, Land and Building with respect to fair value of immovable property held as investment properties by JKF;
- Valuation report dated 26 June 2023 issued by Devang Shah, IBBI Registered Valuer, Plant and Machinery with respect to fair value of fixed assets held by UDL (post giving effect to proposed demerger);
- Draft Scheme of Arrangement between the Transacting Companies pursuant to which proposed transaction is to be undertaken;
- Discussions and correspondence with the Management in connection with business operations, past trends, proposed future business plans and prospects, realizability of assets, etc. of Transacting Companies and their investee companies.

### B. Industry and economy information:

- Information available in public domain and databases such as Capital IQ, NSE, BSE etc.; and
- Such other information and documents as provided by the Management for the purpose of this engagement.





Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Management.

The Management of the Transacting Companies have been provided with the opportunity to review the draft report (excluding the recommended share entitlement/ exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our report.

BACL and UDL have informed us that D&A Financial Services (P) Limited and Kunvarji Finstock Private Limited (individually or together referred to as 'Fairness Team') have been appointed by the companies respectively to provide fairness opinion on the share entitlement/share exchange ratio for the proposed demerger and proposed amalgamation. Further, at the request of the Transacting Companies, we have had discussions with Fairness Team in respect of our valuation analysis.

### **PROCEDURES ADOPTED**

Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the Management to:
  - Understand the business and fundamental factors that affect the business of BACL, UDL and the Dairy Business of UDL including their earning generating capability and historical financial performance.
  - Enquire about the historical financial performance, current state of affairs, business plans and the future performance estimates.
- Reviewed the Draft Scheme of Arrangement between the Transacting Companies;
- Reviewed audited financial statements of BACL and UDL for the financial year ended 31 March 2023 ('FY23');
- Reviewed audited financial statements of JKF, LFPL, DCPL, PPL, JKIBL, CRPL for the financial year ended 31 March 2023;
- Reviewed the management certified segmental financial statement of UDL (i.e. split between Dairy Business and remaining business) for the financial year ended 31 March 2023 ('FY23');
- Reviewed terms of preference shares issued by BACL, HSSHPL and TFL including dividend rate, redemption terms, tenure, etc.;
- Reviewed the financial projections provided by the Management for Dairy Business of UDL and JKF including understanding basis of preparation and the underlying assumptions;
- Discussions with the Management with respect to realizability of the assets (excluding immovable property and investments) and adjustments, if any required to their existing carrying values as appearing in the financial statements of BACL, UDL (post proposed demerger) and unlisted investee companies;
- Discussion with Management in relation to existence of any liabilities, including contingent liabilities, of which an outflow has been perceived in addition to the liabilities appearing in the financial statements of BACL, UDL (post proposed demerger) and unlisted investee companies;



- Reviewed and considered valuation report dated 24 June 2023 issued by Er. Ratan Dev Garg, IBBI Registered Valuer, Land and Building with respect to fair value of immovable property held as investment properties by BACL and DCPL;
- Reviewed and considered valuation report dated 13 April 2023 prepared and issued by Er. Ram Doss Nagalingam, IBBI Registered Valuer, Land and Building with respect to fair value of immovable property held as investment properties by JKF;
- Reviewed and considered valuation report dated 26 June 2023 issued by Devang Shah, IBBI Registered Valuer, Plant and Machinery with respect to fair value of fixed assets held by UDL (post proposed demerger);
- Identification of suitable comparable companies for JKF in discussion with the Management;
- Obtained and analysed data of comparable companies available in public domain or proprietary databases subscribed by us; as deemed relevant by us for the purpose of the present exercise;
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and consideration to the sector in which BACL and the Dairy Business of UDL operates and analysis of their business operations and financial performance;
- Arrived at valuation of BACL, the Dairy Business and UDL (post proposed demerger) using the method/(s) considered appropriate and giving appropriate weightage to the value arrived under different methods;
- Arrived at the fair share entitlement ratio for the proposed demerger of the 'Dairy Business' of UDL into PPL;
- Arrived at the fair share exchange ratio for the proposed amalgamation of UDL (post proposed demerger) into BACL.



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### Company Overview

**Umang Dairies Limited ('UDL' or 'Demerged Company')** is engaged in the dairy business, wherein it processes and sells milk and milk products. Its product portfolio includes milk powder, butter, ghee, fresh cream and other value added products (hereinafter referred to as 'Dairy Business' or 'Demerged Business'). UDL also undertakes trading activity. The equity shares of UDL are listed and traded on BSE and NSE.

Majority of revenue for the Demerged Undertaking is derived from sale of milk powder to retail customers through its network of distributors and retailers predominantly sold in the north and north-eastern region of India. It also supplies its products to HORECA, hospitals, airlines, large corporates, etc. The Demerged Undertaking also provides private labelling services.

The manufacturing facility of Dairy Business of UDL is located in Gajraula, Uttar Pradesh. It has a capacity to process 4.5 lakh litres of milk per day.

**Financial snapshot of Dairy Business of UDL is set out below:**

INR in million

Particulars	FY21	FY22	FY23
Revenue	2,479.3	2,040.1	2,928.3
EBITDA (excluding other income)	136.0	(143.0)	35.1
PBT (including other income)	60.9	(196.9)	(44.8)
PAT	41.0	(142.6)	(32.6)
Net debt	376.1	542.4	539.2

FYXX: Financial year ended 31 March 20XX

The revenue has grown from INR 2,479.3 million in FY21 to INR 2,928.3 million in FY23 at a CAGR of ~8.7%. Historically, the Dairy Business of UDL has been earning profits and generating surplus cash except in FY22.

Based on our discussion with the Management, we understand that the Dairy Business of UDL incurred losses in the previous year due to an increase in raw material costs in FY22 that could not be passed on to customers immediately. The Management has informed us that during FY23, it began to gradually pass on the increase in raw material costs at periodic intervals to customers which has resulted in decrease in losses in FY23.

**Bengal & Assam Company Limited ('BACL' or 'Amalgamated Company')** is a core investment company, duly registered as a NBFC with Reserve Bank of India. It holds investment in subsidiaries, associates, other group companies, quoted equity shares, mutual funds, etc. Key investments of BACL include investment in listed group companies viz., JK Tyre & Industries Limited, JK Paper Limited, Umang Dairies Limited, JK Agri Genetics Limited and JK Lakshmi Cement Limited and unlisted company i.e. JK Fenner India Limited. The equity shares of BACL are listed and traded on BSE. BACL holds 55.3% equity stake in UDL.

**Financial snapshot of BACL is set out below:**

INR in million

Particulars	FY21	FY22	FY23
Revenue*	571.9	1,028.6	1,440.4
EBITDA (excluding other income)	508.3	958.1	1,356.5
PBT (including other income)	236.1	762.3	1,477.0
PAT	232.6	612.8	1,218.5
Net Debt	4,000.9	2,595.6	1,672.5
Book value of net assets	8,356.1	8,940.1	10,002.2

FYXX: Financial year ended 31 March 20XX

\*Mainly comprise of dividend and interest income.



**Overview of key investee companies:**

**A) Listed:**

1. **JK Tyre & Industries Limited ('JKTIL')** was incorporated on 14 February 1951 and is engaged in the business of development, manufacture, marketing, and distribution of automotive tyres, tubes and flaps. It offers passenger car tyre, commercial tyre for truck and buses, farm tyre, three-wheeler tyre and off the road tyres. The equity shares of JKTIL are listed on NSE and BSE.
2. **JK Paper Limited ('JKPL')** was incorporated on 04 July 1960 and is engaged in production and selling of papers and paper boards. JKPL offers various products like office papers, uncoated paper, coated paper, and packaging board. It offers a range of office papers from economy to premium grades. The equity shares of JKPL are listed on NSE and BSE.
3. **JK Agri Genetics Limited ('JKAGL')** (formerly known as Florence Alumina Limited,) was incorporated on 06 March 2000 and is engaged in manufacturing and supplying of seeds. It offers field crop seeds, as well as fodder crop seeds and plant growth solutions. The equity shares of JKAGL are listed on BSE.
4. **JK Lakshmi Cement Limited ('JKLCL')** (formerly known as JK Corp Limited,) was incorporated on 06 August 1938 and is engaged in the business of manufacturing cement and related products. The equity shares of JKLCL are listed on NSE and BSE.

**B) Unlisted:**

**J.K. Fenner India Ltd. ('JKF')** (formerly known as Fenner India Limited,) was incorporated on 09 April 1992 and is engaged in the business of developing, manufacturing, trading, marketing and distribution of power transmission belts, oil seals, hoses, engineering products and other auto component products. Its product portfolio comprise of power transmission belt, valve component, gear boxes/ geared motors, track assembly, gen 1 & 2 auto tensioner, idler assembly, wheel hub motor, etc.

JKF markets its products for sale to industrial and vehicle manufacturers for fitment as original equipments and for sale in replacement markets worldwide. JKF has five manufacturing plants located in India at Madurai, Sriperumpudur, Nilakkottai, Patancheru and Pashamailaram. JKF sells its product across various business segment which include OEM, auto after market, industrial product division, engineering division and export etc. BACL holds 88.18% equity stake in JKF.

**Financial snapshot of JKF is set out below:**

INR in million

Particulars	FY21	FY22	FY23
Revenue	7,785.8	10,506.0	12,196.1
EBITDA (excluding other income)	1,135.8	1,591.5	1,862.3
PBT (including other income)	942.1	1,362.8	1,588.4
PAT	659.6	956.3	1,113.6
Net debt	1,393.1	1,233.7	2,474.7

FYXX: Financial year ended 31 March 20XX



## SHAREHOLDING PATTERN OF TRANSACTING COMPANIES

### a) Umang Dairies Limited ('UDL' or 'Demerged Company' or 'Amalgamating Company')

The equity shareholding pattern of UDL as at report date is set out below:

Category of shareholders	Number of shares (Face value of INR 5 each)	Percentage %
Promoter and Promoter Group	1,64,16,234	74.6%
Public	55,86,966	25.4%
<b>Total</b>	<b>2,20,03,200</b>	<b>100.0%</b>

\*Of the promoter group, 1,21,68,430 (~55.3% equity stake) are held by BACL which we understand that upon Part C of the Scheme being effective, shall stand cancelled and no equity shares shall be issued to that extent. Also, no equity shares shall be issued to BACL upon Part B of the Scheme being effective.

### b) Bengal & Assam Company Limited ('BACL' or 'Amalgamated Company' or 'Resulting Company 2')

The equity shareholding pattern of BACL as at report date is set out below:

Category of shareholders	Number of shares (Face value of INR 10 each)	Percentage %
Promoter and Promoter group	82,07,462	72.7%
Public	30,88,866	27.3%
<b>Total</b>	<b>1,12,96,328</b>	<b>100.0%</b>

The preference shareholding pattern of BACL as at report date is set out below:

Category of shareholders	Number of shares (Face value of INR 100 each)	Percentage %
JK Enviro Tech Limited	65,00,000	57.5%
<b>Total</b>	<b>65,00,000</b>	<b>57.5%</b>

### c) Panchmahal Properties Limited ('PPL' or 'Resulting Company 1')

The equity shareholding pattern of PPL as at report date is set out below:

Name of shareholders	Number of shares (Face value of INR 10 each)	Percentage %
Bengal & Assam Company Limited*	3,51,230	100.0%
<b>Total</b>	<b>3,51,230</b>	<b>100.0%</b>

\*60 shares are being held by other shareholders jointly with BACL.

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### **SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS**

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

This report, its contents and the results herein are specific and subject to:

- the purpose of valuation agreed as per the terms of this engagement;
- the date of this report;
- draft Scheme of Arrangement;
- shareholding pattern of BACL, PPL and UDL as at report date;
- audited financial statements of BACL and UDL for the financial year ended 31 March 2023;
- management certified segmental financial statements of UDL (i.e. split between Dairy Business of UDL and remaining business) for the financial year ended 31 March 2023;
- audited financial statements of JKF, LFPL, DCPL, PPL, JKIBL, CRPL for the financial year ended 31 March 2023;
- realization of cash flow projections as provided by the Management for Dairy Business of UDL and JKF and the assumptions underlying the financial projections;
- terms of preference shares issued by BACL, HSSHPL and TFL including dividend rate, redemption terms, tenure, etc.;
- realizability of the assets (except immovable property and investments) at the values carried in the books of accounts of Transacting Companies and their investee companies;
- no additional outflow towards liabilities including contingent liabilities other than those recorded in the books of accounts;
- realizability of immovable property held by BACL and DCPL at the fair value estimated by Er. Ratan Dev Garg, IBBI registered valuer vide valuation report dated 24 June 2023;
- realizability of immovable property held by JKF at the fair value estimated by Er. Ram Doss Nagalingam, IBBI registered valuer vide valuation report dated 13 April 2023;
- realizability of fixed assets of remaining business of UDL at the fair value estimated by Devang Shah, IBBI registered valuer vide valuation report dated 26 June 2023;
- accuracy of the information available in public domain with respect to the comparable companies identified including financial information;
- market price reflecting the fair value of the underlying equity shares of BACL and UDL; and
- data detailed in the section- Sources of Information.

We have been informed that the business activities of the Transacting Companies including the Demerged Business have been carried out in the normal and ordinary course between the latest available financials and the report date and that no material changes have occurred in



their respective operations and financial position between the latest available financial statements and the report date.

A value analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors e.g., Management capability, present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statement, but which may strongly influence the worth of equity share of BACL, fair value of the Dairy Business and remaining business of UDL.

The recommendation rendered in this report only represent our recommendation based upon information furnished by the Transacting Companies till the date of this report and other sources, and the said recommendation shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of share entitlement/ exchange ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the share entitlement/ exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the share entitlement/ exchange ratio at which the proposed demerger and proposed amalgamation shall take place will be with the Board of Directors of the Transacting Companies, who should take into account other factors such as their own assessment and input of other advisors.

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section – Sources of Information.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of

- the accuracy of information that was publicly available; and
- the accuracy of information made available to us by the Management;

both of which form a substantial basis for the report.

We have not carried out a due diligence or audit or review of BACL or UDL including the Demerged Business for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the proposed demerger and proposed amalgamation. We do not express any form of assurance that the financial information or other information as prepared and provided by the Management of the Transacting Companies is accurate. Also, with respect to explanations and information sought from the Management, we have been given to understand that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt.



Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. Our conclusions are based on these assumptions and information given by/ on behalf of the Management.

The Management has indicated to us that they have understood any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Transacting Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Transacting Companies. However, nothing has come to our attention to indicate that the information provided to us was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply, and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the Transacting Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Transacting Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance if any with local laws and litigation and other contingent liabilities that are not represented to us by the Management.

This report does not look into the business/ commercial reasons behind the proposed demerger and proposed amalgamation nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the proposed demerger and proposed amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of share entitlement/ exchange ratio for the proposed demerger and proposed amalgamation only.

No investigation of the Transacting Companies' claims to title of assets has been made for the purpose of this report and the Transacting Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts.

We must emphasize that realization of forecasted free cash flow or the realizability of the assets at the values considered in our analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis therefore will not and cannot be directed to providing any assurance about the achievability of the final projections. Since the financial forecasts relate to the future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences could be material. To the extent that our conclusions are based on the forecasts, we express no opinion on achievability of those forecasts. The fact that we have considered the projections in this valuation exercise should not be construed or taken as our being associated with or a party to such projections.

We would like to emphasize that the latest financials as at the report date were not provided by the Management for our value analysis, however the Management has represented that they do not expect significant changes in the net asset position between 31 March 2023 and the report date. We have therefore considered the financials as at 31 March 2023 of Transacting Companies and its respective investee companies for the purpose of our value analysis.

We would like to emphasize that for valuing the fixed assets of UDL (post proposed demerger), we have entirely relied on the valuation report dated 26 June 2023 issued by Devang Shah, IBBI Registered Valuer, Plant and Machinery. Further, for valuing the immovable property held as investment properties by JKF, BACL and DCPL respectively, we have entirely relied upon valuation report dated 13 April 2023 prepared and issued by Er. Ram Doss Nagalingam, IBBI





Registered Valuer, Land and Building; and valuation report dated 24 June 2023 issued by Er. Ratan Dev Garg, IBBI Registered Valuer, Land and Building.

Certain terms of the proposed demerger and proposed amalgamation are stated in our report, however the detailed terms of the proposed demerger and proposed amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed demerger and proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of the Transacting Companies who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance shall our liability exceed the amount as agreed in our Engagement Letter.

This valuation report is subject to the laws of India.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the share entitlement/ exchange ratio for the proposed demerger and proposed amalgamation and relevant filing with regulatory authorities in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of BACL and UDL shall trade following announcements of the proposed demerger and proposed amalgamation and we express no opinion or recommendation as to how shareholders of the Transacting Companies should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

**Disclosure of Registered Valuers' Interest or Conflict, if any and other affirmative statements**

We do not have any financial interest in the Transacting Companies, nor do we have any conflict of interest in carrying out this valuation, as of the date of the engagement letter till the Report Date. We further state that we are not related to the Transacting Companies or their promoters, if any or their director or their relatives. Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation.

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## VALUATION APPROACHES

### Basis and Premise of Valuation

Valuation of the equity shares of BACL, UDL (post demerger); and Dairy Business of UDL as at the report date is carried out in accordance with ICAI Valuation Standards ("ICAI VS"), considering 'fair value' base and 'going concern value' premise. Any change in the valuation base, or the valuation premise could have a significant impact on the valuation outcome of the Companies.

### Basis of Valuation

It means the indication of the type of value being used in an engagement. Fair Value as per ICAI VS is defined as under:

"Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date."

### Premise of Value

Premise of Value refers to the conditions and circumstances how an asset is deployed. Valuation of the Transacting Companies is carried out on a Going Concern Value premise which is defined under ICAI VS as under:

"Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, the necessary licenses, systems, and procedures in place, etc."

It is pertinent to note that the valuation of any company or business or its assets is inherently imprecise and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to the industry performance and general business and economic conditions, many of which are beyond the control of the company. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the business, and other factors which generally influence the valuation of the company, its business and assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

1. Market Approach:
  - a) Market Price Method
  - b) Comparable Companies Market Multiple Method
2. Income Approach – Discounted Cash Flow Method
3. Asset Approach – Net Asset Value Method



We have considered the following commonly used and accepted methods for determining the equity value of BACL, UDL (post proposed demerger); and valuation of Dairy Business of UDL for the purpose of recommending share entitlement/ exchange ratio for the proposed demerger and proposed amalgamation, to the extent relevant and applicable.

## 1. Market Approach

### a) Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

*The equity shares of BACL are listed on BSE. We have therefore used the market price approach to value the equity shares of BACL as it represents the price which the equity shares would fetch in open market.*

*We have used the market price approach to value investment of BACL in listed subsidiaries and associates as well as other quoted investments as appropriate.*

*Equity shares of UDL are listed on BSE and NSE. Since the Dairy Business of UDL forms substantial portion of UDL's business operations, we have considered the market price of UDL to be representative of fair value of the Dairy Business of UDL. We have therefore used the market price approach to arrive at the fair value of Dairy Business of UDL.*

### b) Comparable Companies Multiples ("CCM") / Comparable Transactions Multiples ("CTM") method

Under CCM, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. CCM applies multiples derived from similar or 'comparable' publicly traded companies. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

*BACL is a Core Investment Company registered with RBI which does not carry out active business operations other than activities permitted by RBI. It derives value from the investments held by it in various subsidiaries, associates, group companies, quoted equity shares, mutual funds, etc. And therefore the value of other listed CIC companies cannot be a benchmark for valuing BACL. We have therefore not used the CCM method for arriving at the fair value of equity shares of BACL.*

*There were listed companies that operate in similar business as that of associate/subsidiaries of BACL. We have used the CCM method to value associates/subsidiaries of BACL as appropriate.*

*Dairy Business of UDL has incurred losses in the previous two years including at EBITDA level in FY22. Though the Company has earned positive EBITDA in FY23, the margins are yet to reach a sustainable level as the entire increase in input cost has not been passed on. Hence, it would not be possible to use multiples based on profitability. Use of revenue multiples of comparable companies also have not been considered given that other comparable companies are profitable. We have therefore not used the CCM method to arrive at fair value of Dairy Business of UDL.*



Upon Part B of the Scheme being effective, UDL will not be left with significant business operations. We have therefore not used the CCM method to arrive at fair value of equity shares of UDL (post proposed demerger).

Under CTM, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

BACL is a Core Investment Company registered with RBI which does not carry out active business operations. It derives value from the investments held by it in various subsidiaries, associates, group companies, mutual funds, etc. We have therefore not used the CTM method for arriving at the fair value of equity shares of BACL.

Based on our analysis and discussion with the Management, we understand that there are no recent comparable transactions, data of which is available in public domain, involving companies of similar nature and having similar operating/ financial metrics as that of Dairy Business. We have therefore not used the CTM method to arrive at the fair value of Dairy Business of UDL.

Upon Part B of the Scheme being effective, UDL will not be left with significant operating business. We have therefore not used the CTM method to arrive at fair value of equity shares of UDL (post proposed demerger).

## 2. Income Approach – Discounted Cash Flow Method ('DCF')

DCF method values a business based upon the available cash flow a prudent investor would expect the subject business to generate over a given period of time. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the terminal value at an appropriate discount factor. Free cash flows are the cash flows expected to be generated by the company that are available for distribution to both the owners of and lenders to the business. The terminal value represents the total value of the available cash flow for all periods subsequent to the forecast period. The terminal value of the business at the end of the forecast period is estimated and discounted to its equivalent present value and added to the present value of the explicit forecast period cash flow to estimate the value of the business.

The projected free cash flows are discounted by the Weighted Cost of Capital (WACC) to arrive at the enterprise value. The WACC represents the returns required by the investors of both debt and equity weighed to their relative funding in the entity.

BACL is a Core Investment Company registered with RBI which does not carry out active business operations. It derives value from the investments held by it in various subsidiaries, associates, group companies, mutual funds, etc. We have therefore not used the DCF method for arriving at the fair value of equity shares of BACL.

We have used DCF method to value subsidiaries of BACL as appropriate.

Dairy Business of UDL was profitable and generating surplus cash prior to FY22. However, it incurred losses in previous two years due to market factors and its inability to pass on the increase in raw material prices. Though the Dairy Business of UDL has incurred losses in previous two years, going forward the Management expects the Dairy Business to make profits and generate surplus cash as it believes necessary steps to turn the business profitable have been taken. We have therefore used DCF Method to value the Dairy Business.

Upon Part B of the Scheme being effective, UDL will not be left with significant operating



business. We have therefore not used the DCF method to arrive at fair value of equity shares of UDL (post proposed demerger).

### 3. Asset Approach - Net Asset Value Method ('NAV')

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for a business which derives value mainly from the underlying value of its assets rather than its earnings. This value analysis approach may also be used in cases where the firm is to be liquidated i.e., it does not meet the "going concern" criteria or in case where the assets base dominates earnings capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

BACL is a Core Investment Company registered with RBI which does not carry out active business operations. It derives value from the investments held by it in various subsidiaries, associates, group companies, mutual funds, etc. The NAV method is particularly suitable for investment companies due to their primary focus on holding and managing investments. We have therefore used the NAV method to arrive at the fair value of equity shares of BACL as it is a commonly used method for valuation of such companies.

We have also used NAV to value subsidiaries/investments of BACL as appropriate.

In the present case, UDL would demerge its Dairy Business into PPL on a going concern basis and there is no intention to dispose-off the assets. In such a going concern scenario, the relative earning generating capability, as reflected under the income and market approaches is of greater importance for arriving at the value as compared to the value arrived on the NAV basis considering the realizable value of the assets recorded in the books.

Further, we understand from the Management that the Dairy Business of UDL have self-generated intangibles in the form of proprietary brands, network of distributors, etc which are currently not recorded in the financial statements of UDL hence the value arrived under NAV method will not represent the intrinsic value of its business. We have therefore not used this method to determine the fair value of Dairy Business of UDL.

Upon Part B of the Scheme being effective, UDL will not be left with significant operating business. Post proposed demerger, UDL would derive value from assets held by it. We have therefore used NAV method to arrive at the fair value of equity shares of UDL (post proposed demerger).



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## RECOMMENDATION OF SHARE ENTITLEMENT/ EXCHANGE RATIO FOR THE PROPOSED DEMERGER AND PROPOSED AMALGAMATION

Different values have been arrived under each of the above methodologies. However, for the purpose of arriving at the final fair value it is necessary to give appropriate weights to the value arrived under each methodology. Weights have to be assigned after giving due considerations to qualitative factors relevant to the Transacting Companies.

The share entitlement/ exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Amalgamating Company and Amalgamated Company, and fair value of Demerged Business for the proposed demerger and proposed amalgamation based on the various methodologies mentioned herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Valuation Subjects, having regard to information base, key underlying assumptions and limitations. Suitable rounding off have been carried out wherever necessary to arrive at the fair share entitlement/ exchange ratio.

It should be noted that we have not examined any other matter including economic rationale for the proposed demerger and proposed amalgamation per se or accounting, legal or tax matters involved in the proposed demerger and proposed amalgamation.

Refer Annexure 1 and Annexure 2 for value per share under different methods prescribed and the share entitlement/ exchange ratio.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions described in this report the share entitlement/ exchange ratio is set out below:

### To the equity shareholders of UDL:

#### a) For proposed demerger of Dairy business into BACL:

"1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up."

#### b) For proposed amalgamation of UDL (post proposed demerger) with BACL:

"1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 14,652 (Fourteen Thousand Six Hundred and Fifty Two) equity shares held in UDL having face value of INR 5 each fully paid up."



Date: 28 June 2023

Respectfully submitted,

Niranjana Kumar  
Registered Valuer- Securities or Financial Assets  
IBBI Registration Number: IBSI/RV/06/2018/10137  
ICAIRVO/06/RV-P000021/2018-19  
UDIN: 23121635BGUWUN5308

## Annexure 1

### Summary of share entitlement ratio:

**Demerger of Dairy Business (i.e., Demerged Business) of UDL ('Demerged Company') into PPL ('Resulting Company 1') i.e. a wholly owned subsidiary of BACL:**

Valuation approach	BACL (A)		Demerged Business of UDL (B)	
	Weights	Value per share (Amt in ₹/l)	Weights	Value per share (Amt in ₹/l)
<b>Market Approach</b>				
- Market Price Method	80.0%	4,724.42	50.0%	62.17
- Comparable Companies Multiple (CCM) Method	0.0%	NA*	0.0%	NA*
Income Approach - Discounted Cash Flow (DCF) Method	0.0%	NA*	50.0%	62.64
Net Asset Value Method	20.0%	9,806.66	0.0%	NA <sup>#</sup>
<b>Relative value per share</b>		<b>5,740.86</b>		<b>62.40</b>
<b>Share entitlement ratio (rounded off) (A/B)</b>				<b>92.06</b>

NA: Not Applicable

Note: Suitable rounding has been carried out while arriving at the above-mentioned share entitlement ratio.

### Notes:

\* BACL is a Core Investment Company registered with RBI which does not carry out active business operations. It derives value from the investments held by it in various subsidiaries, associates, group companies, mutual funds, etc. We have therefore not used the DCF method for arriving at the fair value of equity shares of BACL.

\* BACL is a Core Investment Company registered with RBI which does not carry out active business operations other than activities permitted by RBI. It derives value from the investments held by it in various subsidiaries, associates, group companies, quoted equity shares, mutual funds, etc. And therefore the value of other listed CIC companies cannot be a benchmark for valuing BACL. We have therefore not used the CCM method for arriving at the fair value of equity shares of BACL.

# Dairy Business of UDL has incurred losses in the previous two years including at EBITDA level in FY22. Though the Company has earned positive EBITDA in FY23, the margins are yet to reach a sustainable level as the entire increase in input cost has not been passed on. Hence, it would not be possible to use multiples based on profitability. Use of revenue multiples of comparable companies also have not been considered given that other comparable companies are profitable. We have therefore not used the CCM method to arrive at fair value of Dairy Business of UDL.

@ In the present case, UDL would demerge its Dairy Business into PPL on a going concern basis and there is no intention to dispose-off the assets. In such a going concern scenario, the relative earning generating capability, as reflected under the income and market approaches is of greater importance for arriving at the value as compared to the value arrived on the NAV basis considering the realizable value of the assets recorded in the books. Further, we understand from the Management that the Dairy Business of UDL have self-generated intangibles in the form of proprietary brands, network of distributors, etc which are currently not recorded in the financial statements of UDL hence the value arrived under NAV method will not represent the intrinsic value of its business. We have therefore not used the NAV method to determine the fair value of Dairy Business of UDL.



## Annexure 2

### Summary of share exchange ratio:

#### Amalgamation of UDL (post proposed demerger) ('Amalgamating Company') into BACL ('Amalgamated Company'):

Valuation approach	BACL (A)		UDL (B)	
	Amalgamated Company		Amalgamating Company	
	Weights	Value per share (Amt in ₹)	Weights	Value per share (Amt in ₹)
<b>Market Approach</b>				
- Market Price Method	90.0%	4,724.42	0.0%	NA*
- Comparable Companies Multiple (CCM) Method	0.0%	NA*	0.0%	NA@
Income Approach - Discounted Cash Flow (DCF) Method	0.0%	NA*	0.0%	NA@
Net Asset Value Method	20.0%	9,006.66	100.0%	0.39
<b>Relative value per share</b>		<b>5,740.86</b>		<b>0.39</b>
<b>Share exchange ratio (rounded off) (A/B)</b>				<b>14,652.00</b>

NA: Not Applicable

Note: Suitable rounding has been carried out while arriving at the above-mentioned share exchange ratio.

#### Notes:

\* BACL is a Core Investment Company registered with RBI which does not carry out active business operations other than activities permitted by RBI. It derives value from the investments held by it in various subsidiaries, associates, group companies, quoted equity shares, mutual funds, etc. And therefore the value of other similar CIC companies cannot be a benchmark for valuing BACL. We have not used the CCM method for arriving at the fair value of equity shares of BACL.

@ BACL is a Core Investment Company registered with RBI which does not carry out active business operations. It derives value from the investments held by it in various subsidiaries, associates, group companies, mutual funds, etc. We have therefore not used the DCF method for arriving at the equity value of BACL.

# Upon Part B of the Scheme being effective, the Dairy Business of UDL which forms substantial portion of UDL's business operations will be demerged. UDL would not have significant operating business remaining post proposed demerger and therefore, the market price of UDL is not representative of value of remaining business of UDL. We have therefore not used the market price approach to arrive at the fair value of equity shares of UDL (post proposed demerger).

@ Upon Part B of the Scheme being effective, UDL will not have significant operating business remaining. We have therefore not used the CCM method, or DCF method to arrive at fair value of equity shares of UDL (post proposed demerger).







Date: June 28, 2023

To,  
**The Board of Directors,  
 Umang Dairies Limited**  
 Gajraula Hasanpur Road,  
 Gajraula Jyotiba Phule Nagar,  
 Amroha, Uttar Pradesh 244235.

To,  
**The Board of Directors,  
 Bengal & Assam Company Limited**  
 7, Council House Street Kolkata,  
 West Bengal 700001.

To,  
**The Board of Directors,  
 Panchmahal Properties Limited,**  
 Nehru House 4, Bahadur Shah Zafar Marg,  
 New Delhi 110002

**Subject: Fairness opinion on the share entitlement ratio for the proposed demerger of the 'Dairy Business' of Umang Dairies Limited ('UDL') into Panchmahal Properties Limited ('PPL').**

**Fairness opinion on the share exchange ratio for the proposed amalgamation of Umang Dairies Limited ('UDL') (post proposed demerger of Dairy Business) with Bengal & Assam Company Limited ('BACL').**

Sir/Ma'am,

We refer to the engagement letter dated June 19, 2023 and discussions undertaken with the Management of Umang Dairies Limited ("UDL" or "Demerged Company" or "Amalgamating Company"), (hereinafter together referred to as "the Management"), wherein the Management has requested Kunvarji Finstock Private Limited ("Kunvarji" or "We" or "us") to provide a fairness opinion on the

1. Share entitlement ratio for the proposed demerger of 'Dairy Business' of UDL (Demerged Company) into Panchmahal Properties Limited ('PPL' or 'Resulting Company 1') (hereinafter referred to as "proposed demerger") in Step 1, and
2. Share exchange ratio for the proposed amalgamation of UDL (post giving effect of proposed demerger in Step 1) (Amalgamating Company) with Bengal & Assam Company Limited ('BACL' or 'Resulting Company 2' or 'Amalgamated Company') (hereinafter referred to as "proposed amalgamation") in Step 2.



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recommended by Niranjn Kumar, Registered Valuer - Securities or Financial Assets ("Independent Valuer") vide report dated June 28, 2023. The Valuation Date is considered to be 27 June 2023.

Hereinafter the Management including the Board of Directors of UDL, PPL and BACL shall together be referred to as 'the Management'; and Amalgamating Company / Demerged Company, Resulting Company 1 and Amalgamated Company / Resulting Company 2 shall together be referred to as 'Transacting Companies'. Both proposed demerger and amalgamation together referred to as Proposed Transaction.

Please find enclosed our deliverables in the form of report ("the Report"). This Report sets out the transaction overview, scope of work, background of the Transacting Companies, sources of information and our opinion on the share entitlement ratio for the aforesaid proposed demerger and share exchange ratio for the aforesaid proposed amalgamation recommended by the Independent Valuer. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

This Report has been issued only for the purpose of facilitating the proposed demerger and proposed amalgamation and should not be used for any other purpose.

**For, Kunvarji Finstock Private Limited**

**Mr. Atul Chokshi**  
Director (DIN: 00929553)

**Place: Ahmedabad**



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000598/2023

**FAIRNESS OPINION**

**IN THE MATTER OF SCHEME OF ARRANGEMENT IN THE NATURE OF  
PROPOSED DEMERGER OF DAIRY BUSINESS OF  
'DAIRY BUSINESS' OF UMANG DAIRIES LIMITED INTO PANCHMAHAL  
PROPERTIES LIMITED  
AND  
PROPOSED AMALGAMATION OF UMANG DAIRIES LIMITED (POST  
PROPOSED DEMERGER OF DAIRY BUSINESS) WITH BENGAL & ASSAM  
COMPANY LIMITED**

**STRICTLY PRIVATE AND CONFIDENTIAL**

Prepared By:

**KUNVARJI**  
SINCE 1948  
*Driven By Knowledge*

**Kunvarji Finstock Private Limited**

**SEBI Registered Category I Merchant Banker**

**(Registration Number – INM000012564)**

Kunvarji, B-Wing, Siddhivinayak Towers,  
Nr. D.A.V. School, Off. S. G. Road, Makarba,  
Ahmedabad-380051



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**1. BACKGROUND OF THE COMPANIES**

**UMANG DAIRIES LIMITED**

Umang Dairies Limited ('UDL' or 'Demerged Company' or 'Amalgamating Company') was incorporated on December 02, 1992 and is engaged in the dairy business, wherein it processes and sells milk and milk products. It offers milk powder, butter, ghee, fresh cream and other value added products. UDL also undertakes trading activity. The equity shares of UDL are listed and traded on BSE and National Stock Exchange (NSE).

Dairy Business of UDL ('Demerged Undertaking') comprises of the dairy business, wherein it processes and sells milk and milk products. The product portfolio of Dairy Business of UDL comprises of milk powder, butter, ghee, fresh cream, etc. Majority of revenue is derived from sale of milk powder to retail customers through its network of distributors and retailers predominantly sold in the north and north-eastern region of India. It also supplies its products to HORECA, hospitals, airlines, large corporates, etc. The Demerged Undertaking also provides private labelling services.

The manufacturing facility of Dairy Business of UDL is located in Gajraula, Uttar Pradesh. It has processing capacity of 4.5 lakh litres of milk.

The equity shareholding pattern of UDL as at March 31, 2023 is set out below:

Category of Shareholder	Number of shares (FV - INR 5 each)	% shareholding
Promoter and Promoter Group	1,64,16,234	74.6%
Public	55,86,966	25.4%
<b>Total</b>	<b>2,20,03,200</b>	<b>100.0%</b>

*Note: We understand that upon Part C of the Scheme being effective, the equity shares of UDL held by BACL shall stand cancelled and no equity shares shall be issued to that extent.*



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**BENGAL AND ASSAM COMPANY LIMITED**

Bengal & Assam Company Limited ('BACL' or 'Amalgamated Company' or 'Resulting Company 2') was incorporated on 30 January 1947 and is a Core Investment Company-Non-Deposit Taking-Systemically Important (CIC-ND-SI) company registered with the Reserve Bank of India (RBI). It holds investment in various subsidiaries, associates, other group companies, equity shares, mutual funds, etc. Key investments of BACL include investment in listed group companies viz., JK Tyre & Industries Limited, JK Paper Limited, Umang Dairies Limited, JK Agri Genetics Limited and JK Lakshmi Cement Limited and unlisted company, J K Fenner India Limited. The equity shares of BACL are listed and traded on BSE.

The equity shareholding pattern of BACL as at March 31, 2023 is set out below:

Category of Shareholder	Number of shares (FV - INR 10 each)	% shareholding
Promoter and Promoter Group	82,07,462	72.7%
Public	30,88,866	27.3%
<b>Total</b>	<b>1,12,96,328</b>	<b>100.0%</b>

**PANCHMAHAL PROPERTIES LIMITED**

Panchmahal Properties Limited ('PPL' or 'Resulting Company 1') is a public limited company incorporated on 23 May 1995. PPL is a wholly owned subsidiary of BACL.

The equity shareholding pattern of PPL as at March 31, 2023 is set out below:

Category of Shareholder	Number of shares (FV - INR 10 each)	% shareholding
Bengal & Assam Company Limited*	3,51,230	100.0%
<b>Total</b>	<b>3,51,230</b>	<b>100.0%</b>

\*60 shares are being held by other shareholders jointly with BACL.



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**2. TRANSACTION OVERVIEW, RATIONALE OF THE SCHEME AND SCOPE OF SERVICES**

**Transaction Overview**

We understand that the Management of the Transacting Companies are contemplating a composite scheme of arrangement, wherein they intend to demerge the 'Dairy Business' of UDL into PPL and post proposed demerger in Step 1, amalgamate UDL into BACL (hereinafter referred to as 'proposed amalgamation') in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and in a manner provided in the draft composite scheme of arrangement (hereinafter referred to as 'the Scheme').

As a consideration for the proposed demerger under Part B of the Scheme, equity shares of BACL would be issued to equity shareholders of the Demerged Company and for the proposed amalgamation under Part C of the Scheme, equity shareholders of amalgamated company would be issued to equity shareholders of Amalgamating Company.

The equity shares to be issued for the aforesaid proposed transaction will be based on the share entitlement ratio and share exchange ratio as determined by the Board of Directors based on the report prepared by the Independent Valuer appointed by them.

Further, as a part of the Scheme, the entire shareholding of Amalgamated Company in Amalgamating Company shall stand cancelled.

**Rationale of the Scheme**

The rationale of the proposed demerger as mentioned in the scheme and confirmed by the Management is to facilitate growth of Dairy Business of UDL through concentrated approach and increased operational focus. The proposed demerger will enable the structure for attracting strategic partners / investors for the Dairy business and optimum utilization of resources and achieve greater degree of operational efficiency.

Further, the proposed amalgamation would result in simplified and streamlined holding structure and help in optimizing the resources and thereby reducing the compliances.



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**Scope of Services**

Pursuant to the requirements of SEBI Operational Circular SEBI/HO/DDHS/DDHS DIVI/P/CIR/2022/0000000103 dated 29 July 2022, updated as on December 01, 2022 and SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time, we have been requested by the Management to issue a fairness opinion in relation to the share entitlement ratio for the proposed demerger and share exchange ratio for the proposed amalgamation.

In this regard, the Management has appointed Kunvarji Finstock Private Limited ("Kunvarji" or "We" or "us"), SEBI Registered (Category I) Merchant Banker to provide a fairness opinion on the share entitlement ratio for the proposed demerger and share exchange ratio for the proposed amalgamation recommended by the Independent Valuer vide report dated June 28, 2023.

Our scope of work only includes forming an opinion on the fairness of the recommendation of the Independent Valuer on the share entitlement ratio and share exchange ratio arrived at for the purpose of the Scheme and does not involve evaluating or opining on the fairness or economic rationale of the Scheme per se. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

**3. SOURCES OF INFORMATION**

We have relied on the following information made available to us by the Management of the Transacting Companies/ obtained from the public domain for the purpose of this report:

- Audited financial statements of BACL and UDL for the financial year ended March 31, 2023;
- Management certified financial statement of UDL split between Dairy Business and remaining business for the financial year ended March 31, 2023;
- Audited financial statements of JK Fenner Limited ('JKF'), LVP Foods Private Limited ('LFPL'), Divyashree Company Private Limited ('DCPL'), PPL JK Insurance Brokers Limited ('JKIBL'), ClinRx Research Private Limited ('CRPL') for the financial year ended March 31, 2023;
- Shareholding pattern of BACL, PPL and UDL as at March 31, 2023;



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- Terms of preference shares issued by Hari Shankar Singhania Holdings Private Limited ('HSSHPL') and Terrestrial Foods Limited ('TFL') including dividend rate, redemption terms, tenure, etc.;
- Financial projections of Dairy Business of UDL and JKF from April 01, 2023 to March 31, 2027;
- Valuation report dated 24 June 2023 issued by Er. Ratan Dev Garg, IBBI Registered Valuer, Land and Building with respect to fair value of immovable property held as investment properties by BAFL and DCPL;
- Valuation report dated April 13, 2023 issued by Er. Ram Doss Nagalingam, IBBI Registered Valuer, Land and Building with respect to fair value of immovable property held as investment properties by JKF;
- Valuation report dated 26 June 2023 issued by Devang Shah, IBBI Registered Valuer, Plant and Machinery with respect to fair value of fixed assets held by UDL (post proposed demerger);
- Draft composite scheme of arrangement between the Transacting Companies pursuant to which proposed transaction is to be undertaken;
- Information provided by leading database sources and other publicly available information.
- We have also relied on various representations, information and explanations given by the Management.

The Management has been provided with the opportunity to review the draft fairness opinion report (excluding our fairness opinion on the share entitlement and share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided.

#### 4. PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the opinion:

- Requested and received financial and qualitative information.
- Obtained data available in public domain.



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- Discussions with the Management to understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance of the Companies.
- Undertook Industry Analysis: Research publicly available market data including economic factors and industry trends that may impact the opinion;
- Analysis of information shared by Management;
- Reviewed the draft composite scheme of arrangement between the Transacting Companies pursuant to which the proposed transaction is to be undertaken;
- Reviewed signed share entitlement ratio / share exchange ratio report issued and prepared by Niranjan Kumar, Registered Valuer- Securities or Financial Assets dated June 28, 2023;
- Discussion with Independent Valuer on such matters which we believed were necessary or appropriate for the purpose of issuing this opinion.

#### **5. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS**

The fairness opinion contained herein is not intended to represent a fairness opinion at any time other than the report date. We have no obligation to update this report.

This Report, its contents and the results herein are specific to (i) the purpose of fairness opinion agreed as per the terms of our engagement; (ii) the Report Date; (iii) draft composite scheme of arrangement and (iv) other data detailed in the Section – 3. Sources of Information.

A fairness opinion of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The fairness opinion rendered in this Report only represents our opinion based upon information furnished by the Transacting Companies and gathered from the public domain (and analysis thereon) and the said opinion shall be considered to be in the nature of non-binding advice. Our fairness opinion should not be used for advising anybody to take a buy or sell decision, for which specific opinion needs to be taken from expert advisors.



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We have not independently audited or otherwise verified the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Management, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Transacting Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by/on behalf of the Transacting Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion.

It is understood that this opinion is solely for the benefit of confidential use by the Board of Directors of the Demerged Company for the purpose of facilitating companies to comply with SEBI Operational Circular SEBI/HO/DDHS/DDHS DIVI/P/CIR/2022/0000000103 dated 29 July 2022, updated as on December 01, 2022 and SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time; disclosures to be made to relevant regulatory authorities including stock exchanges, SEBI, National Company Law Tribunal or as required under applicable law and it shall not be valid for any other purpose. This opinion is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

The Report assumes that the Transacting Companies comply fully with relevant laws and regulations applicable in all its areas of operations, and that the Companies will be managed in a competent and responsible manner. Further, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not represented to us by the Management. Our fairness opinion assumes that the assets and liabilities of the companies, reflected in their respective balance sheet remain intact as of the Report date.

The Report does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.



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We have considered financial information up to March 31, 2023 in our analysis and have made adjustments for facts made known to us till the date of our report, including taking into consideration current market parameters. An exercise of this nature involves consideration of various factors. This fairness opinion is issued on the understanding that each of the Companies have drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the financial position or businesses upto the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

Certain terms of the proposed transaction are stated in our fairness opinion, however the detailed terms of the proposed transaction shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed transaction. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Transacting Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed composite scheme of arrangement and filing it with relevant authorities, without our prior written consent.



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In addition, this report does not in any manner address the prices at which equity shares of BACL and UDL will trade following the announcement of the proposed transaction and we express no opinion or recommendation as to how the shareholders of Transacting companies should vote at any shareholders' meeting(s) to be held in connection with the proposed transaction. Our opinion contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

In the ordinary course of business, Kunvarji Finstock Private Limited and its affiliates is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Kunvarji Finstock Private Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Scheme.

## 5. OUR RECOMMENDATION

As stated in the share entitlement / exchange ratio report dated June 28, 2023 prepared by Niranjana Kumar, Registered Valuer- Securities or Financial Assets, they have recommended the following:

### To the equity shareholders of UDL:

a) **For proposed demerger of Dairy business into BACL:**

"1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up."

b) **For proposed amalgamation of UDL (post proposed demerger) with BACL:**

"1 (One) equity shares of BACL having face value of INR 10 each fully paid up shall be issued for every 14,652 (Fourteen Thousand Six Hundred and Fifty Two) equity shares held in UDL having face value of INR 5 each fully paid up."



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### Kunvarji Finstock Pvt. Ltd.

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The aforesaid proposed transaction shall be pursuant to the draft composite scheme of arrangement and shall be subject to receipt of approval from the Hon'ble National Company Law Tribunal or such other competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the proposed transaction are more fully set forth in the draft composite scheme of arrangement. Kurvarji has issued the fairness opinion with the understanding that the draft composite scheme of arrangement shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final scheme of arrangement alters the proposed transaction.

Based on the information, data made available to us, to the best of our knowledge and belief, the share entitlement / exchange ratio as recommended by Niranjn Kumar, Registered Valuer-Securities or Financial Assets in relation to the proposed draft composite scheme of arrangement is fair to the equity shareholders of UDL in our opinion.

**For, Kunvarji Finstock Private Limited**

**Mr. Atul Chokshi**  
Director (DIN: 00929553)

**Date: June 28, 2023**

**Place: Ahmedabad**



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**Kunvarji Finstock Pvt. Ltd.**

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Phone: +91 79 6666 9000 | Fax : + 91 79 2970 2196 | Email: [info@kunvarji.com](mailto:info@kunvarji.com)

Corporate Office : 05, Gr Floor & 1218-20, 12th Floor, Summit Business Bay,

Opp PVR Cinema, Near Western Express Highway-Metro Station,

Andheri (E), Mumbai - 400093.

CIN - U65910GJ1986PTC008979

000609/2023



## D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

Date: 28<sup>th</sup> June, 2023

To,  
The Board of Directors,  
Umang Dairies Limited,  
Gajraula Hasanpur Road,  
Gajraula Jyotiba Phule Nagar,  
Amroha, Uttar Pradesh 244235.

To,  
The Board of Directors,  
Bengal & Assam Company Limited,  
7, Council House Street Kolkata,  
West Bengal 700001.

To,  
The Board of Directors  
Panchmahal Properties Limited,  
Nehru House 4, Bahadur Shah Zafar Marg,  
New Delhi 110002

**Subject: Fairness Opinion for the purpose of Proposed Scheme of Arrangement between Umang Dairies Limited ('UDL'), Panchmahal Properties Limited ('PPL') and Bengal & Assam Company Limited ('BACL') and their respective Shareholders and Creditors.**

Dear Sir/s,

In connection with the Proposed Scheme of Arrangement involving Demerger of 'Dairy Business' of Umang Dairies Limited ('UDL') into Panchmahal Properties Limited ('PPL') & proposed amalgamation of Umang Dairies Limited ('UDL') (post proposed demerger of Dairy Business) with Bengal & Assam Company Limited (BACL) under the provisions of Sections 230 to 232 read with Section 66 of the Companies Act 2013 (the 'Scheme' or the 'Scheme of Arrangement').

We, M/s D & A Financial Services (P) Ltd, SEBI Registered Merchant Banker, having registration no. INM000011484, have been engaged by you to give our fairness opinion on the share entitlement ratio for demerger & share exchange ratio for amalgamation required under scheme recommended by registered valuer Niranjan Kumar, Registered Valuer-Securities or Financial Assets, IBBI Registration Number: IBBI/RV/06/2018/10137, ICAIRVO/06/RV-P000021/2018-19 (hereinafter referred to as "Valuer"), who is appointed as valuer for the proposed Scheme of Arrangement.



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H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kailash, New Delhi-110065 (India)  
Phone: +91 11 41326121, 40167038  
E-mail: investors@dnafinsevx.com, compliance@dnafinsevx.com, valuation@dnafinsevx.com, contact@dnafinsevx.com  
Website www.dnafinsevx.com, Branch Office : Mumbai

CIN : U74899DL1981PTC012709

The scheme shall be subject to (i) Receipt of approval from the National Company Law Tribunal ("NCLT") and (ii) Other Statutory Approval(s) as may be required in this regard.

### 1. Scope and Purpose of the Opinion

The Management of Bengal & Assam Company Limited have engaged M/s D & A Financial Services (P) Ltd to submit report of fairness opinion to the Board of Directors on the proposed Scheme of Arrangement as defined above.

The Fairness Opinion is addressed to the Board of Directors of Umang Dairies Limited, Panchmahal Properties Limited & Bengal & Assam Company Limited. Further, this Fairness Opinion has been issued as per the requirements of SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular").

**Disclaimer:** We have assumed and relied upon the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the authorized representatives of management of Resulting Company for the purpose of this Opinion. We have not reviewed any other documents of the Company other than those stated herein. We have not assumed any obligation to conduct, nor have we carried out any independent physical inspection or title verification of the property, investments etc. interests of companies and accept no responsibility therefore.

We have not reviewed any internal management information statements or any non-public reports and instead with your consent we have relied upon information that was publicly available or provided or otherwise made available to us by management of resulting company for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threatened claims.

### 2. BRIEF BACKGROUND OF THE COMPANIES

(A) **Umang Dairies Limited** ("UDL"/ "Demerged Company" / "Amalgamating Company") is a public limited company, formerly incorporated as J.K. Dairy & Foods Limited under the Companies Act, 1956 (as amended) on 02<sup>nd</sup> December 1992, having its registered office at Gajraula Hasanpur Road, 3 Km Stone, Dist. Jyotiba Phuley Nagar, Amroha, Gajraula, Uttar Pradesh - 244235. The Demerged Company is primarily engaged in the dairy business, wherein it processes and sells milk and milk products ("Dairy Business"/ "Demerged Undertaking") The Corporate Identity Number ("CIN") of the Demerged Company is L15111UP1992PLC014942. Permanent Account Number ("PAN") of UDL is AAACJ1322R. Equity Shares of UDL

are publicly traded on the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). The Amalgamating Company is a subsidiary of the Amalgamated Company (as defined hereunder) wherein Amalgamated Company owns 55.30% equity shareholding in the Amalgamating Company.

- (B) **Panchmahal Properties Limited** ("PPL"/"Resulting Company 1") is a public limited company incorporated under the provisions of the Companies Act, 1956 on 23<sup>rd</sup> May 1995, having its registered office at Nehru House 4, Bahadur Shah Zafar Marg New Delhi New Delhi - 110 002. The Resulting Company 1 is a wholly owned subsidiary company of BACL, incorporated on 23<sup>rd</sup> May 1995, having its registered office at Nehru House 4, Bahadur Shah Zafar Marg, New Delhi, 110002. The Corporate Identity Number ("CIN") of the Resulting Company is U74899DL1995PLC068913. Permanent Account Number ("PAN") of PPL is AAACP6666L. The Board of PPL in its meeting held on 03<sup>rd</sup> April, 2023, had approved shifting of registered office from Nehru House 4, Bahadur Shah Zafar Marg New Delhi New Delhi - 110 002 to the State of Uttar Pradesh. The same has also been approved by the shareholders of the PPL and currently an application for change of registered office is pending with office of Regional Director, Delhi. Pursuant to and with effect from the date of certificate of registration to be issued by the Registrar of Companies, Ministry of Corporate Affairs, Delhi, registering the Order of Regional Director, the registered office of PPL shall stand shifted from the state of Delhi to the State of Uttar Pradesh.
- (C) **Bengal & Assam Company Limited** ("BACL"/ "Amalgamated Company"/ "Resulting Company 2") is a public limited company incorporated under the provisions of the Companies Act, 1913 on 30<sup>th</sup> January 1947, having its registered office at 7, Council House Street Kolkata, West Bengal - 700 001. The Amalgamated Company is a Core Investment Company-Non-Deposit Taking-Systemically Important (CIC-ND-SI) registered with the Reserve Bank of India (RBI) vide registration number B-05.07048. Equity Shares of BACL are publicly traded on the Bombay Stock Exchange ("BSE"). CIN of the Amalgamated Company is L67120WB1947PLC221402. PAN of BACL is AABCBO970C. The Amalgamated Company holds 55.30% shares in the Amalgamating Company.

### 3. RATIONALE OF THE SCHEME

- a) Facilitate focused growth, concentrated approach, and increased operational focus for the Dairy business.
- b) Enable the structure for attracting strategic partners / investors for the Dairy business.
- c) Rationalization of operations with greater degree of operational efficiency and optimum utilization of resources.
- d) Amalgamation of the Demerged Company after giving effect of de-merger of Dairy business, with Amalgamated Company shall result in simplified and streamlined holding structure and help in optimizing the resources and thereby reducing the compliances.



- e) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.

#### 4. Sources of Information

For arriving at the opinion set forth below, we have relied upon following documents:

- Draft Scheme of Arrangement between Umang Dairies Limited, Panchmahal Properties Limited & Bengal & Assam Company Limited.
- Valuation Report issued by registered valuer Mr. Niranjan Kumar having registration no. IBB/RV/06/2018/10137.
- Audited Balance Sheet of Umang Dairies Limited, Panchmahal Properties Limited & Bengal & Assam Company Limited as on 31<sup>st</sup> March, 2023.
- Applicable Laws and Public Circulars under SEBI Regulations and applicable provisions of the Companies Act, 2013.

#### 5. Valuation Report.

Valuer have recommended fair exchange ratio on the basis of analysis and analytical review and relative valuation of the respective companies and opined that the share exchange ratio as described below is fair and reasonable for all the shareholders and the Companies involved in the Scheme:

##### A. For the proposed demerger of Dairy business into BACL.

*"1 (One) equity shares of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up."*

##### B. For proposed amalgamation of UDL (post proposed demerger) with BACL:

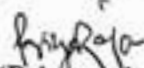
*"1 (One) equity shares of BACL having face value of INR 10 each fully paid up shall be issued for every 14,652 (Fourteen Thousand Six Hundred and Fifty Two) equity shares held in UDL having face value of INR 5 each fully paid up."*

## 6. Conclusion and Opinion

On the basis of our scope and limitations mentioned in the report and based on our examination of the draft of the proposed scheme of arrangement and Valuation Report dated 28<sup>th</sup> June, 2023 given by registered valuer Mr. Niranjana Kumar having registration no. IBBI/RV/06/2018/10137 and on consideration of all the relevant factors as described herein above, we are of the opinion that the valuation done by the valuer for determining the share entitlement and share exchange ratio is fair and reasonable.

Thanking You

For **D & A Financial Services (P) Ltd**

  
(Priyaranjan)

**Vice President**

Place: New Delhi



## APPENDIX A

### **EXCLUSIONS AND LIMITATIONS**

- Our conclusion is based on the information furnished to us being complete and accurate in all material respects.
- We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Companies.
- Our work does not constitute verification of historical financials or including the working results of the Companies referred to in this Opinion. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this Opinion.
- Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.
- Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement.
- Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.
- We do not express any opinion as to the price at which shares of the Companies may trade at any time, including, subsequent to the date of this opinion.



**UMANG DAIRIES LIMITED****Report Adopted by the Board of Directors of the Company under Section 232(2)(c) of the Companies Act, 2013, explaining the effect of the Scheme of Arrangement on Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders.****1. Background**

- 1.1 The Board of Directors of the Company at its meeting held on June 28, 2023 after considering *inter-alia* the following documents placed before the meeting, approved the Scheme of Arrangement amongst Umang Dairies Limited (UDL / Demerged Company / Amalgamating Company), Panchmahal Properties Limited (PPL / Resulting Company 1) and Bengal & Assam Company Limited (BACL / Amalgamated Company / Resulting Company 2) (collectively referred to as *Participating Companies*) and their respective shareholders and creditors (*Scheme*) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (*Act*).
- (i) draft Scheme, duly initialled by the Company Secretary of the Company for the purpose of identification;
  - (ii) valuation report dated 28<sup>th</sup> June, 2023, issued by Mr. Niranjana Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137, for the determination of Share Entitlement Ratios (as defined hereunder) under the draft Scheme;
  - (iii) fairness opinion dated 28<sup>th</sup> June, 2023, prepared by Kunvarji Finstock Private Limited, an Independent SEBI registered Category-I Merchant Banker, confirming that the Share Entitlement Ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors;
  - (iv) fairness opinion dated 28<sup>th</sup> June, 2023, prepared by D&A Financial Services Private Limited, an Independent SEBI registered Category-I Merchant Banker, confirming that the Share Entitlement Ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors;
  - (v) certificate dated 28<sup>th</sup> June, 2023, from M/s. BGJC & Associates LLP, Chartered Accountants, statutory auditors of the Company, pursuant to the SEBI Circular, certifying that the accounting treatment proposed in the draft Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act read with applicable rules and/ or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles;
  - (vi) report dated 28<sup>th</sup> June, 2023, of the Audit Committee of Directors of the Company, recommending the Scheme to the Board of Directors, after taking into consideration, *inter alia*, the Valuation Report, the Share Entitlement Ratios, the Fairness Opinion, and the Auditor's Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company; and
  - (vii) report dated 28<sup>th</sup> June, 2023, of the Committee of the Independent Directors of the Company, recommending the Scheme to the Board of Directors of the Company, after taking into consideration, *inter-alia*, the Valuation Report, the Share Entitlement Ratios, the Fairness Opinion and the Auditor's Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company.

P. N. K.



1.2 The Scheme *inter alia* provides for:

- (a) Demerger of Dairy Business Undertaking (as more explicitly defined in the Scheme) of UDL & vesting of the same into & with PPL, in the manner set out in the Scheme (Part B of the Scheme); and
- (b) Amalgamation of UDL after giving effect demerger of Dairy Business into the PPL, into and with BACL, in the manner set out in the Scheme (Part C of the Scheme); and

1.3 The Provisions of Section 232(2)(c) of Companies Act 2023 require the Board of Directors to adopt a report explaining the effect of the Arrangement on the Shareholders, Key Managerial Personnel, Promoters and Non-Promoters Shareholders. This Report of the Board is made and adopted accordingly.

**2. Effect of the Scheme of Arrangement on the said Stakeholders**

- 2.1 At the outset, it is stated that no compromise or arrangement is proposed under the Scheme between the said companies and any classes of persons other than the shareholders of the said companies.
- 2.2 Each of the said companies except BACL have only one class of shareholders, i.e. Equity Shareholders. BACL has two classes of Shareholders i.e. Equity Shareholders and Preference Shareholders. However, the scheme has no effect on the Equity and Preference shareholders of BACL and Equity Shareholders of PPL. In so far as the Equity Shareholders of UDL are concerned, the Scheme provides for issue of Equity Shares of the Amalgamated Company / Resulting Company 2 as follows:

**Part B of the Scheme**

*'1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up.'*

**Part C of the Scheme**

*'1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 14,652 (Fourteen Thousand Six Hundred and Fifty Two only) equity shares held in UDL having face value of INR 5 each fully paid up.'*

- 2.3 The share entitlement ratios, as aforesaid, were fixed on a fair and reasonable basis and on the basis of the said valuation report dated 28<sup>th</sup> June 2023 issued by Mr. Niranjana Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137). There was no difficulty in valuation.
- 2.4 The effect of the Scheme on Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders is summarised below:-

Category	UDL AND PPL	BACL
(a) Shareholders	There will be no change in the share capital of PPL. After demerger of the Dairy Business Undertaking of UDL and vesting of	Shareholders of the Amalgamated Company / Resulting Company 2 will not be issued or allotted any new

Category	UDL AND PPL	BACL
	the same into and with PPL, UDL will be amalgamated into and with BACL and will dissolve without winding-up pursuant to the Scheme. Shareholders of UDL will thus cease to be shareholders of UDL and will receive the shares of Amalgamated Company / Resulting Company 2, in the ratio as aforesaid.	shares in their capacity as shareholders of the Amalgamated Company / Resulting Company 2. The capital base of such Amalgamated Company will increase in accordance with and upon issue and allotment of shares to the shareholders of UDL as aforesaid.
(b) Non-promoter members	Same as shareholders as stated above.	Same as shareholders as stated above.
(c) Promoters and Promoters Group.	All Companies are under the common management and control. There will be no change in the management and control of PPL. In so far as shares held by promoters are concerned, the effect of the scheme is the same as stated in item (a) above.	All Companies are under common management and control. There will be no change in management and control of the Amalgamated Company consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the scheme is the same as stated in item (a) above.
(d) Key Managerial Personnel ("KMPs")	PPL has no KMPs. KMPs of UDL will become the employees of the PPL on same terms as before with or without suitable changes in their designations.	KMPs of the Amalgamated Company will continue to be KMPs of the Amalgamated Company, as before.
(e) Creditors	There is no impact of the draft Scheme on the creditors of the Participating Companies. Further, none of the creditors have any interest in the draft Scheme except to the extent of shares held by them, if any, in any of the Participating Companies.	

2.5 In the opinion of the Board, the said Scheme will be advantageous and beneficial to the Companies, Shareholders and all concerned.

By order of the Board of Umang Dairies Limited



*Pankaj*  
(Pankaj Kamra)  
Company Secretary

Date: 28<sup>th</sup> June 2023  
Place: New Delhi

## PANCHMAHAL PROPERTIES LIMITED

### Report Adopted by the Board of Directors of the Company under Section 232(2)(c) of the Companies Act, 2013, explaining the effect of the Scheme of Arrangement on Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders.

#### 1. Background

1.1 The Board of Directors of the Company at its meeting held on June 28, 2023 after considering *inter-alia* the following documents placed before the meeting, approved the Scheme of Arrangement amongst Umang Dairies Limited (UDL / Demerged Company / Amalgamating Company), Panchmahal Properties Limited (PPL / Resulting Company 1) and Bengal & Assam Company Limited (BACL / Amalgamated Company / Resulting Company 2) (collectively referred to as **Participating Companies**) and their respective shareholders and creditors (**Scheme**) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (**Act**).

- (i) draft Scheme, duly initialled by the Company Secretary of the Company for the purpose of identification;
- (ii) valuation report dated 28<sup>th</sup> June, 2023, issued by Mr. Niranjana Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137, for the determination of Share Entitlement Ratios (as defined hereunder) under the draft Scheme;
- (iii) fairness opinion dated 28<sup>th</sup> June, 2023, prepared by Kurvarji Finstock Private Limited, an Independent SEBI registered Category-I Merchant Banker, confirming that the Share Entitlement Ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors;
- (iv) fairness opinion dated 28<sup>th</sup> June, 2023, prepared by D&A Financial Services Private Limited, an Independent SEBI registered Category-I Merchant Banker, confirming that the Share Entitlement Ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors;
- (v) certificate dated 28<sup>th</sup> June, 2023, from M/s. BGJC & Associates LLP, Chartered Accountants, statutory auditors of the Company, pursuant to the SEBI Circular, certifying that the accounting treatment proposed in the draft Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act read with applicable rules and/ or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles;
- (vi) report dated 28<sup>th</sup> June, 2023, of the Audit Committee of Directors of the Company, recommending the Scheme to the Board of Directors, after taking into consideration, *inter alia*, the Valuation Report, the Share Entitlement Ratios, the Fairness Opinion, and the Auditor's Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company; and
- (vii) report dated 28<sup>th</sup> June, 2023, of the Committee of the Independent Directors of the Company, recommending the Scheme to the Board of Directors of the Company, after taking into consideration, *inter-alia*, the Valuation Report, the Share Entitlement Ratios, the Fairness Opinion and the Auditor's Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company.



1.2 The Scheme *inter alia* provides for:

- (a) Demerger of Dairy Business Undertaking (as more explicitly defined in the Scheme) of UDL & vesting of the same into & with PPL, in the manner set out in the Scheme (**Part B of the Scheme**); and
- (b) Amalgamation of UDL after giving effect demerger of Dairy Business into the PPL, into and with BACL, in the manner set out in the Scheme (**Part C of the Scheme**); and

1.3 The Provisions of Section 232(2)(c) of Companies Act 2023 require the Board of Directors to adopt a report explaining the effect of the Arrangement on the Shareholders, Key Managerial Personnel, Promoters and Non-Promoters Shareholders. This Report of the Board is made and adopted accordingly.

**2. Effect of the Scheme of Arrangement on the said Stakeholders**

- 2.1 At the outset, it is stated that no compromise or arrangement is proposed under the Scheme between the said companies and any classes of persons other than the shareholders of the said companies.
- 2.2 Each of the said companies except BACL have only one class of shareholders, i.e Equity Shareholders. BACL has two classes of Shareholders i.e. Equity Shareholders and Preference Shareholders. However, the scheme has no effect on the Equity and Preference shareholders of BACL and Equity Shareholders of PPL. In so far as the Equity Shareholders of UDL are concerned, the Scheme provides for issue of Equity Shares of the Amalgamated Company / Resulting Company 2 as follows:

**Part B of the Scheme**

*'1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up.'*

**Part C of the Scheme**

*'1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 14,652 (Fourteen Thousand Six Hundred and Fifty Two only) equity shares held in UDL having face value of INR 5 each fully paid up.'*

- 2.3 The share entitlement ratios, as aforesaid, were fixed on a fair and reasonable basis and on the basis of the said valuation report dated 28<sup>th</sup> June 2023 issued by Mr. Niranjan Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137). There was no difficulty in valuation.
- 2.4 The effect of the Scheme on Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders is summarised below:-

Category	UDL AND PPL	BACL
(a) Shareholders	There will be no change in the share capital of PPL. After demerger of the Dairy Business Undertaking of UDL and vesting of	Shareholders of the Amalgamated Company / Resulting Company 2 will not be issued or allotted any new





Category	UDL AND PPL	BACL
	the same into and with PPL, UDL will be amalgamated into and with BACL and will dissolve without winding-up pursuant to the Scheme. Shareholders of UDL will thus cease to be shareholders of UDL and will receive the shares of Amalgamated Company / Resulting Company 2, in the ratio as aforesaid.	shares in their capacity as shareholders of the Amalgamated Company / Resulting Company 2. The capital base of such Amalgamated Company will increase in accordance with and upon issue and allotment of shares to the shareholders of UDL as aforesaid.
(b) Non-promoter members	Same as shareholders as stated above.	Same as shareholders as stated above.
(c) Promoters and Promoters Group.	All Companies are under the common management and control. There will be no change in the management and control of PPL. In so far as shares held by promoters are concerned, the effect of the scheme is the same as stated in item (a) above.	All Companies are under common management and control. There will be no change in management and control of the Amalgamated Company consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the scheme is the same as stated in item (a) above.
(d) Key Managerial Personnel ("KMPs")	PPL has no KMPs. KMPs of UDL will become the employees of the PPL on same terms as before with or without suitable changes in their designations.	KMPs of the Amalgamated Company will continue to be KMPs of the Amalgamated Company, as before.
(e) Creditors	There is no impact of the draft Scheme on the creditors of the Participating Companies. Further, none of the creditors have any interest in the draft Scheme except to the extent of shares held by them, if any, in any of the Participating Companies.	

2.5 In the opinion of the Board, the said Scheme will be advantageous and beneficial to the Companies, Shareholders and all concerned.

By order of the Board of Ranchmahal Properties Limited



(Harish Kumar Wadhawan)

Director

Date: 28<sup>th</sup> June 2023

Place: New Delhi

## BENGAL & ASSAM COMPANY LIMITED

Report Adopted by the Board of Directors of the Company under Section 232(2)(c) of the Companies Act, 2013, explaining the effect of the Scheme of Arrangement on Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders.

### 1. Background

- 1.1 The Board of Directors of the Company at its meeting held on June 28, 2023 after considering *inter-alia* the following documents placed before the meeting, approved the Scheme of Arrangement amongst Umang Dairies Limited (UDL / Demerged Company / Amalgamating Company), Panchmahal Properties Limited (PPL / Resulting Company 1) and Bengal & Assam Company Limited (BACL / Amalgamated Company / Resulting Company 2) (collectively referred to as *Participating Companies*) and their respective shareholders and creditors (*Scheme*) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (*Act*).
- (i) draft Scheme, duly initialed by the Company Secretary of the Company for the purpose of identification;
  - (ii) valuation report dated 28<sup>th</sup> June, 2023, issued by Mr. Niranjan Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137, for the determination of Share Entitlement Ratios (as defined hereunder) under the draft Scheme;
  - (iii) fairness opinion dated 28<sup>th</sup> June, 2023, prepared by Kunvarji Finstock Private Limited, an Independent SEBI registered Category-I Merchant Banker, confirming that the Share Entitlement Ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors;
  - (iv) fairness opinion dated 26<sup>th</sup> June, 2023, prepared by D&A Financial Services Private Limited, an Independent SEBI registered Category-I Merchant Banker, confirming that the Share Entitlement Ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors;
  - (v) certificate dated 28<sup>th</sup> June, 2023, from M/s. BGJC & Associates LLP, Chartered Accountants, statutory auditors of the Company, pursuant to the SEBI Circular, certifying that the accounting treatment proposed in the draft Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act read with applicable rules and/ or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles;
  - (vi) report dated 28<sup>th</sup> June, 2023, of the Audit Committee of Directors of the Company, recommending the Scheme to the Board of Directors, after taking into consideration, *inter alia*, the Valuation Report, the Share Entitlement Ratios, the Fairness Opinion, and the Auditor's Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company; and
  - (vii) report dated 28<sup>th</sup> June, 2023, of the Committee of the Independent Directors of the Company, recommending the Scheme to the Board of Directors of the Company, after taking into consideration, *inter-alia*, the Valuation Report, the Share Entitlement Ratios, the Fairness Opinion and the Auditor's Certificate, and noting that the draft Scheme is not detrimental to the interest of the shareholders of the Company.



1.2 The Scheme *inter alia* provides for:

- (a) Demerger of Dairy Business Undertaking (as more explicitly defined in the Scheme) of UDL & vesting of the same into & with PPL, in the manner set out in the Scheme (**Part B of the Scheme**); and
- (b) Amalgamation of UDL after giving effect demerger of Dairy Business into the PPL, into and with BACL, in the manner set out in the Scheme (**Part C of the Scheme**); and

1.3 The Provisions of Section 232(2)(c) of Companies Act 2023 require the Board of Directors to adopt a report explaining the effect of the Arrangement on the Shareholders, Key Managerial Personnel, Promoters and Non-Promoters Shareholders. This Report of the Board is made and adopted accordingly.

## 2. Effect of the Scheme of Arrangement on the said Stakeholders

- 2.1 At the outset, it is stated that no compromise or arrangement is proposed under the Scheme between the said companies and any classes of persons other than the shareholders of the said companies.
- 2.2 Each of the said companies except BACL have only one class of shareholders, i.e. Equity Shareholders. BACL has two classes of Shareholders i.e. Equity Shareholders and Preference Shareholders. However, the scheme has no effect on the Equity and Preference shareholders of BACL and Equity Shareholders of PPL. In so far as the Equity Shareholders of UDL are concerned, the Scheme provides for issue of Equity Shares of the Amalgamated Company / Resulting Company 2 as follows:

### Part B of the Scheme

*'1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up.'*

### Part C of the Scheme

*'1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 14,652 (Fourteen Thousand Six Hundred and Fifty Two only) equity shares held in UDL having face value of INR 5 each fully paid up.'*

- 2.3 The share entitlement ratios, as aforesaid, were fixed on a fair and reasonable basis and on the basis of the said valuation report dated 28<sup>th</sup> June 2023 issued by Mr. Niranjan Kumar, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. – IBBI/RV/06/2018/10137). There was no difficulty in valuation.
- 2.4 The effect of the Scheme on Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders is summarised below:-

Category	UDL AND PPL	BACL
(a) Shareholders	There will be no change in the share capital of PPL. After demerger of the Dairy Business Undertaking of UDL and vesting of	Shareholders of the Amalgamated Company / Resulting Company 2 will not be issued or allotted any new



Category	UDL AND PPL	BACL
	the same into and with PPL, UDL will be amalgamated into and with BACL and will dissolve without winding-up pursuant to the Scheme. Shareholders of UDL will thus cease to be shareholders of UDL and will receive the shares of Amalgamated Company / Resulting Company 2, in the ratio as aforesaid.	shares in their capacity as shareholders of the Amalgamated Company / Resulting Company 2. The capital base of such Amalgamated Company will increase in accordance with and upon issue and allotment of shares to the shareholders of UDL as aforesaid.
(b) Non-promoter members	Same as shareholders as stated above.	Same as shareholders as stated above.
(c) Promoters and Promoters Group.	All Companies are under the common management and control. There will be no change in the management and control of PPL. In so far as shares held by promoters are concerned, the effect of the scheme is the same as stated in item (a) above.	All Companies are under common management and control. There will be no change in management and control of the Amalgamated Company consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the scheme is the same as stated in item (a) above.
(d) Key Managerial Personnel ("KMPs")	PPL has no KMPs. KMPs of UDL will become the employees of the PPL on same terms as before with or without suitable changes in their designations.	KMPs of the Amalgamated Company will continue to be KMPs of the Amalgamated Company, as before.
(e) Creditors	There is no impact of the draft Scheme on the creditors of the Participating Companies. Further, none of the creditors have any interest in the draft Scheme except to the extent of shares held by them, if any, in any of the Participating Companies.	

2.5 In the opinion of the Board, the said Scheme will be advantageous and beneficial to the Companies, Shareholders and all concerned.

By order of the Board of Bengal & Assam Company Limited



(Dillip Kumar Swain)  
Company Secretary

Date: 28<sup>th</sup> June 2023  
Place: New Delhi

**UMANG DAIRIES LIMITED**

Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002

21<sup>st</sup> August 2023

**BSE Limited**

Listing Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai - 400 001  
Email: [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

**Scrip Code - 500231**

**Complaint Report**

Sir/ Madam,

**Reference:** Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended for the proposed Scheme of Arrangement amongst Umang Dairies Limited ("Demerged Company"/ "Amalgamating Company"), Panchmahal Properties Limited ("Resulting Company 1") and Bengal & Assam Company Limited ("Resulting Company 2"/ "Amalgamated Company"/ "Company") and their respective shareholders and creditors under Section 230 to 232 read with other applicable provisions of the Companies Act, 2013 ("Act") together with rules made thereunder

We refer to our application dated 19<sup>th</sup> July 2023 regarding the above-mentioned subject in terms of Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, and the SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023 ("SEBI Master Circular").

As per Para I(A)(6) of the SEBI Master Circular, the Company is inter alia required to submit a 'Report on Complaints' containing the details of the complaints received by the Company in connection with the Scheme of Arrangement. The Report is required to be filed within 7 days of the expiry of 21 days from the date of uploading of the Scheme of Arrangement and related documents on the website of the stock exchanges. The Scheme of Arrangement along with related documents were uploaded on the website of BSE Limited on 27<sup>th</sup> July 2023 and the period of 21 days expired on 17<sup>th</sup> August 2023. Accordingly, we are enclosing herewith the 'Report on Complaint', as **Annexure 1**.

Request you to kindly take the above on record.

Thanking you,  
Yours faithfully,

For Umang Dairies Limited

(Pankaj Kamra)  
Company Secretary & Compliance Officer  
ACS 25103



Admin. Office - Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002, Ph. : (011) 66001162, 66001112, Fax : 23729415  
E-mail : [umang@gmail.com](mailto:umang@gmail.com)

Regd. Office : Gajraula Hesarpur Road, Gajraula - 244 255 Dist. Amroha (U.P.) Ph. : (05924) 252491-92, Fax : (05924) 252496  
E-mail : [ud@umangdairy.com](mailto:ud@umangdairy.com), Website : [www.umangdairies.com](http://www.umangdairies.com), C.I.N : L15111UP1902PLC014942  
AN ISO 9001 : 2008, HACCP, ISO 14001 : 2004 & OHSAS 18001 : 2007 Certified Company

## Annexure 1

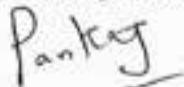
## Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

## Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Umang Dairies Limited



(Pankaj Kamra)  
Company Secretary & Compliance Officer  
ACS 25103

Place: New Delhi

Date: 21<sup>st</sup> August 2023

## UMANG DAIRIES LIMITED

Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002

National Stock Exchange of India Limited  
The Manager-Listing Compliance,  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra(E)  
Mumbai- 400 051



11<sup>th</sup> September 2023

Symbol – UMANGDAIRY  
Series - EQ

### Complaint Report

Sir/ Madam,

**Reference:** Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended for the proposed Scheme of Arrangement amongst Umang Dairies Limited ("Demerged Company"/ "Amalgamating Company"), Panchmahal Properties Limited ("Resulting Company 1") and Bengal & Assam Company Limited ("Resulting Company 2"/ "Amalgamated Company"/ "Company") and their respective shareholders and creditors under Section 230 to 232 read with other applicable provisions of the Companies Act, 2013 ("Act") together with rules made thereunder

We refer to our application dated 19<sup>th</sup> July 2023 regarding the above-mentioned subject in terms of Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, and the SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023 ("SEBI Master Circular").

As per Para I(A)(6) of the SEBI Master Circular, the Company is inter alia required to submit a 'Report on Complaints' containing the details of the complaints received by the Company in connection with the Scheme of Arrangement. The Report is required to be filed within 7 days of the expiry of 21 days from the date of uploading of the Scheme of Arrangement and related documents on the website of the stock exchanges. The Scheme of Arrangement along with related documents were uploaded on the website of National Stock Exchange of India Limited on 17<sup>th</sup> August 2023 and the period of 21 days expired on 7<sup>th</sup> September 2023. Accordingly, we are enclosing herewith the 'Report on Complaint', as **Annexure 1**.

Request you to kindly take the above on record.

Thanking you,  
Yours faithfully,

For Umang Dairies Limited

(Pankaj Kamra)  
Company Secretary & Compliance Officer  
ACS 25103



Admn. Office : Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002, Ph. : (011) 69001162, 69001112, Fax : 23726475  
E-mail : umang@jmiil.com  
Regd. Office : Gopaula Hasempur Road, Gopaula - 244 235 Dist. Amroha (U.P.) Ph. : (05604) 252491- 92, Fax : (05604) 252495  
E-mail : ud@umangdairy.com, Website : www.umangdairies.com, C I N : L15111UP1902PLC014942  
AN ISO 9001 : 2008, HACCP, ISO 14001 : 2004 & OHSAS 18001 : 2007 Certified Company

## Annexure 1

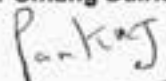
## Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

## Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Umang Dairies Limited



(Pankaj Kamra)  
Company Secretary & Compliance Officer  
ACS 25103

Place: New Delhi  
Date: 11<sup>th</sup> September 2023



# BENGAL & ASSAM COMPANY LIMITED

Secretarial Deptt. : 'Gulab Bhawan', 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002  
Telephone: 011 - 68201888, 68201899, Fax: 011-23739475

BACL/SCHEME/ COMPLAINT REPORT /2023  
21<sup>st</sup> August, 2023

**BSE Limited**  
Listing Department,  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai – 400 001  
Email: [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

Security Code No.: 533095

## Complaint Report

Dear Sir/ Madam,

**Reference:** Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended for the proposed Scheme of Arrangement amongst Umang Dairies Limited ("Demerged Company"/ "Amalgamating Company"), Panchmahal Properties Limited ("Resulting Company 1") and Bengal & Assam Company Limited ("Resulting Company 2"/ "Amalgamated Company"/ "Company") and their respective shareholders and creditors under Section 230 to 232 read with other applicable provisions of the Companies Act, 2013 ("Act") together with rules made thereunder

1. We refer to our application dated 19<sup>th</sup> July 2023 regarding the above-mentioned subject in terms of Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, and the SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023 ("SEBI Master Circular").
2. As per Para I(A)(6) of the SEBI Master Circular, the Company is *inter-alia* required to submit a 'Report on Complaints' containing the details of the complaints received by the Company in connection with the Scheme of Arrangement. The Report is required to be filed within 7 days of the expiry of 21 days from the date of uploading of the Scheme of Arrangement and related documents on the website of the stock exchanges. The Scheme of Arrangement along with related documents were uploaded on the website of BSE Limited on 27<sup>th</sup> July 2023 and the period of 21 days expired on 17<sup>th</sup> August 2023. Accordingly, we are enclosing herewith the 'Report on Complaint', as **Annexure 1**.
3. Request you to kindly take the above on record.

Thanking you,

Yours faithfully,  
For Bengal & Assam Company Limited



(Deep Kumar Swain)  
Company Secretary  
Membership No. FCS 4113  
Tel- 011-68201888  
[Email-dswain@ikmail.com](mailto:Email-dswain@ikmail.com)



CIN : L67120WB1947PLC221402, Website : [www.bengalassam.com](http://www.bengalassam.com), E-mail : [dswain@ikmail.com](mailto:dswain@ikmail.com)  
Regd. Office : 7, Council House Street, Kolkata, West Bengal - 700 001  
Telephone : 033 - 22486181 / 22487084, Fax : 033 - 22481641

# BENGAL & ASSAM COMPANY LIMITED

Secretarial Deptt. : 'Gulab Bhawan', 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002  
Telephone: 011 - 68201888, 68201899, Fax: 011-23739475

Annexure-1

## Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

## Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
	NIL	NA	NA

Place: New Delhi  
Date: 21st August 2023

For Bengal & Assam Company Limited



(Dilip Kumar Swain)  
Company Secretary  
Membership No: FCS 4113  
Tel- 011-68201888  
Email-dswain@kmail.com



CIN : L67120WB1947PLC221402, Website : www.bengalassam.com, E-mail : dswain@kmail.com  
Regd. Office : 7, Council House Street, Kolkata, West Bengal - 700 001  
Telephone : 033 - 22486181 / 22487084, Fax : 033 - 22481641



DCS/AMAL/SC/R37/3086/2023-24

February 21, 2024

The Company Secretary,  
**UMANG DAIRIES LTD**  
 Gajraula Hasanpur Road,  
 3 Km Stone, Dist  
 Jyotiba Phuley Nagar,  
 Amroha, Gajraula,  
 Uttar Pradesh, 244235

The Company Secretary,  
**BENGAL & ASSAM COMPANY LTD.**  
 7, Council House Street, Kolkata, West Bengal,  
 700001

Dear Sir,

**Sub: Observation letter regarding the Scheme of Arrangement between Umang Dairies Limited (Demerged Company) and Bengal & Assam Company Limited (Resulting Company) and its Shareholders and Creditors**

We are in receipt of Scheme of Arrangement between Umang Dairies Limited (Demerged Company) and Bengal & Assam Company Limited (Resulting Company) and its Shareholders and Creditors filed by Umang Dairies Limited and Bengal & Assam Company Limited as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/885 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS\_Div/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated February 21, 2024 has inter alia given the following comment(s) on the draft scheme of Amalgamation & Arrangement:

- a. "The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "Company shall ensure compliance with SEBI circulars issued from time to time."
- d. "The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all liabilities of transferor company are transferred to the transferee company."
- e. "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."

f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."

g. "Company is advised to disclose:

- (i) Details of assets, liabilities, revenue of all the companies involved in the scheme, both pre and post scheme of arrangement.
- (ii) Latest Net worth certificate along with the statement of assets and liabilities of all the companies involved in the scheme, both pre and post scheme of arrangement.
- (iii) Detailed rationale for arriving at the swap ratio for issuance of the shares of the proposed scheme of arrangement by the Board of Director of the Listed Company.
- (iv) Classification of shareholders as a "Promoter and Promoter group" or public and reasons thereof,
- (v) Detailed explanation on how the scheme will be beneficial to the public shareholders of the listed/transferee company and the value derived by the public shareholders from the scheme of arrangement,
- (vi) Supervisory concerns of RBI regarding BACL, with RBI's permission.

as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter."

h. "Company shall ensure that applicable additional information, if any, to be submitted to SEBI along with draft scheme of arrangement as advised by email dated October 05, 2023 shall form part of disclosures to the shareholders."

i. "Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."

j. "Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only."

k. "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."

l. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."

m. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."

n. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."

o. "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft

scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

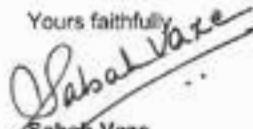
Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

  
Sabah Vaze  
Senior Manager

  
Tanmayi Lele  
Assistant Manager



**National Stock Exchange Of India Limited**

Ref: NSE/LIST/36589

February 22, 2024

The Company Secretary  
Umang Dairies Limited  
Gulab Bhawan,  
3rd Floor, 6A, Bahadur Shah Zafar Marg,  
New Delhi - 110 002

**Kind Attention: Mr. Pankaj Kamra**

Dear Sir,

**Sub: Observation Letter for draft Scheme of Arrangement amongst Umang Dairies Limited (UDL Demerged Company Amalgamating Company) Panchmahal Properties Limited (PPL Resulting Company 1) and Bengal and Assam Company Limited (BACL Resulting Company 2 Amalgamated Company) and their respective shareholders and creditors.**

We are in receipt for draft Scheme of Arrangement amongst Umang Dairies Limited (UDL Demerged Company Amalgamating Company) Panchmahal Properties Limited (PPL Resulting Company 1) and Bengal and Assam Company Limited (BACL Resulting Company 2 Amalgamated Company) and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act 2013 vide application dated July 19, 2023.

Based on our letter reference no. NSE/LIST/36589 dated November 07, 2023, submitted to SEBI pursuant to SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI (LODR) Regulations, 2015, SEBI vide its letter dated February 21, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b) *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Companies and the Stock Exchanges.*

The Document is Digitally Signed

National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, India  
India +91 22 26498100 | www.nseindia.com | CIN U67120M41992PLC069769  
Date: Thu, Feb 22, 2024 17:12:21 IST  
Location: NSE



Non-Confidential

- c) *The entities involved in the Scheme shall duly comply with various provisions of the Regulations & Circulars.*
- d) *The Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f) *The Companies shall disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter:*
- (i) The details of assets, liabilities, revenue of all the companies involved in the scheme, both pre and post scheme of arrangement,*
  - (ii) Latest net worth certificate along with statement of assets and liabilities of all the companies involved in the scheme of arrangement for both pre and post the scheme of arrangement,*
  - (iii) Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company,*
  - (iv) Classification of shareholders as a "Promoter and Promoter group" or Public and reasons thereof,*
  - (v) Detailed explanation on how the scheme will be beneficial to the public shareholders of the Listed/transferee company and the value derived by the public shareholders from the scheme of arrangement.*
  - (vi) Supervisory concerns of RBI regarding BACL, with RBI's permission.*
- g) *The Companies shall ensure that applicable additional information, if any, to be submitted to SEBI along with draft scheme of arrangement as advised by Exchange vide letter dated October 04, 2023 shall form part of disclosures to the shareholders.*
- h) *The Companies shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- i) *The Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*

This Document is Digitally Signed

Signer: CIP31VPH, CHNCHOECS  
Date: Thu, Feb 22, 2024 17:12:21 IST  
Location: NSE

Non-Confidential

- j) *The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- k) *The Company shall ensure that no changes to the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchanges without specific written consent of SEBI, except those mandated by the regulators/authorities/ tribunals.*
- l) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- m) *The Company shall ensure that all the applicable provisions of the Companies Act,2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- n) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

This Document is Digitally Signed



Signer: DIFTI VSPIL CHINCHWADI  
Date: Thu, Feb 22, 2024 17:12:21 IST  
Location: NSE

Non-Confidential



The validity of this "Observation Letter" shall be six months from February 22, 2024, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.


**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Dipti Chinchkhede  
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

The Document is Digitally Signed

 **NSE**  
Signer: DIPTI VIKAL CHINCHKHEDDE  
Date: Thu, Feb 22, 2024 17:12:21 IST  
Location: NSE

Non-Confidential

## Annexure-7

A. Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against Umang Dairies Limited.

S. No.	Court / Tribunal/ Authority	Parties	Brief Summary	Amount (INR)	Current Status
1	Deputy Commissioner of State Tax, Behala, West Bengal	Deputy Commissioner of State Tax, Behala, West Bengal and Umang Dairies Limited	Deputy Commissioner of State Tax, Behala, West Bengal vide its Order dt. 5.10.2023 under Goods and Service Tax Act (GST) has raised a tax demand of Rs. 1,86,490/- , interest of Rs. 1,68,223/- and penalty of Rs. 40,000/- on account of mismatch in claim of input tax credit as per Company's records and department's records for the period April 2018 to March 2019	Tax demand of Rs. 1,86,490/-, interest of Rs. 1,68,223/- and penalty of Rs. 40,000/-	Company will pay the partial demand and for balance demand, will file the appeal before the Commissioner (Appeals).
2	Sales Tax Authority	Sales Tax Authority and Umang Dairies Limited	The Sales Tax Officer, Amroha / Moradabad, had imposed sales tax liability on the Company by rejecting Form "F" received from the consignment agents for transfer of stock pertaining to financial years 2013-14 to 2017-18.	Sales Tax Liability of Rs. 12.46 crore	<ul style="list-style-type: none"> <li>• For FY 2013-14 &amp; 2014-15, matter is pending before Allahabad High Court</li> <li>• For FY 2015-16 matter has been decided in favour of the company by Moradabad Tribunal</li> <li>• For FY 2016-17 matter is remanded back to the Sales Tax officer.</li> <li>• For FY 2017-18, matter was ex-parte decided against the company by Sales Tax Officer. The re-opening proceedings against the Order of the Sales Tax Officer are pending.</li> </ul>
3	Goods and Service Tax Authority	Goods and Service Tax and Umang Dairies Limited	Goods and Service Tax Authority has imposed a penalty of Rs. 4.14 lac at Gorakhpur, Uttar Pradesh, due to clerical error in mentioning Pin Code of Delivery Address on e-way Bill.	Rs. 4.14 lacs	Appeal against the penalty order has been dismissed by Additional Commissioner (Appeals) Gorakhpur.  Against the Order of Additional Commissioner (Appeals), WRIT Petition has been filed before Allahabad High Court, which is pending for disposal.
4	Joint Commissioner, Corporate Circle, State Tax, Moradabad	Joint Commissioner, Corporate Circle, State Tax, Moradabad and Umang Dairies Limited	Joint Commissioner, Corporate Circle, State Tax, Moradabad vide her Order dt. 28.12.2023, under Goods and Service Tax Act (GST) has denied exemption from GST on job work services provided by the Company for the period July 2017 to March 2018.	Tax demand of Rs. 96,63,926/-, interest of Rs. 90,21,606/- and penalty of Rs. 9,66,392/-	An appeal has been filed before Commissioner (Appeals) against the Order of Joint Commissioner, Moradabad, which is pending.
5	GST Officer, Department of Trade and Taxes	GST Officer, Department of Trade and Taxes and Umang Dairies Limited	GST Officer, Department of Trade and Taxes, Delhi vide his Order dt. 27.12.2023, under Goods and Service Tax Act (GST) has denied Input Tax Credit (ITC) claimed by the Company for the period July 2017 to March 2018	Tax demand of Rs. 1,21,700/-, interest of Rs. 1,21,700/- and penalty of Rs. 12,170/-	An appeal has been filed before Commissioner (Appeals) against the Order of GST Officer, which is pending.

6	Joint Commissioner, Corporate Circle, State Tax, Moradabad	Joint Commissioner, Corporate Circle, State Tax, Moradabad and Umang Dairies Limited	Joint Commissioner, Corporate Circle, State Tax, Moradabad vide her Order dt. 23.04.2024, under Goods and Service Tax Act (GST) has denied exemption from GST on job work services provided by the Company denial of Input Tax Credit claimed by the company for the period April 2018 to March 2019.	Tax demand of Rs 219.10 Lacs, Interest of Rs. 216.65 Lacs and penalty of Rs 22.01 Lacs	Company will file the appeal before Commissioner (Appeals) within the prescribed time limit.
7	Sales Tax Officer Class II/ AVATO, Delhi	Sales Tax Officer Class II/ AVATO, Delhi and Umang Dairies Limited	GST Officer, Department of Trade and Taxes, Delhi vide his Order dt. 17.04.2024, under Goods and Service Tax Act (GST) has denied Input Tax Credit (ITC) claimed by the Company for the period April 2018 to March 2019	Tax demand of Rs 1.17 Lacs, Interest of Rs 1.08 Lacs and penalty of Rs 0.20 Lacs as Penalty	Company will file the appeal before Commissioner (Appeals) within the prescribed time limit.
8	Deputy Commissioner of State Tax, Behala, West Bengal	Deputy Commissioner of State Tax, Behala, West Bengal and Umang Dairies Limited	Deputy Commissioner of State Tax, Behala, West Bengal vide his Order dt. 14.03.2023 under Goods and Service Tax Act (GST) has denied Input Tax credit claimed by the Company for the period July 2017 to March 2018	Tax demand of Rs 7.67 Lacs, Interest of Rs 7.38 Lacs and penalty of Rs 0.88 Lacs	Appeal Pending before First Appellate Authority and hearing yet to be fixed
9	Deputy Commissioner of State Tax, Behala, West Bengal	Deputy Commissioner of State Tax, Behala, West Bengal and Umang Dairies Limited	Deputy Commissioner of State Tax, Behala, West Bengal vide its Order dt. 19.03.2024 under Goods and Service Tax Act (GST) has raised tax demand for short payment of tax, excess claim of Input Tax Credit for the period April 2019 to March 2020	Tax demand of Rs. 5.36 Lacs, interest of Rs 4.57 Lacs and penalty of Rs 0.42 Lacs as Penalty	The Company is in the process of filing the appeal before Commissioner (Appeals)
10	Goods and Service Tax Authority	Goods and Service Tax and Umang Dairies Limited	Goods and Service Tax Authority has imposed a penalty of Rs. 4.12 lac at Moradabad, Uttar Pradesh, due to clerical error of not mentioning the description on the Delivery Challan and on E-way bill.	Rs. 4.12 lacs	Appeal Pending before First Appellate Authority and hearing yet to be fixed.
11	Regional Milk Development Officer	Regional Milk Development Officer and Umang Dairies Limited	Regional Milk Development Officer has imposed a claim of Rs. 69.24 lac under UP Milk Act, 1994, for claiming Milk Cess on milk procured by the Company.	Claim of Rs. 69.24 lac	Regional Milk Development Officer has imposed a claim of Rs. 69.24 lac under UP Milk Act, 1994, for claiming Milk Cess on milk procured by the Company. The Company alongwith other entities had filed joint Writ Petition before Hon'ble High Court of Allahabad, which is pending disposal as on date.
12	The Arbitrator	A.P Secure Services Pvt. Ltd., and Umang Dairies Limited	An arbitration matter is pending before the Arbitrator in respect of claim filed by A.P Secure Services Pvt. Ltd., Security Agency, of Rs.52.66 lac for the services rendered by it to the Company	Rs. 52.66 lac	The matter was to be listed on 22nd April, 2024 through video conferencing, and the claimant was to send the link. However, no link was sent. In this view of the matter, list on <b>5th August, 2024 at 11:30 a.m.</b> through video conferencing for further directions. The claimant to send the link.  The Petition under Section 14(2) (the "Petition") of the Arbitration & Conciliation Act, 1996 (the "Act") filed by the Claimant before the High Court of Delhi is listed on <b>14 August 2024</b> .

					Accordingly, the matter is now scheduled for hearing before the Tribunal on <b>5th August, 2024 at 11:30 a.m.</b> through video conferencing for further directions.
13	District Court at Saket	Devyani Food Industries Ltd and Umang Dairies Limited	Devyani Food Industries Ltd. (Devyani Food), customer of the Company, had filed a case for recovery of business loss of Rs. 92.58 lac due to non-supply of material by the Company	Rs. 92.58 lac	Devyani Foods has filed an appeal before the Hon'ble High Court of Delhi, against the Order of The District Court at Saket, New Delhi, in a Civil Suit and the matter is pending and matter will be listed in due course.
14	Hon'ble National Green Tribunal, New Delhi (Tribunal)	Hon'ble National Green Tribunal, New Delhi (Tribunal) and Umang Dairies Limited	Principal Bench of Hon'ble National Green Tribunal, New Delhi (Tribunal) has levied an environmental compensation of Rs. 4.85 crore on the Company for not having a valid No Objection Certificate ("NOC") for Ground Water Extraction under the Guidelines of Central Ground Water Authority (CGWA).	Rs. 4.85 crore	The Hon'ble National Green Tribunal at New Delhi ("Hon'ble Tribunal") has rendered a finding against the Company for not having a valid No Objection Certificate ("NOC") under the Guidelines of CGWA despite the Company placing on record evidence to show that it had applied for renewal of the NOC prior to its expiry and had continuously followed up with CGWA for grant of NOC. Therefore, the Company could not have been held liable for the failure of CGWA to grant renewal of the NOC under the CGWA Guidelines. The Company filed the appeal before Hon'ble Supreme Court challenging the final order and judgment dated 25.02.2022 ("Impugned Judgment") of the Ld. Principal Bench of the Hon'ble Tribunal, whereby the Hon'ble Tribunal levied an environmental compensation of Rs. 4,85,44,000/- on the Company without rendering any finding against the Company. The Civil Appeal was listed and heard before Hon'ble Supreme Court on 11 April 2022. This Hon'ble Court upon noting the submissions advanced on behalf of the Company, directed the Company to deposit a sum of Rs. 1 Crore (Rupees One Crore). The said amount has been deposited in compliance of the order passed by Hon'ble Supreme Court. The matter is subjudice before the Hon'ble Supreme Court.

B. Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against promoter of Umang Dairies Limited

S. No.	Court / Tribunal	Parties	Brief Summary	Amount (INR)	Current Status
1.	Collector of Kolkata, Stamp & Revenue, Kolkata	Collector of Kolkata and Bengal & Assam Company Limited	Adjudication of Stamp Duty filed with the Office of the Collector of Kolkata, Stamp & Revenue, Kolkata, in the year 2019 regarding the Shares issued pursuant to the sanctioned Scheme of Arrangement between Florence Investech Limited, BMF Investments Limited, J.K. Fenner (India) Limited and Bengal & Assam Company Limited and their respective Shareholders and Creditors.	Amount not ascertained*	Adjudication Pending before Collector of Kolkata, Stamp & Revenue, Kolkata

\*BACL has received an order dated June 20, 2024 ascertaining the demand of INR 10.72 crore. This demand is pending finality, subject to legal rights of BACL.

C. Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken against directors of Umang Dairies Limited: None

This Abridged Prospectus / Disclosure document dated 12<sup>th</sup> June, 2024, (*Disclosure Document*) has been issued in compliance with the provisions of SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 read with master circular bearing number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by the Securities and Exchange Board of India (*SEBI*) (*SEBI Circulars*) in connection with the Scheme of Arrangement amongst Umang Dairies Limited (*UDL / Demerged Company / Amalgamating Company*), Panchmahal Properties Limited (*PPL / Resulting Company 1*) and Bengal & Assam Company Limited (*BACL / Amalgamated Company / Resulting Company 2*) and their respective Shareholders and Creditors, under Sections 230 to 232 of the companies act, 2013 and the rules framed thereunder (*Companies Act / Act*) (*Scheme of Arrangement / Scheme*) filed before the National Company Law Tribunal, benches at Kolkata and Allahabad.

This Disclosure Document contains the applicable information (as prescribed in the format for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements), 2018, pertaining to Panchmahal Properties Limited (*Company*), being an unlisted company in the Scheme.

Nothing in this Disclosure Document shall be considered as an invitation or an offer of any securities by or on behalf of UDL or PPL or BACL, on private placement or a public offer.

Capitalised terms not defined herein shall have same meaning as defined in the Notice.

THIS DISCLOSURE DOCUMENT CONTAINS 8 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

#### PANCHMAHAL PROPERTIES LIMITED

CIN: U74899UP1995PLC189056 | Date of Incorporation: May 23, 1995

**Registered Office:** 3 KM Stone, Hasanpur Road, Gajraula, Gajraula, Jyotiba Phule Nagar, Hasanpur, Uttar Pradesh, India, 244235

**Communication Address:** Link House Name Change to Patriot House, Bahadur Shah Zafar Marg, I.P.Estate, Central Delhi, New Delhi, Delhi, India, 110002

**Contact Person:** Shri Harish Kumar Wadhawan

**Telephone:** 011-68201812

**Email:** harish@ikmail.com

**Website:** NA

#### NAME OF THE PROMOTERS OF THE COMPANY

1. Bengal & Assam Company Limited

#### DETAILS OF THE SCHEME, LISTING AND PROCEDURE

##### Details of Scheme of Arrangement:

The Scheme of Arrangement between Umang Dairies Limited (*UDL / Demerged Company / Amalgamating Company*), Panchmahal Properties Limited (*PPL / Resulting Company 1*), and Bengal & Assam Company Limited (*BACL / Amalgamated Company / Resulting Company 2*) and their respective shareholders and creditors, *inter-alia* provides for:

1. Demerger of the Dairy Business Undertaking (**Demerged Undertaking**, as more expressly defined in Scheme) of Demerged Company into Resulting Company 1; and
2. Amalgamation of Amalgamating Company with and into Amalgamated Company / Resulting Company 2 in accordance with the terms provided in Scheme, under Section 230 to 232 read with other applicable provisions of Companies Act, 2013 (**Act**). The Scheme also provides for various other matters consequent and incidental thereto.



Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, in consideration for the demerger of the Demerged Undertaking from UDL (Demerged Company) and vesting into and with Panchmahal Properties Limited (Resulting Company 1), the Board of Directors (including any committee thereof) of Demerged Company in consultation with Board of Directors (including any committee thereof) of Resulting Company 1 and BACL (Resulting Company 2) shall determine a record date, for the purpose of determining the members of Demerged Company, to whom shares of Resulting Company 2 will be allotted under the Scheme ("Part B Record Date"). Resulting Company 2 shall issue and allot its equity shares having face value of INR 10 each to the shareholders of Demerged Company as on the Part B Record Date ("Part B Equity Shares"), whose names appear in the Register of Members (or records of the registrar and transfer agent) of Demerged Company in the following ratio:

***"1 (One) equity share of BACL having face value of INR 10 each fully paid up shall be issued for every 92 (Ninety Two) equity shares held in UDL having face value of INR 5 each fully paid up."***

Details about the basis for the Share Entitlement Ratio, the valuation report and fairness opinion are available on the website of Demerged Company / Amalgamating Company, i.e. <https://www.umangdairies.com>, Amalgamated Company / Resulting Company 2, i.e. <https://bengalassam.com>, BSE Limited, i.e. [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited, i.e. [www.nseindia.com](http://www.nseindia.com). (**Stock Exchanges**)

The equity shares issued and allotted by the Resulting Company 2 to the shareholders of Demerged Company, will be listed and / or admitted to trading on the BSE Limited, subject to entering into such arrangements and giving such confirmations and / or undertakings as may be necessary in accordance with the applicable laws or regulations for the Resulting Company 2, for complying with the formalities / requirements of the BSE Limited.

#### **LISTING AND PROCEDURE**

Pursuant to the provisions of the Scheme, post receipt of approval of the National Company Law Tribunal (NCLT) and upon certified copies of the sanctioned order of the NCLT approving the Scheme being filed with the Registrar of Companies, the Amalgamated Company / Resulting Company 2 shall issue and allot equity shares to shareholders of the Demerged Company/ Amalgamating Company, as per the Share Exchange Ratio set out in the Scheme. The Amalgamated Company / Resulting Company 2 shall be making necessary application for the listing of the equity shares allotted pursuant to the Scheme. The equity shares are proposed to be listed on BSE Limited. No further steps or actions would be required to be undertaken by the shareholders of the Demerged Company and Amalgamating Company to be entitled to receive equity shares of the Amalgamated Company / Resulting Company 2.

The procedure with respect to public issue / offer would not be applicable to Panchmahal Properties Limited as it is an unlisted company and is not offering any of its securities / equity shares to the public under the Scheme. Further, the allotment of equity shares of BACL under the Scheme is limited to the shareholders of UDL. Hence, the procedure with respect to a General Information Document (GID) is not applicable, and this Disclosure Document must be read accordingly.

#### **ELIGIBILITY FOR THE ISSUE**

This Disclosure Document is prepared in compliance with the observation letter issued by the BSE Limited (BSE) dated February 21, 2024 and National Stock Exchange of India Limited (NSE) dated February 22, 2024 and SEBI Circulars and contains the applicable information in the format for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

The equity shares sought to be listed are proposed to be allotted by the Amalgamated Company / Resulting Company 2 to the shareholders of the Demerged Company / Amalgamating Company pursuant to the Scheme to be sanctioned by NCLT under sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, the SEBI Circulars and subject to and in accordance with the terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the regulations 26(1) or 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [SEBI (ICDR)] are not applicable.

This document does not constitute an offer to public at large. There being no initial public offering or rights issue, the eligibility criteria of SEBI (ICDR) Regulations, are not applicable



#### INDICATIVE TIMETABLE

This Document should not be deemed to be an offer to the public at large. The Scheme requires approval of the National Company Law Tribunal, Kolkata Bench and Allahabad Bench (NCLT) and no exact time frame can be given for when the Scheme will become effective. However, the Appointed Date for the Scheme is April 01, 2023, or such other date as may be approved by the NCLT.

#### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors mentioned in this Disclosure Document carefully before taking an investment decision. For taking an investment, investors must rely on their own examination of the Amalgamated Company / Resulting Company 2, including the risks involved. The Equity Shares have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or the Document. Specific attention to investors is invited to the section titled 'Scheme Details and Procedure' beginning on page 1 and section titled 'Internal Risk Factors' beginning on page 7 of this Disclosure Document.

#### REGISTERED MERCHANT BANKER

##### Price Information of Book Running Lead Manager – Not Applicable

The details of registered Merchant Bankers appointed under the SEBI Circulars are as follows:

Name of the Registered Merchant Banker	D & A Financial Services (P) Ltd
Contact Details	Address: 13, Community Centre, East of Kailash, New Delhi-110065 Tel No.: +91 11 41326121, 40167038 Email: investors@dnafinserv.com Website: www.dnafinserv.com Contact Person: Mr. Priyaranjan

#### STATUTORY AUDITOR AND OTHER DETAILS

Name of Statutory Auditor and contact details	S.B.G. & Co., Chartered Accountants Firm Registration No. - 001818N Registered Office: 1005, 10 <sup>th</sup> Floor, Rohit House, Tolstoy Marg Connaught Place, Delhi 110 001 Phone: 9718848101, 11-41101650 Email: skkotwalia@gmail.com
Name of Syndicate Member	Not Applicable
Name of Registrar to the Issue and contact details (telephone and email ID)	Not Applicable
Name of credit Rating Agency and the rating or grading obtained	Not Applicable
Name of Debenture Trustee	Not Applicable
Self-Certified Syndicate Banks	Not Applicable
Non-Syndicate Registered Brokers	Not Applicable

#### PRICE INFORMATION OF BRLM's

Not Applicable

\*



PROMOTERS OF THE COMPANY			
S.N.	Name	Individual/Corporate	Experience
1	BENGAL & ASSAM COMPANY LIMITED	Corporate	<p><b>Bengal &amp; Assam Company Limited (BACL)</b> CIN - L67120WB1947PLC221402. PAN - AABCB0970C, is a public limited company incorporated under the provisions of the Companies Act, 1913 on January 30, 1947, having its registered office at 7, Council House Street Kolkata, West Bengal – 700 001. BACL is a Core Investment Company-Non-Deposit Taking-Systemically Important (CIC-ND-SI) registered with the Reserve Bank of India (RBI) vide registration number B-05.07048. Equity Shares of BACL are listed and traded on the Bombay Stock Exchange (BSE).</p> <p>BACL holds 55.30% in Umang Dairies Limited and 100% in Panchmahal Properties Limited.</p>
BUSINESS OVERVIEW AND STRATEGY			
<p><b>Company Overview:</b> Panchmahal Properties Limited (PPL) is a public limited company incorporated under the provisions of the Companies Act, 1956 on May 23, 1995, having its registered office at 3 KM Stone, Hasanpur Road, Gajraula, Gajraula, Jyotiba Phule Nagar, Hasanpur, Uttar Pradesh, India, 244235. CIN of PPL is U74899UP1995PLC189056.</p> <p>PPL is a wholly owned subsidiary company of BACL and was set up with the primary motive to engage in the business of leasing out properties. Upon effectiveness of the Scheme, PPL shall be engaged in Dairy Business.</p> <p><b>Product / Service Offering:</b> Panchmahal Properties Limited was set up with the primary motive to engage in the business of leasing out properties. The Company is currently not engaged in any active business, However, upon the Scheme of Arrangement becoming effective, the Company would carry on the Dairy Business of Umang Dairies Limited.</p> <p><b>Revenue segmentation by product/service offering:</b> The company has no operational revenue. Total revenue of the Company for FY 2023-24 is Rs. 15.11 laes comprise of interest on Fixed Deposit.</p> <p><b>Geographies Served:</b> Not Applicable, since the Company does not have any active business operations.</p> <p><b>Revenue segmentation by geographies:</b> Not Applicable</p> <p><b>Key Performance Indicators:</b> Not Applicable, as the Company does not have any active business operations as on the date of this Disclosure Document.</p> <p><b>Client Profile or Industries Served:</b> Not Applicable</p> <p><b>Revenue segmentation in terms of top 5/10 clients or Industries:</b> Not Applicable, as the Company does not have any active business operations as on the date of this Disclosure Document.</p> <p><b>Intellectual Property, if any:</b> Nil</p> <p><b>Market Share:</b> Nil, as the Company does not have any active business operations as on the date of this Disclosure Document.</p> <p><b>Manufacturing Plant, if any:</b> Nil</p> <p><b>Employee Strength:</b> Nil as on the date of this Document. However, upon effectiveness of the Scheme of Arrangement, all employees pertaining to Dairy Business (Demerged Undertaking) of Umang Dairies Limited (Demerged Company) shall become employees of the Company.</p>			





BOARD OF DIRECTORS				
S.N.	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorships
1.	Ram Ratan Gupta	Non-Executive Director	Shri Ram Ratan Gupta holds Bachelor's Degree in Commerce and is a fellow Member of the Institute of Cost Accountants of India. He has 56 years of experience in various industrial group out of which almost 43 years has been in Cement Industry.	1. Dwarakesh Energy Limited 2. Sidhivinayak Trading And Investment Limited 3. Ram Kanta Properties Pvt Ltd 4. Hansdeep Industries & Trading Company Limited
2.	Rajesh Kumar Ghai	Additional Director	Shri Rajesh Kumar Ghai, a qualified Chartered Accountant from the Institute of Chartered Accountants of India with more than 25 years of experience in taxation matter.	1. Terrestrial Foods Bengal Limited 2. L V P Foods Pvt. Ltd. 3. Songadh Infrastructure & Housing Limited
3.	Harish Kumar Wadhawan	Non-Executive Director	Shri Harish Kumar Wadhawan is a Fellow Member of the Institute of Chartered Accountants of India. He has experience of more than over 30 years in Accounts and Finance matter.	1. PSV Agro Products Private Limited 2. Divyashree Company Private Limited 3. PSV Energy Private Limited 4. HSS Stock Holding Private Limited 5. Rouscy Tradings Private Limited 6. Accurate Finman Services Limited 7. Saptrishi Consultancy Services Limited

#### OBJECT OF THE ISSUE / PROPOSED SCHEME

**Details of means of finance, Name of monitoring agency etc.** - Not applicable as Panchmahal Properties Limited is not offering securities / equity shares through an initial public offer to the public at large, pursuant to the Scheme.

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years:** Not Applicable

#### Need for the Scheme:

The Management of the Participating Companies is of the view that the Dairy business of UDL has huge potential for value unlocking and attracting strategic Partners / Investors. This will facilitate substantial growth of Dairy business with potential for a wider customer reach. Given that both the listed companies (UDL and BACL) belong to the same Group, it is ideal to minimize compliances and entity rationalization. The proposed scheme of arrangement shall result in administrative convenience for the group and reduce regulatory, reporting and compliance functions. It shall lead to a simplified, cost-efficient and streamlined organization structure.



**Rationale for the Scheme:**

1. The managements of the respective Participating Companies are of the view that the arrangement proposed in this Scheme is, in particular, expected to have the following benefits:
  - a) Facilitate focused growth, concentrated approach, and increased operational focus for the Dairy business.
  - b) Enable the structure for attracting strategic partners / investors for the Dairy business.
  - c) Rationalization of operations with greater degree of operational efficiency and optimum utilization of resources.
  - d) Amalgamation of the Demerged Company after giving effect of de-merger of Dairy business, with Amalgamated Company shall result in simplified and streamlined holding structure and help in optimizing the resources and thereby reducing the compliances.
  - e) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.
2. The management of the respective Participating Companies is of the view that this Scheme is in the interest of the customers, employees, lenders, shareholders and all other stakeholders of the respective Participating Companies.

**PRE-SCHEME AND POST-SCHEME SHAREHOLDING PATTERN**

S.N.	Particulars	Pre-Scheme number of shares	Pre-Scheme % Holding
1	Promoter and Promoter Group	351230*	100%
2	Public	-	-
	<b>Total</b>	<b>351230</b>	<b>100%</b>

**Note:** \*Bengal & Assam Company Limited holds 351230 equity shares which includes 60 shares held jointly with Shri U. K. Gupta, Shri Dillip Kumar Swain, Shri Harish Kumar Wadhawan, Shri Manish Khanna, Shri Satish Anand and Shri Rachit Nagori.

**POST SCHEME SHAREHOLDING PATTERN**

There would be no change in the shareholding pattern of Panchmahal Properties Limited upon effectiveness of the Scheme. Thus, Post Scheme shareholding pattern would remain the same as in case of Pre-Scheme shareholding pattern depicted above.

**RESTATED STANDALONE FINANCIAL INFORMATION**

Amount (Rupees in lakhs)

S.N.	Particulars	As on and for the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
1	Total income from (net)	15.11	10.27	6.66
2	Net Profit/(loss) before tax and extraordinary items	(1.23)	10	6.43
3	Net Profit/(loss) after tax and extraordinary items (A)	(3.08)	7.40	4.53
4	Equity Share Capital (Face Value of ₹10 per share) (B)	35.12	35.12	35.12
5	Reserves and Surplus (Other Equity)	208.93	212.01	204.61



S.N.	Particulars	As on and for the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
6	Net Worth (C)	244.05	247.13	239.73
7	Basic Earnings per Share (₹)	(0.88)	2.11	1.29
8	Diluted Earnings per Share (₹)	(0.88)	2.11	1.29
9	Return on Net Worth (%) [(A/C) x 100]	-1.26%	2.99%	1.89%
10	Net asset value per share (₹) [C/(B/10)]	69.49	70.37	68.26

#### INTERNAL RISK FACTORS

1. The Scheme of Arrangement is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approval will result in non-implementation of the Scheme and may adversely affect the shareholders.
2. Any non-compliance with the regulatory laws of the land may lead to penalties and fines.
3. Equity Shares to be issued pursuant to the Scheme shall be listed on BSE Limited, which would be subject to approvals from the said Stock Exchange and other necessary compliance. In the event that these approvals are delayed, the listing of the equity shares may get impacted.

#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

##### A. Total number of outstanding litigations against the company and amount involved:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (crores)
Company	} NIL					
By the Company						
Against the Company						
<b>Directors</b>						
By our directors						
Against the Directors						
<b>Promoter</b>						
By the Promoter						
Against the Promoter						
<b>Subsidiaries</b>						
By the Subsidiaries	Not applicable as Panchmahal Properties Limited does not have any subsidiary					



Against the Subsidiaries	Not applicable as Panchmahal Properties Limited does not have any subsidiary			
<b>B. Brief details of top 5 material outstanding litigations against the company and amount involved:</b>				
S.N.	Particulars	Litigation filed	Status	Amount Involved
1.	NIL			
<b>C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in the last 5 financial years including outstanding action, if any – None</b>				
<b>D. Brief details of outstanding criminal proceedings against Promoters – None</b>				
<b>ANY OTHER IMPORTANT INFORMATION OF THE COMPANY: NIL</b>				

#### DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Disclosure Document is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Disclosure Document are true and correct.

For Panchmahal Properties Limited

(Harish Kumar Wadhawan)

Director

DIN :06939569

Date: 12<sup>th</sup> June, 2024

Place: New Delhi



A handwritten signature and a circular stamp, likely a personal or official seal, located at the bottom left of the page.



**D & A FINANCIAL SERVICES (P) LIMITED**  
Merchant Banking & Corporate Advisory Services

To  
Board of Directors  
Panchmahal Properties Limited  
3 KM Stone, Hasanpur Road,  
Gajraula, Jyotiba Phule Nagar,  
Hasanpur,  
Uttar Pradesh, India, 244235

Date: June 18, 2024

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023 in terms of Scheme of Arrangement between Umang Dairies Limited and Panchmahal Properties Limited and Bengal & Assam Company Limited and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Scheme")

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Panchmahal Properties Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to Panchmahal Properties Limited, under the Scheme as stated above.

**Scope and Purpose of the Compliance Report**

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023, a Compliance Report has to be obtained from an Independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations").



H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kailash, New Delhi-110065 (India) 1

Phone: +91 11 41320121, 40167038

E-mail: investors@dnafinserv.com, compliance@dnafinserv.com, valuation@dnafinserv.com, contact@dnafinserv.com  
Website: www.dnafinserv.com, Branch Office : Mumbai

CIN : U74899DL1981PTC012709

The purpose of the report is to inform the Shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.

#### **Sources of the Information**

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Arrangement.
2. Abridged Prospectus dated June 12, 2024 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus.

**Disclaimer:** This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the companies.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.



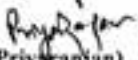


Merchant Banking & Corporate Advisory Services

**Compliance Report**

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated June 12, 2024, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, 2018, to the extent applicable with respect to unlisted company i.e Panchmahal Properties Limited, are accurate and adequate to the extent applicable.

Thanking You  
For D & A Financial Services (P) Limited

  
(Priyaranjan)  
Vice President/Authorized Signatory

SEBI Registration No. INM000011484



Place: New Delhi

## UMANG DAIRIES LIMITED

Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002



To  
National Stock Exchange of India Limited  
The Manager - Listing Compliance  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

**Subject:** Scheme of Arrangement between amongst Umang Dairies Limited ("UDL"/ "Demerged Company"/ "Amalgamating Company"), Panchmahal Properties Limited ("PPL"/ "Resulting Company 1") and Bengal & Assam Company Limited ("BACL"/ "Resulting Company 2"/ "Amalgamated Company") (all the entities are collectively referred to as "Participating Companies") and their respective shareholders and creditors ("Scheme")

**Reference:** National Stock Exchange of India Limited letter dated 04<sup>th</sup> October 2023, bearing reference number; NSE/LIST/36589, received against the filing/application bearing number 36589 filed on 19<sup>th</sup> July 2023

Respected Sir/ Ma'am,

This has reference to the queries / clarifications raised vide letter dated 04<sup>th</sup> October 2023, please find below our response to the observations / queries raised in seriatim:

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
1.	Apportionment of losses of the listed company among the companies involved in the scheme.	Yes	<ul style="list-style-type: none"> <li>There is no book loss in the Company as on 31st March 2023.</li> <li>However from income tax perspective, as on the appointed date, UDL has carry forward business loss of INR 1415.66 lacs and unabsorbed depreciation of INR 986.40 lacs. Since the entire loss pertains to the demerged undertaking, the aforesaid losses and unabsorbed depreciation shall be transferred to the Resulting Company 1 in terms of provisions under Section 72A and other applicable provisions of the Income Tax Act, 1961 and in the manner provided in the Scheme.</li> </ul>	NA



Admn. Office : Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002, Ph. : (011) 66001162, 66001112, Fax : 23739475  
E-mail : umang@jmsl.com

Regs. Office : Gajpata Himanpur Road, Gajpata - 244 235 Dist. Amritsar (U.P.) Ph. : (0524) 252451- 82, Fax : (0524) 252485  
E-mail : udh@umangdairies.com, Website : www.umangdairies.com, C / N : L13115UP1982PL0014942

AN ISO 9001 : 2008, HACCP, ISO 14001 : 2004 & OHSAS 18001 : 2007 Certified Company



2.	Details of assets, liabilities, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged undertaking/Transferor Company certified by Chartered Accountant (CA).	Yes	<ul style="list-style-type: none"> <li>The required details certified by a Chartered Accountant is attached herewith as <b>Annexure - A</b></li> </ul>	Please refer Para 1 of Annexure A
3.	Any type of arrangement or agreement between the demerged company/resulting company/merged/amalgamated company/ creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.	No	<ul style="list-style-type: none"> <li>There is no existing arrangement between the Participating Companies involved in the proposed Scheme which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.</li> </ul>	NA
4.	Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA.	NA	NA	NA
5.	Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.	Yes	<ul style="list-style-type: none"> <li>It is hereby submitted that as on Appointed Date, UDL has Capital Redemption Reserve of Rs. 359.00 lacs in its financials. This reserve was created at the time of redemption of 3,59,000 Zero Coupon redeemable preference shares of Rs. 100 each. For details, please refer Para 2 of Annexure A.</li> <li>Existing CRR of UDL shall be transferred to BACL post merger in terms of Part-C of the proposed Scheme and the nature of CRR shall remain the same in books of BACL.</li> <li>Certificate of Chartered Accountant is attached herewith as <b>Annexure - A</b>.</li> </ul>	Please refer Para 2 of Annexure A



6.	Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.	Yes	<ul style="list-style-type: none"> <li>The CRR in the books of UDL was created upon redemption of Preference Shares and hence is not a notional/unrealised reserve.</li> <li>The certificate of Chartered Accountant is attached herewith as <b>Annexure - A</b>.</li> </ul>	Please refer para 3 Annexure B
7.	The built up of the accumulated losses over the years, certified by CA.	Yes	<ul style="list-style-type: none"> <li>The certificate of Chartered Accountant is attached herewith as <b>Annexure - A</b>.</li> </ul>	Please refer para 4 of Annexure A
8.	Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.	Yes	<ul style="list-style-type: none"> <li>The certificate of Chartered Accountant is attached herewith as <b>Annexure - A</b>.</li> <li>Also please find enclosed the certificate issued by the Statutory Auditor of Participating Companies conforming compliance with the Accounting Standards, as <b>Annexure - B</b>.</li> </ul>	Please refer para 5 of Annexure - A and Annexure - B.
9.	Details of shareholding of companies involved in the scheme at each stage, in case of composite scheme.	Yes	<ul style="list-style-type: none"> <li>Please find enclosed the details of shareholding of Participating Companies involved in the scheme at each stage as <b>Annexure C (Colly)</b>.</li> <li>Further, it is submitted that the shareholding of PPL post Scheme (Including Part-B and Part-C) shall remain the same as prior to the Scheme. Accordingly, the pre Scheme shareholding pattern of PPL may also be considered as post-Scheme.</li> </ul>	Please refer Annexure C (Colly)
10.	Whether the Board of unlisted company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof. If not, provide the reasons thereof.	NA	NA	NA



11.	List of comparable companies considered for comparable companies' multiple method.	NA	<ul style="list-style-type: none"> <li>Comparable companies multiple method has not been used for the purpose of valuation and determination of swap ratio for the Scheme. This has been certified by the registered valuer Mr. Niranjan Kumar. Certificate of valuer is attached as Annexure E.</li> </ul>	Please refer Para 1 of Annexure E
12.	Share Capital built-up in case of scheme of arrangement involving unlisted entity/entities, certified by CA.	Yes	<ul style="list-style-type: none"> <li>The certificate of Chartered Accountant is attached herewith as <b>Annexure - A</b>.</li> </ul>	Please refer para 6 of Annexure A
13.	Any action taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme.	No	<ul style="list-style-type: none"> <li>No action is taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme.</li> </ul>	NA
14.	Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.	Yes	<ul style="list-style-type: none"> <li>Please find attached the Comparison of revenue/turnover and net worth of demerged undertaking with the total revenue/turnover and net worth of the listed entity in last three financial years as <b>Annexure D</b></li> </ul>	Please refer Annexure D
15.	Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.	Yes	<ul style="list-style-type: none"> <li>The detailed rationale, methodology and workings for arriving at the swap ratio for issuance of shares in the proposed Scheme are provided in the valuation report dated 28<sup>th</sup> June 2023, issued by an independent registered valuer Mr. Niranjan Kumar ("<b>Valuer</b>"). The board of directors of Participating Companies have arrived upon the swap ratio for proposed Scheme on basis of the recommendations given in report of Valuer.</li> <li>Please find enclosed the Valuation Report as <b>Annexure E</b>, considered in the board meeting.</li> </ul>	Please refer Annexure E



16.	In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.	Yes	<ul style="list-style-type: none"> <li>• All the assets and liabilities pertaining to the dairy business ("<b>Demerged Undertaking</b>") are proposed to be transferred to the Resulting Company 1 in terms of Part B of the proposed Scheme.</li> <li>• Remaining assets and liabilities which do not pertain to Dairy business shall continue with UDL and be merged with BACL in terms of Part C of the proposed Scheme.</li> </ul>	NA
17.	How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.	Yes	<ul style="list-style-type: none"> <li>• Upon the Scheme becoming effective, shareholders of UDL shall be issued equity shares of BACL for demerger of Dairy business into Resulting Company 1 and merger of remaining UDL with BACL, in the ratio as provided in the Scheme.</li> <li>• Shareholders of UDL shall be issued shares of BACL, which is holding company of UDL and is listed on BSE Limited. Public shareholders of UDL shall be benefitted by having shares of a company which is larger in market capitalization and holds investment in diversified businesses including the existing dairy business.</li> <li>• There would be no change in the value of shares held by public shareholders in UDL pre Scheme and in BACL post Scheme since public shareholders of UDL shall be issued shares of BACL having value equivalent to the value of shares which they currently own in UDL.</li> </ul>	NA



18.	Tax/other liability/benefit arising to the entities involved in the scheme, if any.	No	<ul style="list-style-type: none"> <li>No tax or other benefit would arise to the Participating Companies.</li> <li>Business tax loss and accumulated depreciation of UDL shall be transferred to Resulting Company 1 in terms of the section 72A of the Income Tax Act, 1961.</li> </ul>	NA
19.	Revenue, PAT and EBIDTA (in value and percentage terms) details of entities involved in the scheme for all the number of years considered for valuation. Reasons justifying the EBIDTA/PAT margin considered in the valuation report.	Yes	Please find enclosed the <b>Annexure F</b>	Please refer para 2 of Annexure F
20.	Confirmation from valuer that the valuation done in the scheme is in accordance with applicable valuation standards.	Yes	Please find enclosed the Annexure F	Please refer para 3 of Annexure F
21.	Confirmation from Company that the scheme is in compliance with the applicable securities laws.	Yes	<ul style="list-style-type: none"> <li>We confirm that the Scheme is in compliance with the applicable securities laws.</li> </ul>	NA
22.	Confirmation that the arrangement proposed in the scheme is yet to be executed.	Yes	<ul style="list-style-type: none"> <li>We confirm that the arrangement proposed in the scheme is yet to be executed.</li> </ul>	NA

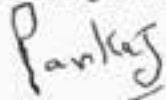
Trust the information provided above should suffice your requirement.

We request your good office to kindly consider our above submissions and grant your in-principal approval under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, in relation to the proposed Scheme of Arrangement.

Should you require any further clarifications, we shall endeavour to provide the same.

Yours truly,

For Umang Dairies Limited




Pankaj Kamra  
Company Secretary and Compliance Officer

Place: New Delhi  
Date: 10<sup>th</sup> October 2023

## UMANG DAIRIES LIMITED



Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002

To

**BSE Limited**

The Manager - Listing Compliance

1<sup>st</sup> Floor, New Trading Ring, Rotunda Building,

Phiroze Jeejeebhoy Towers, Dalal Street, Fort

Mumbai - 400 001

**Subject:** Scheme of Arrangement between amongst Umang Dairies Limited ("UDL"/ "Demerged Company"/ "Amalgamating Company"), Panchmahal Properties Limited ("PPL"/ "Resulting Company 1") and Bengal & Assam Company Limited ("BACL"/ "Resulting Company 2"/ "Amalgamated Company") (all the entities are collectively referred to as "Participating Companies") and their respective shareholders and creditors ("Scheme")

**Reference:** BSE Limited Email dated 05<sup>th</sup> October 2023, received against the application filed on 19<sup>th</sup> July 2023

Sir/ Madam,

This has reference to the queries / clarifications raised vide Email dated 05<sup>th</sup> October 2023, please find below our response to the observations / queries raised in seriatim:

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
1.	Apportionment of losses of the listed company among the companies involved in the scheme.	Yes	<ul style="list-style-type: none"> <li>There is no book loss in the Company as on 31st March 2023.</li> <li>However from income tax perspective, as on the appointed date, UDL has carry forward business loss of INR 1415.66 lacs and unabsorbed depreciation of INR 986.40 lacs. Since the entire loss pertains to the demerged undertaking, the aforesaid losses and unabsorbed depreciation shall be transferred to the Resulting Company 1 in terms of provisions under section 72A and other applicable provisions of the Income Tax Act, 1961 and in the manner provided in the Scheme.</li> </ul>	NA
2.	Details of assets, liabilities, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged	Yes	<ul style="list-style-type: none"> <li>The required details certified by a Chartered Accountant is attached herewith as <b>Annexure - A</b></li> </ul>	Please refer Para 1 of Annexure A.



Admn. Office : Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002, Ph. : (011) 66001162, 66001152, Fax : 23739475  
E-mail : umang@jmail.com

Regd. Office : Gopurula Hasarpur Road, Gopurula - 244 236 Dist. Ankola (U.P.) Ph. : (05824) 252491-92, Fax : (05824) 252495

E-mail : ud@umangdairy.com, Website : www.umangdairies.com, C I N : L15111UP1962PLD014942

AN ISO 9001 : 2008, HACCP, ISO 14001 : 2004 & OHSAS 18001 : 2007 Certified Company



	undertaking/Transferor Company certified by Chartered Accountant (CA).			
3.	Any type of arrangement or agreement between the demerged company/resulting company/merged/amalgamated company/ creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.	No	<ul style="list-style-type: none"> <li>There is no existing arrangement between the Participating Companies involved in the proposed Scheme which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.</li> </ul>	NA
4.	Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA	NA	NA	NA
5.	Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.	Yes	<ul style="list-style-type: none"> <li>It is hereby submitted that as on Appointed Date, UDL has Capital Redemption Reserve of Rs. 359 lac in its financials. This reserve was created at the time of redemption of 3,59,000 Zero Coupon redeemable preference shares of Rs. 100 each. For details, please refer Para 2 of Annexure A.</li> <li>Existing CRR of UDL shall be transferred to BAFL post merger in terms of Part-C of the proposed Scheme and the nature of CRR shall remain the same in books of BAFL.</li> <li>Certificate of Chartered Accountant is attached herewith as Annexure - A.</li> </ul>	Please refer Para 2 of Annexure A
6.	Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.	Yes	<ul style="list-style-type: none"> <li>The CRR in the books of UDL was created upon redemption of Preference Shares and hence is not a notional/unrealised reserve.</li> </ul>	Please refer para 3 Annexure B



			<ul style="list-style-type: none"> <li>The certificate of Chartered Accountant is attached herewith as <b>Annexure – A</b>.</li> </ul>	
7.	The built up of the accumulated losses over the years, certified by CA.	Yes	<ul style="list-style-type: none"> <li>The certificate of Chartered Accountant is attached herewith as <b>Annexure – A</b>.</li> </ul>	Please refer para 4 of Annexure A
8.	Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.	Yes	<ul style="list-style-type: none"> <li>The certificate of Chartered Accountant is attached herewith as <b>Annexure – A</b>.</li> <li>Also please find enclosed the certificate issued by the Statutory Auditor of Participating Companies conforming compliance with the Accounting Standards, as <b>Annexure – B</b>.</li> </ul>	Please refer para 5 of Annexure – A and Annexure – B.
9.	Details of shareholding of companies involved in the scheme at each stage, in case of composite scheme.	Yes	<ul style="list-style-type: none"> <li>Please find enclosed the details of shareholding of Participating Companies involved in the scheme at each stage as <b>Annexure C (Colly)</b>.</li> <li>Further, it is submitted that the shareholding of PPL post Scheme (Including Part-B and Part-C) shall remain the same as prior to the Scheme. Accordingly, the pre Scheme shareholding pattern of PPL may also be considered as post-Scheme.</li> </ul>	Please refer Annexure C (Colly)
10.	Whether the Board of unlisted company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof.	NA	NA	NA
11.	List of comparable companies considered for comparable companies' multiple method.	NA	<ul style="list-style-type: none"> <li>Comparable companies multiple method has not been used for the purpose of valuation and determination of swap ratio for the Scheme. This has been certified by the registered valuer Mr. Niranjan Kumar. Certificate of valuer is attached as Annexure E.</li> </ul>	Please refer Para 1 of Annexure E

Handwritten signature and circular stamp of Umang Dairies Limited.



12.	Share Capital built-up in case of scheme of arrangement involving unlisted entity/entities, certified by CA.	Yes	<ul style="list-style-type: none"> <li>The certificate of Chartered Accountant is attached herewith as <b>Annexure – A</b>.</li> </ul>	Please refer para 6 of Annexure A
13.	Any action taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme.	No	<ul style="list-style-type: none"> <li>No action is taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme.</li> </ul>	NA
14.	Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.	Yes	<ul style="list-style-type: none"> <li>Please find attached the Comparison of revenue/turnover and net worth of demerged undertaking with the total revenue/turnover and net worth of the listed entity in last three financial years as <b>Annexure D</b></li> </ul>	Please refer Annexure D
15.	Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.	Yes	<ul style="list-style-type: none"> <li>The detailed rationale, methodology and workings for arriving at the swap ratio for issuance of shares in the proposed Scheme are provided in the valuation report dated 28<sup>th</sup> June 2023, issued by an independent registered valuer Mr. Niranjan Kumar ("<b>Valuer</b>"). The board of directors of Participating Companies have arrived upon the swap ratio for proposed Scheme on basis of the recommendations given in report of Valuer.</li> <li>Please find enclosed the Valuation Report as <b>Annexure E</b>, considered in the board meeting.</li> </ul>	Please refer Annexure E
16.	In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.	Yes	<ul style="list-style-type: none"> <li>All the assets and liabilities pertaining to the dairy business ("<b>Demerged Undertaking</b>") are proposed to be transferred to the Resulting Company 1 in terms of Part B of the proposed Scheme.</li> <li>Remaining assets and liabilities which do not pertain to Dairy business shall continue with UDL and be</li> </ul>	NA

			merged with BACL in terms of Part C of the proposed Scheme.	
17.	How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.	Yes	<ul style="list-style-type: none"> <li>• Upon the Scheme becoming effective, shareholders of UDL shall be issued equity shares of BACL for demerger of Dairy business into Resulting Company 1 and merger of remaining UDL with BACL, in the ratio as provided in the Scheme.</li> <li>• Shareholders of UDL shall be issued shares of BACL, which is holding company of UDL and is listed on BSE Limited. Public shareholders of UDL shall be benefitted by having shares of a company which is larger in market capitalization and holds investment in diversified businesses including the existing dairy business.</li> <li>• There would be no change in the value of shares held by public shareholders in UDL pre Scheme and in BACL post Scheme since public shareholders of UDL shall be issued shares of BACL having value equivalent to the value of shares which they currently own in UDL.</li> </ul>	NA
18.	Tax/other liability/benefit arising to the entities involved in the scheme, if any.	No	<ul style="list-style-type: none"> <li>• No tax or other benefit would arise to the Participating Companies.</li> <li>• Business tax loss and accumulated depreciation of UDL shall be transferred to Resulting Company 1 in terms of the section 72A of the Income Tax Act, 1961.</li> </ul>	NA
19.	Comments on the Accounting treatment specified in the scheme to conform whether it is in compliance with the Accounting Standards/Indian Accounting Standards.	Yes	<ul style="list-style-type: none"> <li>• Scheme is in compliance with the applicable accounting standards notified by the Central Government under section 133 of the Co Act read</li> </ul>	Please refer Annexure B.

			with the MCA circular and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder. The same has been confirmed by the statutory auditors of the respective companies vide their respective certificates, all dated 28 <sup>th</sup> June 2023 (attached as Annexure – B to this response).	
20.	Revenue, PAT and EBITDA (in value and percentage terms) details of entities involved in the scheme for all the number of years considered for valuation. Reasons justifying the EBITDA/PAT margin considered in the valuation report.	Yes	Please find enclosed the Annexure F	Please refer para 2 of Annexure F
21.	Confirmation that the valuation done in the scheme is in accordance with applicable valuation standards.	Yes	Please find enclosed the Annexure F	Please refer para 3 of Annexure F
22.	Confirmation that the scheme is in compliance with the applicable securities laws.	Yes	<ul style="list-style-type: none"> <li>We confirm that the Scheme is in compliance with the applicable securities laws.</li> </ul>	NA
23.	Confirmation that the arrangement proposed in the scheme is yet to be executed.	Yes	<ul style="list-style-type: none"> <li>We confirm that the arrangement proposed in the scheme is yet to be executed.</li> </ul>	NA

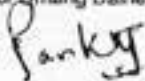
Trust the information provided above should suffice your requirement.

We request your good office to kindly consider our above submissions and grant your in-principal approval under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, in relation to the proposed Scheme of Arrangement.

Should you require any further clarifications, we shall endeavour to provide the same.

Yours truly,

For Umang Dairies Limited



Parikaj Kamra  
Company Secretary and Compliance Officer



Place: New Delhi  
Date: 13<sup>th</sup> October 2023

## THE DETAILS OF ASSETS, LIABILITIES, REVENUE OF ALL THE COMPANIES INVOLVED IN THE SCHEME, BOTH PRE AND POST SCHEME OF ARRANGEMENT

[All figures in INR lakhs; based on audited financial statements as on March 31, 2023]

Umang Dairies Limited

Pre Scheme details of assets and liabilities

S. No.	Particulars	Pre Scheme Amount
<b>Assets:</b>		
1	Plant, Property and Equipment	7,309.71
2	Capital WIP	1.70
3	Right to Use Asset	194.93
4	Intangible Asset under development	-
5	Intangible Assets	33.82
6	Financial Assets	
	Others	162.06
7	Other Non-Current Assets	21.33
	Investment Property	-
8	Investments	-
	<b>Total Non-Current Assets</b>	<b>7,723.55</b>
9	Inventories	7,407.83
10	Financial Assets	
	Trade Receivables	451.45
	Cash & Cash equivalents	220.84
	Other Bank balances	40.00
	Other financial assets	13.08
11	Non-financial assets (others)	-
11	Current tax Asset (Net)	133.14
12	Other Current Assets	530.03
	<b>Total Current Assets</b>	<b>8,796.37</b>
	<b>Total</b>	<b>16,519.92</b>
<b>Liabilities:</b>		
1	Equity Share Capital	1,100.16
2	Other equity	
	Capital Redemption Reserve	359.00
	General Reserve	650.00
	Retained Earnings	2277.86
	<b>Total Equity</b>	<b>4,387.02</b>
3	Financial Liabilities	
	Borrowings	1,830.00
	Lease Liabilities	205.05
	Other financial liabilities	11.00
4	Provisions	199.47
5	Deffered Tax Liabilities (Net)	244.98
6	Other Non-Current Liabilities	978.98
	<b>Total Non-Current Liabilities</b>	<b>3,469.48</b>

7	Financial Liabilities	
	Borrowings	3,594.42
	Lease Liabilities	23.49
	Trade Payables	
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises	25.63
	- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	2,641.92
	Others	813.65
8	Other current Liabilities	1,548.71
9	Provisions	15.60
	<b>Total Current Liabilities</b>	<b>8,663.42</b>
	<b>Total</b>	<b>16,519.92</b>

Pre Scheme Details of revenue

Particulars	Pre Scheme
	Amount
Revenue from Operations	29,283.23
Other Income	200.68
<b>Total Income</b>	<b>29,483.91</b>

Note: It is clarified that, upon the Scheme becoming operative on the Effective Date, Demerged Company / Amalgamating Company shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument, or deed. Thus, there would be no Post Scheme data of the Demerged Company / Amalgamating Company.

**Panchmahal Properties Limited**

Pre Scheme and Post Scheme details of assets and liabilities

S.No.	Particulars	Pre Scheme	Post Scheme
		Amount	Amount
<b>Assets:</b>			
Non-Current Assets			
1	Plant, Property and Equipment	-	7,270.03
2	Capital WIP	-	1.70
3	Right to Use Asset	-	194.93
4	Intangible Asset under development	-	-
5	Intangible Assets	-	1.70
6	Financial Assets	-	-
	Others	-	162.06
8	Other Non-Current Assets	11.02	32.35
9	Investments	-	-
	<b>Total Non-Current Assets</b>	<b>11.02</b>	<b>7,662.77</b>
<b>Current Assets</b>			
10	Inventories	-	7,396.14
11	Financial Assets		
	Trade Receivables	-	451.45
	Cash & Cash equivalents	5.92	225.07
	Other Bank balances	222.16	234.53
	Other financial assets	8.02	21.10
12	Non-financial assets (others)	-	-
12	Current tax Asset (Net)	0.06	133.20
13	Other Current Assets	-	530.03
	<b>Total Current Assets</b>	<b>236.16</b>	<b>8,991.51</b>
	<b>Total</b>	<b>247.18</b>	<b>16,654.28</b>

<b>Liabilities:</b>			
<b>Equity</b>			
1	Equity Share Capital	35.12	35.12
2	Other equity		
	General Reserve	-	650.00
	Retained Earnings	212.01	2468.72
	Capital Reserve (Net Assets)	-	1,384.44
	Deemed Equity Contribution	-	10.69
	<b>Total Equity</b>	<b>247.13</b>	<b>4,548.97</b>
<b>Non-Current Liabilities</b>			
3	Financial Liabilities	-	-
	Borrowings	-	1,830.00
	Lease Liabilities	-	205.05
	Other financial liabilities	-	11.00
4	Provisions	-	199.47
5	Deferred Tax Liabilities (Net)	-	244.98
6	Other Non-Current Liabilities	-	978.98
	<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>3,469.48</b>
<b>Current Liabilities</b>			
7	Financial Liabilities		
	Borrowings	-	3,594.42
	Lease Liabilities	-	23.49
	Trade Payables	-	-
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	25.63
	- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	-	2,641.92
	Others	0.05	786.07
8	Other current Liabilities	-	1,548.71
9	Provisions	-	15.60
	<b>Total Current Liabilities</b>	<b>0.05</b>	<b>8,635.84</b>
	<b>Total</b>	<b>247.18</b>	<b>16,654.28</b>

Pre Scheme and Post Scheme Details of revenue

Particulars	Pre Scheme	Post Scheme
	Amount	Amount
Revenue from Operations	-	29,205
Other Income	10.27	211.27
<b>Total Income</b>	<b>10.27</b>	<b>29,416.27</b>

Bengal & Assam Company Limited

Pre Scheme and Post Scheme details of assets and liabilities

S.No.	Particulars	Pre Scheme	Post Scheme
		Amount	Amount
<b>Assets:</b>			
<b>Financial Assets</b>			
1	Cash & Cash equivalents	17.55	19.24
2	Bank Balance other than (a) above	55.15	82.87

3	Investments	1,15,018.17	1,13,755.60
4	Other Financial assets	13.43	13.43
	<b>Total Financial Assets</b>	<b>1,15,104.30</b>	<b>1,13,871.06</b>
<b>Non-Financial Assets</b>			
1	Current tax assets (Net)	987.89	987.89
2	Investment Property	2,299.25	2,299.25
3	Property, Plant and Equipment	59.50	99.18
4	Other Intangible assets	0.16	32.28
5	Other non-financial assets	246.47	258.16
	Total Non-Financial Assets	3,593.27	3,676.76
	<b>Total</b>	<b>1,18,697.57</b>	<b>1,17,547.82</b>
<b>Liabilities:</b>			
<b>Equity</b>			
1	Equity Share Capital	1,129.63	1,140.39
2	Other equity		
	Capital Redemption Reserve	23.92	382.92
	General Reserve	35,835.30	36,468.41
	Retained Earnings	36,468.41	35,856.45
	Security Premium	4,536.29	4,536.29
	Preference share Redemption Reserve	4,400.00	4,400.00
	Statutory Reserves	14,533.67	14,533.67
	Other Comprehensive Income	3115.26	3,115.26
	Remeasurement of defined benefits	(20.91)	(20.91)
	Capital Reserve (Net)	-	(1,568.30)
	<b>Total Equity</b>	<b>1,00,021.57</b>	<b>98,844.18</b>
<b>Financial Liabilities</b>			
1	Trade Payables	-	-
2	Borrowings (other than debt securities)	9,400.75	9,400.75
3	Deposits	-	-
4	Subordinated Liabilities	7,397.27	7,397.27
5	Other financial liabilities	567.24	594.87
	<b>Total financial liabilities</b>	<b>17,365.26</b>	<b>17,392.89</b>
<b>Non-Financial Liabilities</b>			
1	Provisions	170.57	170.57
2	Deferred Tax liabilities (Net)	1,087.76	1,087.76
3	Others	52.41	52.41
	<b>Total Non-Financial Liabilities</b>	<b>1,310.74</b>	<b>1,310.74</b>

Pre Scheme and Post Scheme Details of revenue

Particulars	Pre Scheme	Post Scheme
	Amount	Amount
Revenue from Operations	14,404.02	14,483.02
Other Income	2,922.01	2,922.01
<b>Total Income</b>	<b>17,326.03</b>	<b>17,405.03</b>

**AGARWAL KETAN & CO.**

CHARTERED ACCOUNTANT

Office: GF - 1, Plot No. 174, Sector - 5, Vaishali, Ghaziabad - 201011  
☎ 08860148806, 0120-4267219

To,  
The Board of Directors  
Umang Dairies Limited  
Gajraula Hasanpur Road,  
3Km Stone, District Jyotiba Phule Nagar  
Amroha, Gajraula, Uttar Pradesh – 244 235

Statement of Computation of pre and post Scheme Net-Worth of Umang Dairies Limited as on 31<sup>st</sup> March 2023 with respect to the Scheme of Arrangement amongst Umang Dairies Limited ('Demerged Company'/ 'Amalgamating Company'/ 'UDL'), Panchmahal Properties Limited ('Resulting Company 1'/ 'PPL') and Bengal & Assam Company Limited ('Resulting Company 2'/ 'Amalgamated Company'/ 'BACL') [Proposed Scheme] for the purpose of submission to BSE Limited, National Stock Exchange of India limited, SEBI, NCLT and any other regulator in relation to the proposed Scheme of Arrangement.

**Pre and Post Scheme Net Worth of the Umang Dairies Limited as on 31<sup>st</sup> March , 2023***(Amount in INR Lakh)*

S.No.	Particulars	Pre-Scheme	Post-Demerger	Post-Scheme
I.	Equity share capital (paid-up capital)	1,100.16	1,100.16	-
II.	<b>Reserves and surplus</b>			
	Securities premium	-	-	-NA- (Refer Note 3)
	Capital reserve	-	(1,395.13)	
	Capital Redemption Reserve	359.00	359	
	General Reserve	650.00	-	
	Retained earnings	2,277.86	21.15	
	<b>Total reserves and surplus</b>	<b>3,286.86</b>	<b>1,014.98</b>	
	<b>Net Worth (I+II)</b>	<b>4,387.02</b>	<b>85.18</b>	

**Notes:**

1. Net Worth in the above table is calculated as defined under Section 2(57) of the Companies Act, 2013. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited books of account, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.





2. The Appointed Date is 01<sup>st</sup> April 2023 as per the Proposed Scheme. Hence, pre-scheme Net-Worth has been calculated basis the audited financials of UDL as on 31<sup>st</sup> March 2023.
3. UDL shall stand amalgamated into and with BACL Limited in terms of Part-B of the Proposed Scheme.

Sincerely,

For **Agarwal Ketan & Co.**  
Chartered Accountants  
**Firm Reg No. : 018936C**

*Prachi Agarwal*



CA PRACHI AGARWAL  
Partner  
M. No.: 414348

Place : Ghaziabad

Date : 12<sup>th</sup> July 2023

UDIN : 23414348 BGXCIP8796

# AGARWAL KETAN & CO.

CHARTERED ACCOUNTANT

Office: GF - 1, Plot No. 174, Sector - 5, Vaishali, Ghaziabad - 201011  
☎ 08860148806, 0120-4267219



To,  
The Board of Directors  
Panchmahal Properties Limited  
Nehru House 4,  
Bahadur Shah Zafar Marg,  
New Delhi, 110002

Statement of Computation of pre and post Scheme Net-Worth of Panchmahal Properties Limited as on 31<sup>st</sup> March 2023 with respect to the Scheme of Arrangement amongst Umang Dairies Limited ('Demerged Company' / 'Amalgamating Company' / 'UDL'), Panchmahal Properties Limited ('Resulting Company 1' / 'PPL') and Bengal & Assam Company Limited ('Resulting Company 2' / 'Amalgamated Company' / 'BACL') ['Proposed Scheme'] for the purpose of submission to BSE Limited, National Stock Exchange of India limited, SEBI, NCLT and any other regulator in relation to the Proposed Scheme of Arrangement.

## Pre and Post Scheme Net Worth of the Panchmahal Properties Limited as on 31<sup>st</sup> March , 2023

(Amount in INR Lakh)

S.no.	Particulars	Pre-Scheme	Post-Scheme
I.	Equity share capital (paid-up capital)	35.12	35.12
II.	Reserves and surplus		
	Securities premium	-	-
	Capital reserve (Note 3)	-	-
	Capital Redemption Reserve	-	-
	General Reserve	-	650.00
	Retained earnings	212.01	2,468.72
	<b>Total reserves and surplus</b>	<b>212.01</b>	<b>3,118.72</b>
	<b>Net Worth (I+II)</b>	<b>247.13</b>	<b>3,153.84</b>

### Notes:

1. Net Worth in the above table is calculated as defined under Section 2(57) of the Companies Act, 2013. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited books of account, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.



2. The Appointed Date is 01<sup>st</sup> April 2023 as per the Proposed Scheme. Hence, pre-scheme Net-Worth has been calculated basis the audited financials of PPL as on 31<sup>st</sup> March 2023.
3. Pursuant to the demerger of the Dairy Business Undertaking (as defined in the Scheme), PPL will take over the Net Assets of INR 1,395.13 lakhs. Accordingly, a positive balance of Capital reserve equivalent to the amount of net assets would be recorded in the books of PPL. However, we have not considered such positive balance of capital reserve for the purpose of calculation of the net worth herein above.

Sincerely,

**For Agarwal Ketan & Co.**  
Chartered Accountants  
**Firm Reg No. : 018936C**

*Prachi Agarwal*



CA PRACHI AGARWAL  
Partner  
M. No.: 414348

Place : Ghaziabad  
Date : 12<sup>th</sup> July 2023  
UDIN : 23414348864XC108907

# AGARWAL KETAN & CO.

CHARTERED ACCOUNTANT

Office: GF - 1, Plot No. 174, Sector - 5, Vaishali, Ghaziabad - 201011  
☎ 08860148806, 0120-4287219



To,  
The Board of Directors  
Bengal & Assam Company Limited  
7, Council House Street  
Kolkata, West Bengal – 700 001

Statement of Computation of pre and post Scheme Net-Worth of Bengal & Assam Company Limited as on 31<sup>st</sup> March 2023 with respect to the Scheme of Arrangement amongst Umang Dairies Limited ('Demerged Company'/'Amalgamating Company'/'UDL'), Panchmahal Properties Limited ('Resulting Company 1'/'PPL') and Bengal & Assam Company Limited ('Resulting Company 2'/'Amalgamated Company'/'BACL') [Proposed Scheme] for the purpose of submission to BSE Limited, National Stock Exchange of India limited, SEBI, NCLT and any other regulator in relation to the proposed Scheme of Arrangement.

Pre and Post Scheme Net Worth of the BACL as on 31<sup>st</sup> March, 2023

(Amount in INR Lakh)

S.no.	Particulars	Pre-Scheme	Post-Demerger	Post-Scheme
I.	Equity share capital (paid-up capital)	1,129.63	1,140.32	1,140.39
II.	Reserves and surplus			
	Securities premium	4,536.29	4,536.29	4,536.29
	Statutory Reserves (created out of P&L)	14,533.67	14,533.67	14,533.67
	Capital reserve (Note 4)	-	-	(1,568.30)
	Capital Redemption Reserve	23.92	23.92	382.92
	Preference share redemption reserve	4,400.00	4,400.00	4,400.00
	General Reserve	36,468.41	36,468.41	36,468.41
	Retained earnings	35,835.30	35,835.30	35,856.45
	<b>Total reserves and surplus</b>	<b>95,797.59</b>	<b>95,797.59</b>	<b>94,609.44</b>
	<b>Net Worth (I+II)</b>	<b>96,927.22</b>	<b>96,937.91</b>	<b>95,749.83</b>

Notes:

1. Net Worth in the above table is calculated as defined under Section 2(57) of the Companies Act, 2013. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the unaudited books of account, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.



2. The Appointed Date is 01<sup>st</sup> April 2023 as per the Proposed Scheme. Hence, pre-scheme Net-Worth has been calculated basis the audited financials of UDL as on 31<sup>st</sup> March 2023.
3. The post demerger net worth calculation represent the net worth of BACL after considering the face value of equity share capital issued to the shareholders of UDL as on Part-B Record Date (as defined in the Scheme) for the consideration of the demerger of Dairy Business Undertaking (as defined in the Scheme) from UDL into and with PPL.
4. The Capital Reserve above includes the value of Capital Reserve (INR 1,395.13 lakhs) existing in the books of UDL, taken over by BACL pursuant to amalgamation and the Capital Reserve created in the books of BACL (INR 173.17 lakhs) representing the value of net assets taken over from UDL pursuant to amalgamation. We have considered such aforesaid negative amounts of Capital Reserve for the purpose of calculation of net worth above. No positive capital reserve (created out of amalgamation) has been considered for the purpose calculating the net worth.

Sincerely,

For Agarwal Ketan & Co.  
Chartered Accountants  
Firm Reg No. : 018936C

*Prachi Agarwal*



CA PRACHI AGARWAL  
Partner  
M. No.: 414348

Place : Ghaziabad  
Date : 12<sup>th</sup> July 2023  
UDIN : 2341434886XCJR8147



**THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH, PRAYAGRAJ**

**CA (CAA) No. 04/ALD of 2024  
(First Motion)**

*Under Sections 230 & 232 of the  
Companies Act, 2013 and the  
Companies (Compromises,  
Arrangements and Amalgamations)  
Rules, 2016*

**IN THE MATTER OF SCHEME OF ARRANGEMENT OF:**

**UMANG DAIRIES LIMITED**

having its registered office at  
Gajraula, Hasanpur Road, 3 Km  
Stone, Dist. Jyotiba Phuley Nagar,  
Amroha, Gajraula, Uttar Pradesh  
244 235

PAN: AAACJ1322R

CIN: L15111UP1992PLC014942

**..... Applicant Company 1 / UDL / Demerged  
Company / Amalgamating Company**

**AND**

**PANCHMAHAL PROPERTIES LIMITED**

having its registered  
office at 3 Km Stone,  
Hasanpur Road,  
Gajraula, Jyotiba Phule  
Nagar, Hasanpur, Uttar  
Pradesh - 244 235

PAN: AAACP6666L

CIN: U74899UP1995PLC189056

**... Applicant Company 2 / PPL  
/ Resulting Company 1**

**AND**

their respective creditors and shareholders

**ORDER DELIVERED ON 14<sup>th</sup> May, 2024**

CA (CAA) No. 04/ALD of 2024  
(First Motion)

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH, PRAYAGRAJ

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**Coram:**

Shri Praveen Gupta : Hon'ble Member (Judicial)  
Shri Ashish Verma : Hon'ble Member (Technical)

**Appearances: -**

Mr. Rahul Agarwal, Adv. : For the Applicant Companies

**ORDER**

1. This is a joint First Motion Application filed by the Applicant Companies namely; **Umang Dairies Limited** (Applicant Company 1 / Demerged Company / Amalgamating Company 1) and **Panchmahal Properties Limited** (Applicant Company 2 / Resulting Company 1) under sections 230-232 of the Companies Act, 2013 (the '**Act**') and other applicable provisions of the Act read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the '**Rules**') in relation to the Scheme of Arrangement amongst the Applicant Companies and Bengal & Assam Company Limited (Amalgamated Company / Resulting Company 2) and their respective Shareholders and Creditors (the '**Scheme**'). The Scheme is attached as **Annexure 1** to the Application.
2. In the Scheme of Arrangement in the instant application, it is proposed that the Demerged Undertaking (Dairy Business) from Umang Dairies Limited (Demerged Company/Applicant



Company No.1) would be demerged and vested with Panchmahal Properties Limited (Resulting Company 1/ Applicant Company No.2) and the Residual Umang Dairies Limited (Amalgamating Company) would be amalgamated with Bengal & Assam Company Limited (Amalgamated Company which is not within the jurisdiction of this tribunal).

3. The Applicant Companies have prayed for the convening of the meetings of the Equity Shareholders and Unsecured Creditors having outstanding balance of up to and equal to INR 5,00,000 as on 31st January 2024 of Umang Dairies Limited (Demerged Company / Amalgamating Company) and for dispensing with the meeting of the Secured Creditors of Umang Dairies Limited (Demerged Company / Amalgamating Company) and dispensing with the convening of the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors of Panchmahal Properties Limited (Resulting Company 1).
4. It is further informed that Bengal & Assam Company Limited (Amalgamated Company / Resulting Company 2) has its registered office in West Bengal and a separate application for





seeking the approval of the National Company Law Tribunal, Kolkata Bench has been filed. Prayer to dispense with the requirement of Bengal & Assam Company Limited (Amalgamated Company / Resulting Company 2) moving an application before this Tribunal, Allahabad Bench has been made.

5. The Applicant Company 1 / Demerged Company is primarily engaged in the dairy business, wherein it processes and sells milk and milk products.
6. The Applicant Company 2 / Resulting Company 1 was set up with the primary motive to engage in the business of leasing out properties.
7. It is submitted that the Registered Offices of the Applicant Companies are situated in the State of Uttar Pradesh, therefore, the territorial jurisdiction of the Applicant Companies lies with this Bench. Further, the registered office of Bengal & Assam Company Limited (Amalgamated Company / Resulting Company 2) is situated in state of West Bengal.
8. The rationale of the Scheme is to:
  - a) Facilitate focused growth, concentrated approach, and increased operational focus for the Dairy business.



- b) Enable the structure for attracting strategic partners / investors for the Dairy business.
  - c) Rationalization of operations with greater degree of operational efficiency and optimum utilization of resources.
  - d) Amalgamation of the Demerged Company after giving effect of de-merger of Dairy business, with Amalgamated Company shall result in simplified and streamlined holding structure and help in optimizing the resources and thereby reducing the compliances.
  - e) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.
9. It is stated that the Board of Directors of the Umang Dairies Limited (Applicant Company 1 / Demerged Company / Amalgamating Company), Panchmahal Properties Limited (Applicant Company 2 / Resulting Company 2) and Bengal & Assam Company Limited Applicant Company No. 3 / Amalgamated Company) in their respective meetings held on 28<sup>th</sup> June, 2023 have considered and unanimously approved the Scheme subject to sanctioning of the same by the Hon'ble National Company Law Tribunal. The copies of the Board Resolutions of the Applicant Companies are attached as **Annexures 12A, 12B and 12C**, respectively, to the



Application.

10. The Appointed Date of the Scheme is 1<sup>st</sup> April 2023 as mentioned in the Scheme.
11. It is stated that Applicant Company 1 has filed the audited financial statements for the financial year ended on 31<sup>st</sup> March 2023 and unaudited provisional financials as on 31<sup>st</sup> December 2023, which are attached as **Annexure 3**. Similarly, Applicant Company 2 has filed the audited financial statements for the financial year ended on 31<sup>st</sup> March 2023 and unaudited provisional financials as on 31<sup>st</sup> December 2023, which are attached as **Annexure 6**.
12. It is further stated that the Umang Dairies Limited (Applicant Company 1) being a listed Company (listed on NSE and BSE) and Bengal & Assam Company Limited (listed on BSE) had submitted Applications to BSE and NSE ("**Stock Exchanges**") under Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") for obtaining their in-principle approval to the Scheme of Arrangement.
13. It is submitted by the Counsel for the Applicant Companies



that BSE has *vide* its Letter No. DCS/AMAL/SC/R37/3086/2023-24 dated 21<sup>st</sup> February 2024 conveyed its 'No adverse observation' to the Applicant Company 1 / UDL and Bengal & Assam Company Limited, for filing the Scheme / Application / Petition with the Hon'ble National Company Law Tribunal. Further, NSE has also *vide* its Letter No. NSE/LIST/36589 dated 22<sup>nd</sup> February 2024 conveyed its 'No objection' to the Applicant Company 1 / UDL for filing the Scheme / Application / Petition with the Hon'ble National Company Law Tribunal. The copies of the 'No adverse observation' letter dated 21<sup>st</sup> February 2024 issued by BSE and 'No objection' letter dated 22<sup>nd</sup> February 2024 are attached as **Annexures 13A and 13B**, respectively, to the Application.

14. It is further submitted that in pursuance of the proviso to Section 230(7) and Section 232 (3) of the Act, the Applicant Companies have filed the certificates dated 28<sup>th</sup> June 2023 issued by the Statutory Auditors of the respective Applicant Companies certifying that the accounting treatment proposed in the Scheme is in compliance with the Accounting Standards prescribed under Section 133 of the Companies



Act, 2013 and the same are attached as **Annexure 16 (Colly)** of the Application.

15. It is submitted by the learned Counsel that the Scheme of Arrangement (**Annexure 1**) also takes care of the interests of the staff, workers and employees of the Applicant Companies, as provided under Part B, Clause 8.2(viii) and Part C, Clause 19.2(viii) of the Scheme of Arrangement.
16. The Authorized Representatives of the Applicant Companies have deposed by way of affidavit that there is no inspection, inquiry, investigations or legal proceedings pending against the Applicant Companies under sections 235 to 251 of the Companies Act, 1956 or under sections 210 to 226 of the Companies Act, 2013. The aforesaid Affidavit of the Authorized Representative of the Applicant Companies is filed at Pages 1001-1003 and 1004-1006 of the with the Application.
17. The Applicant Companies have furnished the following documents:
  - i. Proposed Scheme (Annexure 1 of the Application)
  - ii. Certificate of Incorporation along with Memorandum and Articles of Association of the Applicant Companies (Annexures 2 and 5 respectively of the Application).



- iii. Management certified list of Equity Shareholders of the Applicant Company 1 / Demerged Company/ Amalgamating Company (Annexure 17 of the Application).
- iv. Certificate(s) issued by Agarwal Ketan & Co., Chartered Accountants, certifying the list of secured creditors of the Demerged Company / Amalgamating Company as on 31st January 2024 and the consent affidavits received from the Secured Creditors consenting to the Scheme (Annexures 18 and 19 of the Application).
- v. Certificate(s) issued by Agarwal Ketan & Co., Chartered Accountants, certifying the list of unsecured creditors of the Demerged Company / Amalgamating Company as on 31st January 2024 (Annexure 20 of the Application).
- vi. Certificate from S.B.G. & Co., Chartered Accountants certifying the list of Equity Shareholders of Applicant Company 2 along with consent affidavits from the shareholders consenting to the Scheme (Annexures 21 and 22 of the Application).
- vii. Certificate from S.B.G. & Co., Chartered Accountants, certifying the absence of secured creditors and unsecured creditors in the Applicant Company 2 (Annexures 23 and 24 of the Application).
- viii. Certificates of the Statutory Auditors of the Applicant Companies to the effect that the Accounting treatment proposed in the Scheme is in conformity with the provisions of Section 133 of the Companies Act, 2013



(Annexures 16 of the Application).

- ix. Audited financial statements for the financial year ending 31<sup>st</sup> March 2023 and unaudited financial statements as on 31<sup>st</sup> December 2023 of the Applicant Company 1 and 2 (Annexures 3 and 6 of the Application).
- x. Last Annual Return of the Applicant Companies 1 and 2 (Annexures 4 and 7 of the Application).
- xi. Resolution passed by the Board of Directors of the Applicant Companies 1 and 2 approving the Scheme (Annexures 12A and 12B of the Application).
- xii. Copies of the 'No-objection' and 'No adverse observation' letters dated 21<sup>st</sup> February 2024 issued by BSE and dated 22<sup>nd</sup> February 2024 issued by NSE to the Applicant Company 1 (Annexures 13A and 13B of the Application)
- xiii. Report of Mr. Niranjan Kumar, a Registered Valuer for Securities and Financial Assets (Registration No. IBBI / RV / 06 / 2018 / 10137) dated 28<sup>th</sup> June 2023 on Fair Share Entitlement Ratio for the Scheme (Annexure 15A of the Application).
- xiv. Copy of Fairness opinion(s) on Fair Share Entitlement Ratio dated 28<sup>th</sup> June 2023 of Kunvarji Finstock Private Limited, an independent SEBI Registered Category-I Merchant Banker and by D&A Financial Services Private Limited, an independent SEBI Registered Category-I Merchant Banker (Annexure 15B



of the Application).

- xv. Affidavits stating that there are no legal proceedings pending against the Applicant Companies (Page 1001-1006 of the Application).
- xvi. Affidavit with regard to the Sectoral Regulator of the Applicant Companies (Annexure 25 of the Application).

18. The Applicant Companies have furnished the details of the Equity Shareholders, and Secured and Unsecured Creditors as on (31<sup>st</sup> January 2024 and 29<sup>th</sup> February 2024, respectively) as follows:

Name of the Applicant Companies	Shareholders along with their consent on affidavit		Creditors along with their consents on affidavit			
	Equity Shareholders	Consents submitted on affidavit	Secured Creditors	Consents submitted on affidavit	Unsecured Creditors	Consents submitted on affidavit
Umang Dairies Limited (Applicant Company 1/ Demerged Company/ Amalgamating Company)	17,568	NIL	1	All (100%)	2,080	NIL

-Sd-

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Panchmahal Properties Limited (Applicant Company 2/ Resulting Company 1)	7	All (100%)	NIL	N.A.	NIL	N.A.
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19. Accordingly, the directions of this Bench in the present case are as under: -

**I. In relation to Applicant Company 1 / Demerged Company/ Amalgamating Company:**

1. The meeting of the Equity Shareholders of the Applicant Company 1 / Demerged Company / Amalgamating Company be convened as prayed for on Saturday, 03<sup>rd</sup> August 2024 at 10:30 A.M. through video conferencing, with remote e-voting facility. The quorum of the meeting of the Equity Shareholders shall be in accordance with the provisions of the Companies Act, 2013 and the applicable Rules made thereunder. In case the quorum of meeting is not present within half an hour from the time appointed for the meeting, members present in the meeting after half an hour shall constitute the quorum and proceedings of the meeting shall take place;
2. The meeting of the Unsecured Creditors of the Applicant Company 1/ Demerged Company / Amalgamating



Company be convened as prayed for on Saturday, 03rd August 2024 at 01:00 P.M. through video conferencing, with remote e-voting facility. The quorum of the meeting of the Unsecured Creditors shall be in accordance with the provisions of the Companies Act, 2013 and the applicable Rules made thereunder. In case the quorum of meeting is not present within half an hour from the time appointed for the meeting, the unsecured creditors present in the meeting after half an hour shall constitute the quorum and proceedings of the meeting shall take place;

3. The meeting of the Secured Creditors is dispensed with keeping in view the fact that the consent by way of affidavits have been received from all the Secured Creditors of the Applicant Company 1 / Amalgamating Company;

**II. In relation to Applicant Company 2 / Resulting Company 1**

1. The meeting of the Equity Shareholders is dispensed with keeping in view the shareholding and ownership pattern of the company and the fact that consent by way of affidavits have been received from all the Equity shareholders holding 100% Equity share capital of the Applicant Company 2 / Resulting Company 1;
2. As on 31<sup>st</sup> January 2024, the Applicant Company 2 / Resulting Company 1 has no Secured and Unsecured Creditors; the question of issuing directions for convening / dispensing the meeting of the Secured and



Unsecured Creditors of the Applicant Company 2/  
Resulting Company 1 does not arise.

- III. Shri Adarsh Bhushan** (Mobile No 9984993930 email id: adarsh.bhushan03@gmail.com), is appointed as the Chairperson and **Shri Varad Nath** (Mobile No. 9838650107 email id: varadnat@gmail.com) is appointed as the Co-Chairperson for the meetings to be called under this order. An amount of Rs. 2,00,000 (Rupees Two Lakhs only) and Rs. 1,50,000 (Rupees One Lakh Fifty Thousand only) be paid respectively for their services. The Chairperson shall have all other powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 read with the other applicable rules and provisions in relation to conduct of the meetings, including for deciding procedural questions that may arise at the meeting(s) or at any adjournment thereof, or any other matter relating to the meetings, including an amendment to the Scheme, if any, proposed by any persons.
- IV. Mr. Anuj Tiwari** (Mobile No. 9794051011, email id: anujtiwarics@gmail.com), is appointed as the Scrutinizer for the above meetings to be called under this order. An amount of Rs. 1,00,000 (Rupees One Lakh only) be paid for his services as the Scrutinizer.
- V.** Apart from the above remuneration, the Applicant Company shall make necessary and proper arrangements for travel / transport, stay and other allied expenses, if any
- VI.** It is further directed that individual notices of the said meetings shall be sent by the Applicant Company through



registered post/speed post as well as e-mails, wherever the email addresses are available, at least 30 (Thirty) days in advance before the scheduled date of the meeting, indicating the day, date, the place and time as aforesaid, together with a copy of the Scheme, copy of the Explanatory Statement and documents required to be sent under the Companies Act, 2013 and the applicable Rules made thereunder.

**VII.** It is clarified that though the applicant companies have requested that notices be issued only to those Unsecured Creditors of the Applicant Company 1 / Demerged Company / Amalgamated Company with outstanding balance of Rs. 5,00,000/- and above, this Tribunal directs that such notices however shall be sent to those Unsecured Creditors whose outstanding balance is more than Rs.50,000/- (Rupees Fifty Thousand only). The reason is that though the value of outstanding credit of those Unsecured Creditors with more than Rs. 5,00,000/- balance is very high, their number is fairly low, and wider participation would be encouraged if notices are issued to Unsecured Creditors with outstanding balance in excess of Rs. 50,000/-.

**VIII.** It is further directed that along with the notices, the Applicant Company shall also send statements explaining the effect of the Scheme on the creditors, shareholders, key managerial personnel, promoters and non-promoter members, etc. along with the effect of the Scheme on any



material interests of the Directors of the Applicant Company provided under sub-section (3) of Section 230 of the Act.

- IX.** It is further directed that the provisional Accounting Statement of the Applicant Companies be also circulated along with the Notice of the aforesaid meetings in terms of Section 232(2)(e) of the Companies Act, 2013.
- X.** That the Applicant Company shall publish an advertisement with a gap of at least 30 (Thirty) clear days before the aforesaid meetings, indicating the day, date and the time of the meeting as aforesaid, to be published in "Business Standard (English)" and "Business Standard – Lucknow Edition (Hindi)" both having wide circulation in District Amroha, Uttar Pradesh. It shall be stated in the advertisement that the copies of the Scheme, the Explanatory Statement required to be furnished can be obtained free of charge at the registered office of the Applicant Company 1 pursuant to Section 230 to 232 of the Act. The Applicant Company 1 shall also host the notice on the website, if any.
- XI.** It shall be the responsibility of the Applicant Company 1 to ensure that the notices are sent under the signature and supervision of the authorized representative of the Applicant Company 1 on the basis of Board Resolutions and that they shall file their affidavits in the Tribunal at least 7 (Seven) days before the date fixed for the meetings.
- XII.** The remote e-voting facility shall be provided to the Equity



Shareholders of the Applicant Company 1 and the cut-off date for the purpose of determining the eligibility of the Equity Shareholders of the Applicant Company 1 to vote by electronic means shall be the latest practicable date which shall not be not less than 30 (Thirty) days before the date of the meeting and the procedure for voting through remote e-voting of the meeting shall be in so far as the same is prescribed by the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

**XIII.** All the aforesaid meetings shall be held through video conferencing and voting shall be conducted through electronic means. Subject to the directions and matters dealt with herein, the procedure for remote e-voting and e-voting shall be in so far as the same is prescribed by the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, Secretarial Standards on General Meetings and the Forms prescribed thereunder shall be followed with such variations as may be required in the circumstances and in relation to the resolution for approval of the Scheme.

**XIV.** The Scrutinizer's report will contain his / her findings on the compliance to the directions given in Paras above.

**XV.** The Chairperson shall be responsible to report the result of the meetings to the Tribunal in Form No. CAA-4, as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within 14 (fourteen) working days of the conclusion of the meeting. The Chairperson



would be fully assisted by the Authorized Representative / Company Secretary of the Applicant Companies and the Scrutinizer in preparing and finalizing the reports.

**XVI.** The Applicant Companies shall in compliance of sub-section (5) of Section 230 of the Act and Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 send notices in Form No. CAA-3 along with copy of the Scheme, Explanatory Statement and the disclosures mentioned in Rule 6 of the "Rules" to (i) Central Government through the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi; (ii) Jurisdictional Registrar of Companies; (iii) Official Liquidator, Allahabad; (iv) BSE Limited (BSE); (v) National Stock Exchange of India Limited (NSE); (vi) Income-Tax Department having jurisdiction over the Applicant Companies by mentioning the PAN number of the Applicant Companies and to such other Sectoral Regulator(s) governing the business of the Applicant Companies, if any, stating that report on the same, if any, shall be sent to this Tribunal within a period of 30 (Thirty) days from the date of receipt of such notice and copy of such report shall be simultaneously sent to the Applicant Companies, failing which it shall be presumed that they have no objection to the proposed Scheme.

**XVII.** The Applicant Companies shall furnish a copy of the Scheme free of charge within one day of any requisition for the Scheme made by any Creditor or Shareholder entitled to attend the meeting as aforesaid.



**XVIII.** The Authorized Representative of the Applicant Companies shall furnish an Affidavit of Service of Notice of Meetings and publication of advertisement and compliance of all directions contained herein at least 7 (Seven) days before the date fixed for the meetings.

**XIX.** All the aforesaid directions are to be complied with strictly in accordance with the applicable laws including forms and formats contained in the Rules as well as the provisions of the Companies Act, 2013 by the Applicant Companies.

**20.** The Second Motion petition shall be filed within 7 days from the date of submission of report by Chairperson in accordance with the provisions of rule 16 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

**21.** With the aforesaid directions, this First Motion Application stands disposed of. A copy of this order be supplied to the learned Counsel for the Applicant Companies who in turn shall supply a copy of the same to the Chairperson and the Scrutinizer immediately.

*-Sd-*

**(ASHISH VERMA)**  
**Member (Technical)**

*-Sd-*

**(PRAVEEN GUPTA)**  
**Member (Judicial)**

**Date: 14<sup>th</sup> May, 2024**



## INDEPENDENT AUDITOR'S REPORT

To The Members of Umang Dairies Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Umang Dairies Limited ("the Company"), which comprise the Balance Sheet as at March 31 2024, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<b>A. Evaluation of uncertain tax positions and other disputed demands</b>	
<p>Refer Notes 34 to the financial statements.</p> <p>The Company has material uncertain tax positions and other matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>There are several pending sales tax, income tax and other demands against the Company across various jurisdictions. Accordingly, management exercises its judgement in estimation of provision required in respect of such cases. The evaluation of management's judgements, including those that involve estimations in assessing the likelihood that a pending claim will succeed, or a liability will arise, and the quantification of the ranges of potential financial settlement have been a matter of most significance during the current year audit.</p> <p>Accordingly, due to complexity/ judgement involved in outcome of these disputes, uncertain tax positions and other demands were determined to be a key audit matter in our audit of the financial statements.</p>	<p>We have obtained details of complete tax assessments and other demands received, but disputed by the Company. We considered management's assessment of the validity and adequacy of provisions for uncertain tax positions and other disputed demands evaluating the basis of assessment and reviewing relevant correspondence and legal advice, where available including any information regarding similar cases with the relevant tax and other authorities. We have discussed the management's assumptions in estimating the provisions and the possible outcome of the disputes. we assessed the appropriateness of management's assumptions, estimates and disclosure / adjustments in the financial statements. We found management's assessment of the disputed tax and other demands to be reasonable based on available evidence.</p>
<b>B. Valuation of inventories</b>	

<p><b>We refer to note 1 and 7 to the financial statements.</b></p> <p><b>As at March 31, 2024, the total carrying value of inventories was Rs. 3316.12 Lakhs. The assessment of impairment of inventories involves significant estimation uncertainty, subjective assumptions and the application of significant judgment.</b></p> <p><b>Reviews are made periodically by management on inventories for obsolescence and decline in net realizable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving history. Key factors considered include the nature of the stock, its ageing, shelf life and turnover rate.</b></p>	<p>We have checked and analyzed the ageing of the inventories, reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventory obsolescence. We conducted a detailed discussion with the management and considered their views on the adequacy of allowances for inventory obsolescence considering the current economic environment. We have also reviewed the subsequent selling prices in the ordinary course of business and compared against the carrying amounts of the inventories on a sample basis at the reporting date.</p> <p>We found management's assessment of the allowance for inventory obsolescence and valuation of inventories to be reasonable based on available evidence.</p>
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#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. A. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;
  - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses Company did not have any material foreseeable losses in long-term contracts including derivative contracts;
  - (c) There was no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - (d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 41(i) to the financial statements, no funds have been advanced or loaned or invested during the year (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 41(i) to the financial statements, no funds have been received during the year by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (iii) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- (e) The Company has not declared and paid dividend during the year. Therefore, provisions of section 123 of the Act is not applicable to the Company.
- (f) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and has operated throughout the year for all relevant transactions recorded in the respective software, except in respect of software used for recording of milk procurement where feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes.

Further, during the course of our audit, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

C. With respect to the matter to be included in the Auditor's Report under Section 197 (16) of the Act:

In our opinion, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 302049E**

**Bimal Kumar Sipani**  
**Partner**  
**Membership No. 088926**  
**UDIN: 24088926BKELXT9254**

**Date: May 22, 2024**  
**Place: Noida (Delhi – NCR)**

**Annexure A****To Independent Auditor's Report of even date to the members of Umang Dairies Limited on the financial statements as of and for the year ended March 31, 2024 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements)**

- (i) a. (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- b. The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified once in every three years in phased manner, which in our opinion, is at reasonable intervals having regard to the size of the Company and nature of its property, plant and equipment. According to programme, the Company has done the physical verification of property, plant and equipment during the year. However, reconciliation between physical and books is under process. Management do not expect any material discrepancies.
- c. The title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment and right of use assets [note no. 2 and 3 to the financial statements] are held in the name of the Company.
- d. On the basis of our examination of records of the Company, the Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- e. According to information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- (ii) a. According to the information and explanation given to us and records examined by us, the inventories have been physically verified by the management during the year and in our opinion, coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to the book records.
- b. The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate, from bank on the basis of security of current assets. There is no material difference between books of account of the respective quarters and quarterly returns/statements or revised returns/statements filed by the Company with the bank except for the quarter ended March 31, 2024 which is yet to be filed. The Company has not been sanctioned working capital limits from any financial institution.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Therefore, the provisions of clause 3(iii) of the Order are not applicable to the Company.
- (iv) The Company has no transaction with respect to loan, investment, guarantee and security covered under section 185 and 186 of the Companies Act, 2013 during the year. Therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposit or amount which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products to which the said rules are applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) a. According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues, as applicable, with the appropriate authorities. There were no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.

- b. According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except the followings where amount has been quantified:

Name of Statute	Nature of disputed dues	Amount* (Rs. in Lakhs)	Period to which it relates	Forum where dispute is pending
Sales-tax, Punjab	Sales Tax Demand/ Penalty/ Interest	1.78	1994-95 and 1998-2000	Sales tax Tribunal, Punjab
Sales-tax, Rajasthan	Sales Tax Demand/ Penalty/ Interest	40.65	1995 to 2007	Sales tax Tribunal, Rajasthan
		3.00	1995-96	High Court, Rajasthan
Value Added Tax, Uttar Pradesh	Reversal of Input tax Credit	3.76	2010-11	High Court, Allahabad
	Reversal of Input tax Credit	4.17	2014-15	Sales tax Tribunal, Moradabad
Mandi Samiti Tax	Mandi Tax	162.89	1998-99, 2003-04 to 2005-06	District Court, Amroha
Uttar Pradesh Milk Act	Milk Cess on purchase of Milk	69.26	1994-96	High Court, Allahabad
National Green Tribunal Act, 2010	Environment compensation	385.44	2022	Supreme Court of India
Goods and Service Tax Act	Discrepancies in the returns filed	519.37	2017-18 to 2019-20	Appeal to be filed

\*Net of amount paid under protest.

- (viii) According to the information and explanation given to us and the records examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 that has not been recorded in the books of account.
- (ix) a. The Company has not defaulted in repayment of loan and in the payment of interest thereon during the year.
- b. According to information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or Government of any Government authority.
- c. Based on the books of account examined by us, term loans were applied for the purpose for which the loans were obtained during the year.
- d. According to information and explanations given to us, and overall examination of financial statements of the Company, we report that no funds raised on short term basis during the year have been utilized for long term purposes by the Company.
- e. The Company has no subsidiaries, joint ventures or associate. Therefore, the provisions of clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.
- (x) a. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- (xi) a. Based upon the audit procedures performed and considering the principles of materiality outlined in Standards on Auditing, for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of audit.
- b. According to the information and explanation given to us, no report under subsection (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- c. According to the information and explanation given to us, there are no whistle-blower complaints received by the Company during the year. Therefore, the provisions of clause 3(xi)(c) of the Order are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

- (xiv) a. In our opinion and according to information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them, as referred to in section 192 of the Companies Act, 2013. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d. According to the representations given to us, there is 2 (two) CIC as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- (xviii) There has been no resignation of statutory auditor during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of section 135 of the Companies Act, 2013 towards Corporate Social Responsibility is not applicable to the Company. Therefore, the provisions of clause 3(xx) of the Order are not applicable to the Company.

**For Singhi & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 302049E**

**Bimal Kumar Sipani**  
**Partner**  
**Membership No. 088926**  
**UDIN: 24088926BKELXT9254**

**Date: May 22, 2024**  
**Place: Noida (Delhi – NCR)**

## Annexure B

### To Independent Auditor's Report of even date to the members of Umang Dairies Limited on the financial statements for the year ended March 31, 2024 (Referred to in paragraph 2(f) of our report on the other legal and regulatory requirements)

We have audited the internal financial controls with reference to financial statements of Umang Dairies Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to the financial statements based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to financial statements included obtaining an understanding of Internal Financial Controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

#### Meaning of Internal Financial Controls with reference to financial statements

A Company's Internal Financial Controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

Opinion - In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E

Bimal Kumar Sipani  
Partner  
Membership No. 088926  
UDIN: 24088926BKELXT9254

Date: May 22, 2024  
Place: Noida (Delhi – NCR)



**BALANCE SHEET AS AT 31ST MARCH 2024**

(₹ Lakhs)

S. No.	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>A</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-current Assets</b>			
	(a) Property, plant and equipment	2	6,968.52	7,309.71
	(b) Capital work-in-progress	2A	6.77	1.70
	(c) Right of use assets	3	167.99	194.93
	(d) Intangible assets	4	25.77	33.82
	(e) Financial assets			
	(i) Other financial assets	5	175.46	162.06
	(f) Other non-current assets	6	1.21	21.33
	<b>Sub Total</b>		<b>7,345.72</b>	<b>7,723.55</b>
<b>(2)</b>	<b>Current Assets</b>			
	(a) Inventories	7	3,316.12	7,407.83
	(b) Financial assets			
	(i) Investment	8	307.58	-
	(ii) Trade receivables	9	850.95	616.93
	(iii) Cash and cash equivalents	10	59.57	220.84
	(iv) Other bank balances other than (ii) above	11	32.51	40.00
	(v) Other financial assets	12	2.14	13.08
	(c) Current tax assets (Net)		102.00	133.14
	(d) Other current assets	13	297.03	364.55
	<b>Sub Total</b>		<b>4,967.89</b>	<b>8,796.37</b>
	<b>TOTAL ASSETS</b>		<b>12,313.61</b>	<b>16,519.92</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>EQUITY</b>			
	(a) Equity share capital	14	1,100.16	1,100.16
	(b) Other equity		3,407.62	3,286.86
	<b>Sub Total</b>		<b>4,507.78</b>	<b>4,387.02</b>
<b>(2)</b>	<b>LIABILITIES</b>			
<b>(i)</b>	<b>Non-current Liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	15	1,510.04	1,830.00
	(ii) Lease liabilities		179.16	205.05
	(iii) Other financial liabilities	16	11.00	11.00
	(b) Provisions	17	215.33	199.47
	(c) Deferred tax liabilities (Net)	18	285.60	244.98
	(d) Other non-current liabilities	19	983.54	978.98
	<b>Sub Total</b>		<b>3,184.67</b>	<b>3,469.48</b>
<b>(ii)</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	20	2,719.96	3,594.42
	(ii) Lease liabilities		25.88	23.49

S. No.	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
	(iii) Trade payables			
	Total outstanding dues of micro and small enterprises		41.82	25.63
	Total outstanding dues of creditors other than micro and small enterprises	21	1,094.15	3,057.47
	(iv) Other financial liabilities	22	426.79	398.10
(b)	Other current liabilities	23	299.08	1,548.71
(c)	Provisions	24	13.48	15.60
	<b>Sub Total</b>		<b>4,621.16</b>	<b>8,663.42</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,313.61</b>	<b>16,519.92</b>
The accompanying notes are an integral part of the financial statements.				

For and on behalf of the Board of Directors

As per our report of even date attached  
For Singhi & Co.  
Chartered Accountants  
Firm Reg No. 302049E

Desh Bandhu Doda  
(Director)  
DIN : 00165518

Amar Singh Mehta  
(Director)  
DIN : 00030694

Bimal Kumar Sipani  
Partner  
M.No. 088926

Pankaj Kamra  
(Company Secretary)

Raghav Garg  
(Chief Financial Officer)

Place: Noida (Delhi-NCR)  
Date: 22nd May, 2024

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024**

(₹ Lakhs except EPS)

S. No.	Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
I.	Revenue from operations	25	28,619.33	29,283.23
II.	Other income	26	237.61	200.68
<b>III.</b>	<b>Total Income (I+II)</b>		<b>28,856.94</b>	<b>29,483.91</b>
<b>IV.</b>	<b>Expenses</b>			
	Cost of materials consumed	27	14,999.17	22,020.37
	Purchase of stock in trade		-	70.98
	Change in inventories of finished goods, work-in-progress and stock in trade	28	3,946.89	(2,170.65)
	Employee benefits expense	29	2,582.49	2,493.14
	Finance costs	30	550.80	487.37
	Depreciation and amortization expense	31	482.90	511.61
	Other expenses	32	6,156.28	6,518.63
	<b>Total Expenses (IV)</b>		<b>28,718.53</b>	<b>29,931.45</b>
V.	<b>Profit/(Loss) before tax (III-IV)</b>		<b>138.41</b>	<b>(447.54)</b>
<b>VI.</b>	<b>Tax Expense</b>			
	(1a) Current tax		-	-
	(1b) Tax adjustments for earlier years		(40.77)	-
	(2) Deferred tax charge / (credit)	18	45.49	(121.58)
	<b>Total Tax Expenses (VI)</b>		<b>4.72</b>	<b>(121.58)</b>
<b>VII.</b>	<b>Profit/(Loss) for the year (V-VI)</b>		<b>133.69</b>	<b>(325.96)</b>
<b>VIII.</b>	<b>Other Comprehensive Income</b>			
<b>(A)</b>	<b>Items that will not be reclassified to profit or loss</b>			
	Re-measurement gain / (loss) on defined benefit plans		(17.92)	65.41
	Tax on above		4.99	(18.20)
<b>(B)</b>	<b>Items that will be reclassified to profit or loss</b>		-	-
	<b>Total Other Comprehensive Income</b>		<b>(12.93)</b>	<b>47.21</b>
<b>IX.</b>	<b>Total Comprehensive Income for the Year (VII+VIII)</b>		<b>120.76</b>	<b>(278.75)</b>
<b>X.</b>	<b>Earnings per equity share of ₹ 5 each</b>			
	Basic and Diluted	33	0.61	(1.48)

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

As per our report of even date attached  
For Singhi & Co.  
Chartered Accountants  
Firm Reg No. 302049E

Desh Bandhu Doda  
(Director)  
DIN : 00165518

Amar Singh Mehta  
(Director)  
DIN : 00030694

Bimal Kumar Sipani  
Partner  
M.No. 088926

Pankaj Kamra  
(Company Secretary)

Raghav Garg  
(Chief Financial Officer)

Place: Noida (Delhi-NCR)  
Date: 22nd May, 2024

# STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

## A Share Capital

(₹ Lakhs)

Particulars	As at 31st March, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>Fully paid up Equity Shares of ₹ 5 each</b>				
Balance at the beginning of the year	2,20,03,200	1,100.16	2,20,03,200	1,100.16
Changes in accounting policy or prior period errors	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>2,20,03,200</b>	<b>1,100.16</b>	<b>2,20,03,200</b>	<b>1,100.16</b>
Changes in equity share capital during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>2,20,03,200</b>	<b>1,100.16</b>	<b>2,20,03,200</b>	<b>1,100.16</b>

## B Other Equity

(₹ Lakhs)

Particulars	Capital Redemption Reserve	Reserves and surplus		Total Other Equity
		General Reserve	Retained Earnings	
<b>As at 31st March, 2022</b>	<b>359.00</b>	<b>650.00</b>	<b>2,556.61</b>	<b>3,565.61</b>
Changes in accounting policy or prior period errors	-	-	-	-
<b>Restated balance as at 1st April, 2022</b>	<b>359.00</b>	<b>650.00</b>	<b>2,556.61</b>	<b>3,565.61</b>
Transfer to retained earnings	-	-	-	-
Profit / (Loss) for the year	-	-	(325.96)	(325.96)
Other comprehensive income	-	-	47.21	47.21
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(278.75)</b>	<b>(278.75)</b>
Dividend paid	-	-	-	-
Transfer to General Reserve	-	-	-	-
<b>As at 31st March, 2023</b>	<b>359.00</b>	<b>650.00</b>	<b>2,277.86</b>	<b>3,286.86</b>
Changes in accounting policy or prior period errors	-	-	-	-
<b>Restated balance as at 1st April, 2023</b>	<b>359.00</b>	<b>650.00</b>	<b>2,277.86</b>	<b>3,286.86</b>
Profit / (Loss) for the year	-	-	133.69	133.69
Other comprehensive income	-	-	(12.93)	(12.93)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>120.76</b>	<b>120.76</b>
Dividend paid	-	-	-	-
Transfer to General Reserve	-	-	-	-
<b>As at 31st March, 2024</b>	<b>359.00</b>	<b>650.00</b>	<b>2,398.62</b>	<b>3,407.62</b>

**Capital Redemption Reserve:** It represents transfer from Retained Earnings on redemption of Preference Shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

**General reserve:** The Company appropriates a portion to general reserves out of the profits voluntarily to meet future contingencies. The said reserve is available for payment of dividend to the shareholders as per the provisions of the Companies Act, 2013.

**Retained Earnings:** Retained earnings includes fair value gain on property, plant & equipment and other adjustments on adoption of Ind-AS as on April 1, 2016 and residual profits earned by the Company after transfer to general reserve and payment of dividend to shareholders, if any.

For and on behalf of the Board of Directors

As per our report of even date attached  
For Singhi & Co.  
Chartered Accountants  
Firm Reg No. 302049E

Desh Bandhu Doda  
(Director)  
DIN : 00165518

Amar Singh Mehta  
(Director)  
DIN : 00030694

Bimal Kumar Sipani  
Partner  
M.No. 088926

Pankaj Kamra  
(Company Secretary)

Raghav Garg  
(Chief Financial Officer)

Place: Noida (Delhi-NCR)  
Date: 22nd May, 2024

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**1 Material Accounting Policies****I. Corporate Information:**

“Umang Dairies Limited (“the Company”) is a public limited Company incorporated under the provisions of the Companies Act, 1956 and its equity shares are listed on the National Stock Exchange (‘NSE’) and the Bombay Stock Exchange (‘BSE’), in India. The registered office of the Company is situated at Gajraula, Hasanpur Road, Gajraula-244235, District- Amroha, Uttar Pradesh, India.

The Company is engaged in the business of procurement of cow milk mainly in the state of Uttar Pradesh at Gajraula, undertakes processing of milk and manufacture of various value added products namely cheese, butter, ghee, fresh cream, milk powder, flavored milk, lassi, curd etc.”

**II. Basis of preparation and measurement of financial statements:****(i) Statement of compliance**

“The Financial Statements has been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.”

The Board of Directors has approved the financial statements for the year ended March 31, 2024 and authorized for issue on 22nd May, 2024. However, shareholders have the power to amend the financial statements after issue.

**(ii) Basis of preparation**

The financial statements have been prepared on a historical cost basis except certain items that are measured at fair value as explained in accounting policies.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

These financial statements are presented in Indian Rupees (₹), which is also the Company’s functional currency. All amounts have been rounded-off to two decimal places to the nearest lakhs, unless otherwise indicated.

**(iii) Use of Estimates**

In the preparation of financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations.

**(iv) Operating cycle and classification of Assets and Liabilities as Current and Non Current**

Based on the nature of goods manufactured/service provided and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ noncurrent classification of assets and liabilities.

- “The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.”

### III. Material Accounting Policies

#### (i) Revenue Recognition

“The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when -

- effective control of goods along with significant risks and rewards of ownership has been transferred to customer;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company considers shipping and handling activities as costs to fulfill the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated having regard to various relevant factors including historical trend and constraint until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.”

“Revenue from contracts with customers (other than sale of goods) is recognised when control of the goods (job-processing) or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services having regard to the terms of the contracts for services and the revenue can be reliably measured.

Claim on insurance companies, interest and others, where quantum of accrual cannot be ascertained with reasonable certainty, are accounted for on acceptance basis.”

“Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, incentive programs etc.

For incentives offered to customers, the Company makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.”

#### Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### (ii) Inventories

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of manufactured finished goods and Work in Progress is determined by taking cost of purchases, material consumed, labour and related overheads. Cost of raw materials, stock-in-trade goods and stores & spare parts are computed on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**(iii) Property, Plant and Equipment**

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP, and use that carrying value as fair value of the property, plant and equipment.

Property, Plant and Equipment acquired after the transition date are stated at cost net of tax/duty credit availed. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Borrowing costs and incidental expenses incurred during the period of construction are capitalised upto the date when the assets are ready for intended use.

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

Capital work-in-progress includes cost of PPE under installation/under development as at balance sheet date. Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advance under other non-current assets.

**Depreciation**

Depreciation on fixed assets is calculated on Straight Line Method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013 or re-assessed by the Company on technically assessed, as given below:

General Plant and Machinery	15 - 18 Years (Continuous Process Plant)
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Depreciation will be charged from the date the assets is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

**(iv) Intangible Assets other than goodwill**

Intangible assets (other than goodwill) are stated at cost of acquisition or construction less accumulated amortisation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2016 measured as per the previous Generally Accepted Accounting Principles (GAAP). Intangible assets subsequently purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. In case of computer software, the Company has estimated useful life of five years or less. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

**(v) Leases**

The Company as a lessee

“The Company’s lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. “

“The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.”

### (vi) Impairment of non-financial assets

“At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication on impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment loss in respect of assets other than goodwill is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. A reversal of impairment loss is recognised immediately in the Statement of Profit & Loss.”

### (vii) Financial instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial Assets

##### Initial recognition and measurement

All financial assets (except trade receivables) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 for pricing adjustments embedded in the contract.

##### Classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the company’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

##### Business model assessment

The company makes an assessment of the objective of a business model in which an asset is held at an instrument level because this best reflects the way the business is managed and information is provided to management.

#### (a) Financial Assets at Amortised Cost

“A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss."

## (b) Financial Assets at fair value through profit and loss (FVTPL)

"Any Financial Assets and debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss."

**Investment**

All Investments are classified as measured at FVTPL. This election is made on an investment-by-investment basis.

**Derecognition**

"A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss."

**Impairment of financial assets**

"The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables."

**Financial Liabilities****Initial Recognition and Measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

**Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below :

**a) Financial Liabilities at Fair Value through Profit or Loss**

"Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss."

### **b) Financial Liabilities measured at Amortised Cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### **De-recognition of Financial Liability**

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

### **(viii) Employee Benefit**

#### **(a) Short term employee benefits :**

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### **(b) Defined contribution plans :**

The Company has Provident Fund as defined contribution plan. The Company has no obligation, other than the contribution payable to the provident fund. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

#### **(c) Defined benefit plans :**

"The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. Gratuity is a defined benefit obligation. For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- interest expense; and
- remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item employee benefits expense."

#### **(d) Other Long-term employee Benefits:**

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains/ losses on the compensated absences are immediately taken to the statement of profit and loss and are not deferred. The obligation is measured on the basis of independent actuarial valuation using project unit credit method at each reporting date.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**(ix) Earnings per Share (EPS)**

Basic earnings per equity share is computed by dividing net profit or loss for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing net profit or loss for the year attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

**(x) Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

**Current Tax**

“Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date. Current tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if, the Company:

- a) Has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.”

**Deferred tax**

“Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.”

**Minimum Alternate Tax**

Credit of Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### (xi) Provisions and Contingent Liabilities /Assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in other notes to financial statements.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

### (xii) Borrowing and Borrowing Costs

"Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of profit and loss over the period of the borrowings using the effective interest method. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a borrowings that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss as other gains/(losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings."

### (xiii) Fair Value Measurements

"In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable."

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**Financial instruments**

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

**(xiv) Significant accounting Judgements and Estimates**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

**Useful lives of property, plant and equipment and intangible assets**

The Company has estimated the useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

**Impairment**

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring the Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

**Valuation of current tax and deferred tax assets**

The tax jurisdictions for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of current and deferred taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

**Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability may arise from the ordinary course of business in relation to claims against the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events. Contingent liabilities are not recognised in the financial statements.

**Fair value measurements of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Retirement benefit obligations**

The Company's retirement benefit obligations are subject to number of assumptions including discount rates, inflation and salary growth. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these assumptions based on previous experience and third party actuarial advice.

**(xv) Cash and cash equivalents**

"Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities."

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

2 Property, Plant and Equipment

(₹ Lakhs)

Gross Block	Freehold Land	Buildings	Roads	Plant and Equipment	Electrical Installation	Pipeline & Fittings	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>Cost as at 31st March, 2022</b>	<b>1,640.18</b>	<b>1,842.70</b>	<b>65.69</b>	<b>5,988.62</b>	<b>171.37</b>	<b>2.03</b>	<b>28.25</b>	<b>106.55</b>	<b>164.46</b>	<b>10,009.85</b>
Addition during the year		0.92	11.22	82.36			1.16		13.98	109.64
Sold/discarded during the year										-
Adjustment during the year										-
<b>Cost as at 31st Mar, 2023</b>	<b>1,640.18</b>	<b>1,843.62</b>	<b>76.91</b>	<b>6,070.98</b>	<b>171.37</b>	<b>2.03</b>	<b>29.41</b>	<b>106.55</b>	<b>178.44</b>	<b>10,119.49</b>
Addition during the year	-	7.34	-	99.98	-	-	0.24	-	4.42	111.98
Sold/discarded during the year	-	-	-	-	-	-	-	6.84	-	6.84
Adjustment during the year	-	-	-	-	-	-	-	-	-	-
<b>Cost as at 31st March, 2024</b>	<b>1,640.18</b>	<b>1,850.96</b>	<b>76.91</b>	<b>6,170.96</b>	<b>171.37</b>	<b>2.03</b>	<b>29.65</b>	<b>99.71</b>	<b>182.86</b>	<b>10,224.63</b>

Accumulated Depreciation	Freehold Land	Buildings	Roads	Plant and Equipment	Electrical Installation	Pipeline & Fittings	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>Accumulated depreciation as at 31st March, 2022</b>	-	<b>450.41</b>	<b>49.46</b>	<b>1,554.75</b>	<b>100.33</b>	<b>1.19</b>	<b>11.19</b>	<b>54.38</b>	<b>105.40</b>	<b>2,327.11</b>
Depreciation for the year		81.72	7.95	344.61	13.51	0.20	2.54	12.48	19.74	482.75
Disposals										-
Adjustment during the year										-
<b>Accumulated depreciation as at 31st March, 2023</b>	-	<b>532.13</b>	<b>57.41</b>	<b>1,899.36</b>	<b>113.84</b>	<b>1.39</b>	<b>13.73</b>	<b>66.86</b>	<b>125.14</b>	<b>2,809.86</b>
Depreciation for the year	-	75.99	3.36	327.15	9.20	0.11	2.60	11.83	17.66	447.90
Disposals	-	-	-	-	-	-	-	1.58	-	1.58
Adjustment during the year		(0.02)		0.05			0.03	(0.01)	0.02	0.07
<b>Accumulated depreciation as at 31st March, 2024</b>	-	<b>608.14</b>	<b>60.77</b>	<b>2,226.46</b>	<b>123.04</b>	<b>1.50</b>	<b>16.30</b>	<b>77.12</b>	<b>142.78</b>	<b>3,256.11</b>
<b>Net carrying value as on 31st March, 2023</b>	<b>1,640.18</b>	<b>1,311.49</b>	<b>19.50</b>	<b>4,171.62</b>	<b>57.53</b>	<b>0.64</b>	<b>15.68</b>	<b>39.69</b>	<b>53.30</b>	<b>7,309.71</b>
<b>Net carrying value as on 31st March, 2024</b>	<b>1,640.18</b>	<b>1,242.82</b>	<b>16.14</b>	<b>3,944.50</b>	<b>48.33</b>	<b>0.53</b>	<b>13.35</b>	<b>22.59</b>	<b>40.08</b>	<b>6,968.52</b>

Notes :

- Assets pledged and hypothecated against borrowings - Refer Note 15 and 20
- There were no revaluation carried out by the company during the years reported above.
- All title deeds of immovable properties are held in the name of the Company.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## 2A Capital work-in-progress

(₹ Lakhs)

	As at 31st March, 2024	As at 31st March, 2023
Opening Carrying Amount	1.70	2.88
Addition:	117.05	93.32
Assets Capitalized	111.98	94.50
<b>Closing Carrying Amount</b>	<b>6.77</b>	<b>1.70</b>

## (i) CWIP Ageing Schedule

As at 31st March, 2024					
	Less than 1 year	1-2 years	2-3 years	More than 3	Total
Projects in Progress	6.77	-	-	-	6.77
Projects temporarily suspended	-	-	-	-	-

As at 31st March, 2023					
	Less than 1 year	1-2 years	2-3 years	More than 3	Total
Projects in Progress	1.70	-	-	-	1.70
Projects temporarily suspended	-	-	-	-	-

(ii) The Company does not have any project which is overdue or has exceeded its cost compared to its original plan.

## 3 Right to Use Assets

(₹ Lakhs)

Original Cost	Leasehold Land	Buildings	Total
<b>Cost as at 31st March, 2022</b>	<b>54.12</b>	<b>248.56</b>	<b>302.68</b>
Addition during the year	-	-	-
Sold/discarded during the year	-	-	-
<b>Cost as at 31st Mar, 2023</b>	<b>54.12</b>	<b>248.56</b>	<b>302.68</b>
Addition during the year	-	-	-
Sold/discarded during the year	-	-	-
<b>Cost as at 31st March, 2024</b>	<b>54.12</b>	<b>248.56</b>	<b>302.68</b>

Accumulated depreciation	Leasehold Land	Buildings	Total
<b>Accumulated depreciation as at 31st March, 2022</b>	<b>6.24</b>	<b>74.57</b>	<b>80.81</b>
Depreciation for the year	2.08	24.86	26.94
Disposals	-	-	-
Adjustment during the year	-	-	-
<b>Accumulated depreciation as at 31st March, 2023</b>	<b>8.32</b>	<b>99.43</b>	<b>107.75</b>
Depreciation for the year	2.08	24.86	26.94
Disposals	-	-	-
Adjustment during the year	-	-	-
<b>Accumulated depreciation as at 31st March, 2024</b>	<b>10.40</b>	<b>124.29</b>	<b>134.69</b>

<b>Net carrying value as on 31st March, 2023</b>	<b>45.80</b>	<b>149.13</b>	<b>194.93</b>
Net carrying value as on 31st March, 2024	43.72	124.27	167.99

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

4 Intangible Assets

<b>Cost as at 31st March, 2022</b>		<b>41.94</b>	<b>41.94</b>
<b>Addition during the year</b>		<b>32.07</b>	<b>32.07</b>
Sold/discarded during the year		-	-
Adjustment during the year		-	-
<b>Cost as at 31st Mar, 2023</b>		<b>74.01</b>	<b>74.01</b>
Addition during the year		-	-
Sold/discarded during the year		-	-
Adjustment during the year		0.05	0.05
<b>Cost as at 31st March, 2024</b>		<b>74.06</b>	<b>74.06</b>

<b>Accumulated depreciation as at 31st March, 2022</b>		<b>38.28</b>	<b>38.28</b>
Amortisation during the year		1.91	1.91
Disposals		-	-
<b>Accumulated depreciation as at 31st March, 2023</b>		<b>40.19</b>	<b>40.19</b>
Amortisation during the year		8.06	8.06
Disposals		-	-
Adjustment during the year		0.04	0.04
<b>Accumulated depreciation as at 31st March, 2024</b>		<b>48.29</b>	<b>48.29</b>

<b>Net carrying value as on 31st March, 2023</b>		<b>33.82</b>	<b>33.82</b>
<b>Net carrying value as on 31st March, 2024</b>		<b>25.77</b>	<b>25.77</b>

Notes :

There were no revaluation carried out by the company during the years reported above.

5 Other Non-Current Financial Assets

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good		
Security deposits	175.46	162.06
<b>Total</b>	<b>175.46</b>	<b>162.06</b>

6 Other Non Current Assets

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good		
Capital advances	-	20.06
Others	1.21	1.27
<b>Total</b>	<b>1.21</b>	<b>21.33</b>

7 Inventories

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>(Valued at Cost or Net Realizable Value, whichever is lower)</b>		
Raw materials	110.29	97.81
Work-in-progress	-	37.49
Finished goods	<b>2,528.23</b>	<b>6,427.24</b>
Stock in trade	<b>1.31</b>	<b>11.69</b>
Stores and spares, packing materials and others	<b>676.29</b>	<b>833.60</b>
<b>Total</b>	<b>3,316.12</b>	<b>7,407.83</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

- 7.1 As at 31st March, 2024, Rs. 14.85 Lakhs (Previous year - Rs. 287.88 Lakhs) was recognised as expense for inventories carried at net realisable value.
- 7.2 Inventories are hypothecated to secure borrowings. Refer Note 15 and 20

**8 Current Investment****Investment in Mutual Fund at FVTPL (Unquoted)**

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
1387.490 Units (31st March, 2023: Nil) SBI Magnum Ultra Short Duration Fund Direct Growth	307.58	-
<b>Total</b>	<b>307.58</b>	-
Aggregate fair value of Unquoted Investment	307.58	-

**9 Trade Receivables**

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured</b>		
Considered good	851.48	616.93
Have significant increase in credit risk	-	-
Credit impaired	-	-
	<b>851.48</b>	<b>616.93</b>
Less:- Allowance for credit losses	(0.53)	-
<b>Total</b>	<b>850.95</b>	<b>616.93</b>

- 9.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.
- 9.2 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Further, no trade or other receivable are due from firms or private companies respectively in which any director is a partner, or director or member.
- 9.3 Trade receivables are hypothecated to secure borrowings. Refer to Note 15 and 20
- 9.4 Ageing Schedule for trade receivables

**As at March 31, 2024**

Particulars	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Considered good	182.34	215.56	201.21	2.63	-	-	601.74
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	249.74	-	-	-	-	-	249.74
<b>Total</b>	<b>432.08</b>	<b>215.56</b>	<b>201.21</b>	<b>2.63</b>	-	-	<b>851.48</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

As at March 31, 2023

Particulars	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Considered good	113.52	306.27	16.68	5.22	6.40	3.36	451.45
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	165.48	-	-	-	-	-	165.48
<b>Total receivable</b>	<b>279.00</b>	<b>306.27</b>	<b>16.68</b>	<b>5.22</b>	<b>6.40</b>	<b>3.36</b>	<b>616.93</b>

10 Cash & Cash Equivalents

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Balance with bank in current accounts</b>	57.34	210.03
Cheques in hand	-	6.53
Cash on hand	2.23	4.28
<b>Total</b>	<b>59.57</b>	<b>220.84</b>

11 Other Bank Balances

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Earmarked balances</b>		
Unclaimed dividend accounts	17.77	27.63
"Fixed deposits with maturity more than 3 months but less than 12 months (pledged with Sales-tax department)"	14.74	12.37
<b>Total</b>	<b>32.51</b>	<b>40.00</b>

12 Other Current Financial Assets

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good</b>		
Interest receivable	2.14	13.08
<b>Total</b>	<b>2.14</b>	<b>13.08</b>

13 Other Current Assets

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, Considered Good</b>		
Advance to suppliers	93.94	58.76
Prepaid expenses	30.36	44.11
Indirect-tax recoverable	106.51	106.51
GST Input Credit	65.55	154.32
Others	0.67	0.85
<b>Total</b>	<b>297.03</b>	<b>364.55</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## 14 Equity Share Capital

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised</b>		
3,00,00,000 (Previous Year 3,00,00,000) Equity shares of ₹ 5 each	1,500.00	1,500.00
6,00,000 (Previous Year 6,00,000) Redeemable preference shares of ₹ 100 each	600.00	600.00
<b>Total</b>	<b>2,100.00</b>	<b>2,100.00</b>

<b>Issued, Subscribed and Paid-up</b>		
2,20,03,200 (Previous Year 2,20,03,200) Equity shares of ₹ 5 each	1,100.16	1,100.16
<b>Total</b>	<b>1,100.16</b>	<b>1,100.16</b>

## (a) Reconciliation of the number of shares outstanding

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Equity Shares (Nos.)	
Shares outstanding at the beginning of the year	2,20,03,200	2,20,03,200
Shares Issued during the year	-	-
Shares bought back/redeemed during the year	-	-
Shares outstanding at the end of the year	2,20,03,200	2,20,03,200

## (b) Terms / rights and preferences attached to equity shares:

The Company has only one class of Equity Shares having face value of ₹ 5/- each and each shareholder is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

## (c) Details of shareholder holding more than 5% shares:

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Percentage	Number of shares	Percentage
Bengal & Assam Company Ltd. (Holding Company)	1,21,68,430	55.30%	1,21,68,430	55.30%
Sidhivinayak Trading & Investment Ltd.	38,50,000	17.50%	38,50,000	17.50%

## (d) In preceding five (5) years, there was no issue of bonus, buy back, cancellation and issue of shares for other than cash consideration.

## (e) Details of promoter's shareholder holding:

For the year ended 31st March, 2024

Promoter name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the
Bengal & Assam Company Ltd.	1,21,68,430	Nil	1,21,68,430	55.30%	Nil
Sidhivinayak Trading and Investment Ltd.	38,50,000	Nil	38,50,000	17.50%	Nil
Accurate Finman Services Ltd.	3,97,804	Nil	3,97,804	1.81%	Nil

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

For the year ended 31st March, 2023

Promoter name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	%of total shares	% Change during the
Bengal & Assam Company Ltd.	1,21,68,430	Nil	1,21,68,430	55.30%	Nil
Sidhivinayak Trading and Investment Ltd.	38,50,000	Nil	38,50,000	17.50%	Nil
Accurate Finman Services Ltd.	3,97,804	Nil	3,97,804	1.81%	Nil

15 Non Current Borrowings

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Secured Loans</b>		
Term loans - Bank	330.00	830.00
<b>Unsecured Loans</b>		
Inter corporate deposits from a company	1,400.00	1,400.00
<b>Less: Current maturities disclosed as "current borrowing"</b>	<b>219.96</b>	<b>400.00</b>
<b>Total</b>	<b>1,510.04</b>	<b>1,830.00</b>

Secured Loans:

- Term loan of ₹ NIL (Previous year ₹ 180.00 lakhs) from Axis Bank is secured by a first pari passu charge over the entire moveable properties of the Company both present and future and equitable mortgage over the immovable properties in the name of the Company situated at Gajraula, is repayable in 20 quarterly instalments of ₹ 20.00 lakhs each commencing from December, 2019. During the year Company has prepaid the loan.
- Term loan of ₹ NIL (Previous year ₹ 100.00 lakhs) from Axis Bank is secured by a first pari passu charge over the entire moveable properties of the Company both present and future and equitable mortgage over the immovable properties in the name of the Company situated at Gajraula, is repayable in equal quarterly instalments of ₹ 25 lakhs commencing from December, 2018.
- Working capital term loan of ₹ 330.00 lakhs (Previous year ₹ 550.00 lakhs) from Axis Bank is secured by a second charge on entire moveable properties, current assets and immovable properties in the name of the Company situated at Gajraula, is repayable in equal monthly instalments of ₹ 18.33 lakhs commencing from December, 2022.

Unsecured Loans:

- Inter corporate Deposit of ₹ 1400.00 lakhs (Previous year ₹ 1400 Lakhs), is repayable along with interest at the end of tenure of six years (previous year six years) beginning from March 2026.

16 Other Financial Liabilities - Non Current

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade and other deposits	11.00	11.00
<b>Total</b>	<b>11.00</b>	<b>11.00</b>

17 Long Term Provisions

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits	215.33	199.47
<b>Total</b>	<b>215.33</b>	<b>199.47</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## 18 Deferred Tax Liabilities

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Deferred Tax Liabilities</b>		
Property, plant and equipments, Intangible assets and right of use assets	1,133.67	1,159.53
<b>Deferred Tax Assets</b>		
Provision for employees benefits	70.44	59.69
Other timing differences	2.11	-
<b>Business loss and unabsorbed depreciation</b>	<b>610.07</b>	<b>689.41</b>
	682.62	749.10
<b>Total Deferred Tax Liabilities</b>	<b>451.05</b>	<b>410.43</b>
MAT Credit opening balance	165.45	165.45
MAT Credit entitlement	-	-
MAT Credit utilization	-	-
MAT Credit closing balance	<b>165.45</b>	<b>165.45</b>
<b>Net Deferred Tax Liabilities</b>	<b>285.60</b>	<b>244.98</b>

Note: The Company has recognised deferred tax assets on unabsorbed depreciations, carried forward tax losses and MAT Credit Entitlement. The Company has concluded that the deferred tax assets on MAT Credit Entitlement, unabsorbed depreciations and carried forward tax losses will be recoverable using the estimated future taxable income based on the business plans and budgets. The Company is expected to generate taxable income in near future. The MAT Credit Entitlement, unabsorbed depreciation and tax losses can be carried forward as per local tax regulations and the Company expects to recover the same in due course.

## Reconciliation of effective tax

Particulars	FY 2023-24	FY 2022-23
<b>Profit / (Loss) before tax</b>	<b>138.41</b>	<b>(447.54)</b>
Enacted tax rates for the Company under Income tax	27.82%	27.82%
Income tax Payable	38.51	(124.51)
Other Non deductible expenses	1.67	-
Tax adjustments for earlier years	(40.77)	-
Others	5.31	2.93
<b>Reported Tax Expenses</b>	<b>4.72</b>	<b>(121.58)</b>

## 19 Other Non Current Liabilities

(₹ Lakhs)

Particulars	FY 2023-24	FY 2022-23
<b>Security deposits from a customer</b>	<b>963.93</b>	<b>963.93</b>
Security deposits from others	19.61	15.05
<b>Total</b>	<b>983.54</b>	<b>978.98</b>

## 20 Current Borrowings

(₹ Lakhs)

Particulars	FY 2023-24	FY 2022-23
Secured Loans		
Current maturities of long term borrowings	219.96	400.00
Working capital borrowing from a bank	2,500.00	3,194.42
<b>Total</b>	<b>2,719.96</b>	<b>3,594.42</b>

## Notes :

- Working capital borrowing from Axis Bank is secured by first pari passu charge over the entire moveable properties of the Company both present and future and the equitable mortgage over the immovable properties in the name of the Company situated at Gajraula.
- Value of inventories, trade receivable and other receivables reported in the Financial Follow-up Reports filed on each quarter end by the Company with bankers are in agreement with the books of accounts except for the quarter ended March 31, 2024 which is yet to be filed.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

21 Trade Payables

(₹ Lakhs)

Particulars	FY 2023-24	FY 2022-23
a) total outstanding dues of micro and small enterprises (Refer note 21.1)	41.82	25.63
b) total outstanding dues of creditors other than micro and small enterprises	1,094.15	3,057.47
<b>Total</b>	<b>1,135.97</b>	<b>3,083.10</b>

21.1 Based on the information available as identified by the Company, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

a.	Principal amount and Interest due thereon remaining unpaid to any supplier as on	41.82	25.63
b.	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day	-	-
c.	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d.	the amount of interest accrued and remaining unpaid during the accounting year.	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

21.2 Trade Payable ageing

As at March 31, 2024

(₹ Lakhs)

Particulars	Not due	Outstanding for following periods from document date					Total
<b>Trade payable</b>							
(i) MSME	41.82	-	-	-	-	-	41.82
(ii) Others	299.69	565.40	163.16	5.43	1.02	735.01	1,034.70
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	46.93	-	12.52	59.45	59.45
<b>Total Payable</b>	<b>341.51</b>	<b>565.40</b>	<b>210.09</b>	<b>5.43</b>	<b>13.54</b>	<b>794.46</b>	<b>1,135.97</b>

As at March 31, 2023

(₹ Lakhs)

Particulars	Not due	Outstanding for following periods from document date					Total
<b>Trade payable</b>							
(i) MSME	25.63	-	-	-	-	-	25.63
(ii) Others	779.90	2,185.97	11.21	29.84	50.55	2,277.57	3,057.47
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total Payable</b>	<b>805.53</b>	<b>2,185.97</b>	<b>11.21</b>	<b>29.84</b>	<b>50.55</b>	<b>2,277.57</b>	<b>3,083.10</b>

22 Other Current Financial Liabilities

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued on Inter corporate deposits	220.17	114.58
Unclaimed dividends #	17.77	27.63
Employee emoluments	51.30	128.34
Security deposits	85.44	80.16
Other payables	52.11	47.39
<b>Total</b>	<b>426.79</b>	<b>398.10</b>

# As and when due, Investor Education & Protection Fund will be credited (if not claimed by shareholders within the specified time period)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## 23 Other Current Liabilities

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory dues	29.09	312.52
Advance from customers	269.99	1,236.19
<b>Total</b>	<b>299.08</b>	<b>1,548.71</b>

## 24 Short Term Provisions

(₹ Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits	13.48	15.60
<b>Total</b>	<b>13.48</b>	<b>15.60</b>

## 25 Revenue from Operations

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of products (Dairy Products)	23,279.56	24,426.26
Other operating revenues		
Conversion charges	5,339.77	4,856.97
<b>Total</b>	<b>28,619.33</b>	<b>29,283.23</b>

The Company is primarily in the business of manufacture and sale of Dairy Products. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the expired / damaged goods.

## 25.1 Reconciliation of contract price vis a vis revenue recognised in the statement of profit and loss is as follows:

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Contract price</b>		
(i) Sales of products	23,279.56	24,426.26
(ii) Conversion charges	5,339.77	4,856.97
<b>Adjustments:</b>		
Discount/rebate/ incentives	-	-
<b>Revenue recognised in statement of profit and loss</b>	<b>28,619.33</b>	<b>29,283.23</b>

## 25.2 Significant changes in the contract assets and the contract liabilities balances during the year are as follows :

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Contract Assets	249.74	165.48
b. Movement of contract liability :		
Opening balance	1,236.19	289.90
Less: Revenue recognized/Written back during the year from opening balance	1,236.19	272.40
Add: Advance received during the year not recognized as revenue	269.99	1,218.69
<b>Amounts included in contract liabilities at the end of the year</b>	<b>269.99</b>	<b>1,236.19</b>

- c. Contract liabilities include amount received from customers as per the terms of purchase/sales order to deliver goods. Once the goods are completed and control is transferred to customers, the same is adjusted accordingly.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

25.3 The Company does not provide performance warranty for goods sold, Since impact of replacement is not material therefore no liability towards performance warranty has been accounted in books.

25.4 The above revenues have been recognised at point of time.

26 Other Income

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest Income		
on Income Tax Refund	9.53	-
on Others	5.52	8.02
Unrealised Gain on Investment	7.58	-
Provision for earlier years no longer required written back	51.21	64.52
Scrap sale	48.94	80.78
Net gain on exchange fluctuation on translation and transactions	-	2.41
Rental Income	13.00	4.64
Liabilities, no longer required written back	77.05	-
Others	24.78	40.31
<b>Total</b>	<b>237.61</b>	<b>200.68</b>

27 Cost of Material Consumed

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Raw material consumed	14,237.07	21,055.22
Packing material consumed	762.10	965.15
<b>Total Cost of Material Consumed</b>	<b>14,999.17</b>	<b>22,020.37</b>

28 Change in inventories of finished goods, work-in-progress and stock in trade

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Opening Stock</b>		
Finished Goods	6,427.24	4,265.37
Stock In Trade	11.69	3.29
Work-in-Progress	37.49	37.11
	6,476.42	4,305.77
<b>Closing Stock</b>		
Finished Goods	2,528.23	6,427.24
Stock In Trade	1.31	11.69
Work-in-Progress	-	37.49
	2,529.54	6,476.42
<b>Net (Increase) / Decrease in Stocks</b>	<b>3,946.89</b>	<b>(2,170.65)</b>

29 Employee Benefit Expenses

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Salaries, wages and bonus etc.</b>	<b>2,401.71</b>	<b>2,306.98</b>
Contribution to provident and other funds	103.68	102.21
Gratuity	33.97	35.38
Staff welfare expenses	43.13	48.57
<b>Total</b>	<b>2,582.49</b>	<b>2,493.14</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## 30 Finance Costs

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Interest expenses</b>	<b>521.55</b>	<b>456.46</b>
Interest on delayed payment of taxes	5.94	0.28
Interest on lease obligations	23.31	25.48
Other borrowing costs	-	5.15
<b>Total</b>	<b>550.80</b>	<b>487.37</b>

## 31 Depreciation &amp; Amortisation Expense

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Depreciation and amortisation</b>	<b>455.96</b>	<b>484.67</b>
Depreciation of right of use assets	26.94	26.94
<b>Total</b>	<b>482.90</b>	<b>511.61</b>

## 32 Other Expenses

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumption of stores and spares	520.12	572.67
Power and fuel	2,929.48	2,989.46
Job on contract	673.80	612.39
Rent	82.04	86.07
Repairs to buildings	10.60	43.47
Repairs to machinery	181.16	203.95
Insurance	59.27	44.50
Rates and taxes	9.56	12.33
Freight and transportation	482.08	543.84
Selling Expenses including sales promotion	361.54	528.12
Directors' fee	17.65	15.12
Provision for Expected Credit Losses	0.53	-
Bad debts written off	6.77	-
Sundry Balances written off	44.24	-
Legal and Professional	162.27	184.94
Travelling Expenses	226.81	238.47
Miscellaneous @	388.36	443.30
<b>Total</b>	<b>6,156.28</b>	<b>6,518.63</b>

@ Includes amount paid to auditors		
<b>i) Statutory Auditors:</b>		
a. Statutory audit fee	4.50	3.80
b. Limited review fee	1.10	1.00
c. Tax audit fee	0.55	0.55
d. Certifications fee	0.18	0.17
e. Reimbursement of expenses	0.71	0.71
<b>Total</b>	<b>7.05</b>	<b>6.23</b>
<b>ii) Cost Auditors:</b>		
a. Audit fee	0.50	0.50
<b>Total</b>	<b>0.50</b>	<b>0.50</b>

### 33 Earning per share (EPS)

(₹ Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit for the year	133.69	(325.96)
Number of Equity Shares beginning of the year	2,20,03,200	2,20,03,200
Shares issued during the year	-	-
Number of Equity Shares at the end of the year	2,20,03,200	2,20,03,200
Weighted average number of equity shares of ₹ 5/- each	2,20,03,200	2,20,03,200
<b>Basic and diluted (Per Share in ₹)</b>	<b>0.61</b>	<b>(1.48)</b>

There have been no transactions involving Equity shares or Potential Equity shares between the reporting date and the date of approval of these financial statements that would have an impact on the outstanding weighted average number of equity shares as at the year end.

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Panchmahal Properties Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Panchmahal Properties Limited, which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, its Profit (including Other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position/state of affairs, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31st March, 2024 has not been paid/ provided for by the Company to its directors. Hence, provisions of Section 197 read with Schedule V to the Act are not applicable on the company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 17 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - (i) The management has represented (refer note 21 of the financial statements) that, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (ii) The management has represented (refer note 21 of the financial statements) that, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - v. The Company has not declared or paid dividend during the year, accordingly the provisions of section 123 of the Companies Act, 2013 are not applicable.
  - vi. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and same has operated throughout the year for all relevant transactions recorded in the said software. Further, we have not come across any instance of the audit trail feature being tempered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable with effect from 1st April, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

For **S.B.G & CO.**  
Chartered Accountants  
Firm's Registration No. 001818N

(Suresh Kumar)  
Partner  
Membership No.72921  
UDIN: 24072921BKAKZZ2386

Place: New Delhi  
Date: 8th May 2024

**ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PANCHMAHAL PROPERTIES LIMITED FOR THE YEAR ENDED MARCH 31, 2024.**

- i. The Company does not have any property, plant and equipment and therefore reporting under clause 3(i)(a), (b), (c) and (d) of the order are not applicable.
- According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii. (a) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii)(a) and (b) of the Order is not applicable.
- (b) The Company has not granted loans or advances in the nature of loans provided by the Company to the body corporates and hence reporting under clause 3 (iii)(c),(d),(e) and (f) of the Order is not applicable.
- iv. According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3 (iv) of the Order is not applicable.
- v. The Company has not accepted or is not holding any deposit or amounts which are deemed to be deposits during the year. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of our records of the Company, undisputed statutory dues including income tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax, cess and other material statutory dues were in arrears as on 31st March, 2024 for a period of more than six months from the date they became payable. As per the information and explanations provided to us Provident Fund, Employee state insurance, duty of customs, duty of excise, value added tax, service tax and sales tax are not applicable to the Company.
- (b) There are no dues of income tax, cess and other statutory dues which have not been deposited on account of any dispute. As per the information and explanations provided to us duty of customs, Provident Fund, Employees State Insurance, duty of excise, value added tax, and service tax are not applicable to the Company.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, the company has not raised any funds on short-term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) The Company does not have any subsidiaries, associates and joint ventures and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- xi. (a) Based on the audit procedures performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year which remained unattended by the competent authorities.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations and records made available by the management, the requirements as stipulated by the provisions of section 177 of the Act are not applicable to the Company. Moreover, as per the information and explanations and records made available by the management of the Company and audit procedure performed, for transactions with the related parties during the year, the Company has complied with the provisions of section 188 of the Act, where applicable (read with note 20 of the financial statements). As explained and as per records, details of related party transactions have been disclosed in the financial statements as per the applicable Accounting Standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) Internal audit is not applicable on the company.
- xv. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, there are two CIC within the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- xxi. According to the information and explanations given to us, the Company does not have any subsidiaries, associates and joint ventures and hence reporting under clause 3(xxi) of the Order is not applicable.

For **S.B.G & CO.**  
Chartered Accountants  
Firm's Registration No. 001818N

(Suresh Kumar)  
Partner  
Membership No.72921  
UDIN: 24072921BKAKZZ2386

Place: New Delhi  
Date: 8th May 2024

# Annexure – B to the Auditors’ Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Panchmahal Properties Limited as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Board of Director of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.B.G & CO.**

Chartered Accountants  
Firm’s Registration No. 001818N

(Suresh Kumar)  
Partner  
Membership No.72921  
UDIN: 24072921BKAKZZ2386

Place: New Delhi  
Date: 8th May 2024



**BALANCE SHEET AS AT 31ST MARCH 2024**

(Amount in ₹ lakhs, except otherwise stated)

S. No.	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
	<b>Assets</b>			
<b>1</b>	<b>Non Current Assets</b>			
	(a) Deferred Tax Assets (Net)	2	9.17	11.02
	<b>Total Non Current Assets</b>		<b>9.17</b>	<b>11.02</b>
<b>2</b>	<b>Current Assets</b>			
	<b>(a) Financial Assets</b>			
	(i) Cash and cash equivalents	3	6.95	5.92
	(ii) Bank Balance other than (i) above	4	215.02	222.16
	(iii) Other Financial Assets	5	11.39	8.02
	(b) Current Tax Assets (Net)	6	1.61	0.06
	<b>Total Current Assets</b>		<b>234.97</b>	<b>236.16</b>
	<b>Total Assets</b>		<b>244.14</b>	<b>247.18</b>
	<b>Liabilities and Equity</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share capital	7	35.12	35.12
	(b) Other Equity	8	208.93	212.01
	<b>Total Equity</b>		<b>244.05</b>	<b>247.13</b>
	<b>Liabilities</b>			
<b>2</b>	<b>Non-current Liabilities</b>		-	-
	<b>Total Non Current Liabilities</b>		-	-
<b>3</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Other financial liabilities	9	0.06	0.05
	(b) Other current liabilities	10	0.03	-
	<b>Total Current Liabilities</b>		<b>0.09</b>	<b>0.05</b>
	<b>Total Liabilities and Equity</b>		<b>244.14</b>	<b>247.18</b>

Summary of significant accounting policies

1

As per our report of even date attached  
For S.B.G & Co.  
Chartered Accountants  
FRN Registration No. 001818N

Suresh Kumar  
Partner  
Membership No - 072921

Rajesh Kumar Ghai  
Director  
(Din No. 00006849)

Harish Kumar Wadhawan  
Director  
(Din No. 06939569)

Place: New Delhi  
Date: 08th May 2024

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2024

(Amount in ₹ lakhs, except otherwise stated)

S. No.	Particulars	Note No.	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	<b>Revenue</b>			
(I)	Revenue from operations		-	-
(II)	Other Income	11	15.11	10.27
(III)	<b>Total Income (I+II)</b>		<b>15.11</b>	<b>10.27</b>
	<b>Expenses</b>			
(IV)	Other expenses	12	16.34	0.27
(IV)	<b>Total Expenses (IV)</b>		<b>16.34</b>	<b>0.27</b>
(V)	<b>Profit before tax (III -IV )</b>		<b>(1.23)</b>	<b>10.00</b>
(VI)	<b>Tax Expense:</b>			
	- Current Tax		-	1.56
	- MAT Credit Utilised		1.85	1.04
	- Tax Adjustment for Earlier Years		-	-
(VII)	<b>Profit for the year(V-VI)</b>		<b>(3.08)</b>	<b>7.40</b>
(VIII)	<b>Other Comprehensive Income</b>			
(A)	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	<b>Subtotal (A)</b>		-	-
(B)	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Subtotal (B)</b>		-	-
	<b>Other Comprehensive Income (A + B)</b>		-	-
(IX)	<b>Total Comprehensive Income for the year (VII+VIII)</b>		<b>(3.08)</b>	<b>7.40</b>
(X)	<b>Earnings per equity share of ₹ 10 each</b>			
	Basic (₹)	13	(0.88)	2.11
	Diluted (₹)		(0.88)	2.11

Summary of significant accounting policies

1

As per our report of even date attached  
For S.B.G & Co.  
Chartered Accountants  
FRN Registration No. 001818N

Suresh Kumar  
Partner  
Membership No - 072921

Rajesh Kumar Ghai  
Director  
(Din No. 00006849)

Harish Kumar Wadhawan  
Director  
(Din No. 06939569)

Place: New Delhi  
Date: 08th May 2024

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH, 2024

### A. Equity Share Capital

(Amount in ₹ lakhs, except otherwise stated)

Particulars	No. of Equity Shares	Amount
<b>Balance as at April 1, 2022</b>	<b>3,51,230</b>	<b>35.12</b>
Changes in Equity Share Capital from April 1, 2022 to March 31, 2023	-	-
<b>Balance as at March 31, 2023</b>	<b>3,51,230</b>	<b>35.12</b>
Changes in Equity Share Capital from April 1, 2023 to March 31, 2024	-	-
<b>Balance as at March 31, 2024</b>	<b>3,51,230</b>	<b>35.12</b>

### B. Other Equity

(Amount in ₹ lakhs, except otherwise stated)

Particulars			
<b>Balance as at 1 April, 2022</b>	<b>204.61</b>	-	<b>204.61</b>
Profit / (loss) for the financial year 2022-23	7.40	-	7.40
Other Comprehensive Income (net of tax)	-	-	-
<b>Balance as at 31 March, 2023</b>	<b>212.01</b>	-	<b>212.01</b>
Profit / (loss) for the financial year 2023-24	(3.08)	-	(3.08)
Other Comprehensive Income (net of tax)	-	-	-
<b>Balance as at 31 March, 2024</b>	<b>208.93</b>	-	<b>208.93</b>

The accompanying note form an integral part of the financial statements

As per our report of even date attached  
For S.B.G & Co.  
Chartered Accountants  
FRN Registration No. 001818N

Suresh Kumar  
Partner  
Membership No - 072921

Rajesh Kumar Ghai  
Director  
(Din No. 00006849)

Harish Kumar Wadhawan  
Director  
(Din No. 06939569)

Place: New Delhi  
Date: 08th May 2024

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### 1.1 Corporate Information

Panchmahal Properties Limited is a Public Company, During the year the registered office has been shifted from Nehru House 4, Bahadur Shah Zafar Marg, New Delhi -110002 to 3 KM Stone, Hasanpur Road, Gajraula, Gajraula, Jyotiba Phule Nagar, Hasanpur, Uttar Pradesh, India, 244235. It was involved in the business of renting of property. The said property was sold and amount Invested in Fixed Deposits with Bank. These financial statements were approved and adopted by board of directors of the Company in their meeting held on 8th May, 2024.

### 1.2 Basis of Preparation of financials Statements

#### (i) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time on accrual basis. The Financial Statements comply with IND AS notified by the Ministry of Corporate Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

#### (ii) Basis of Preparation

"The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act, 2013 read together with Companies (Indian Accounting Standards) Rule, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016, other relevant provisions of the Act.

The financial statements correspond to the classification provisions contained in Ind AS-1 (Presentation of Financial Statements).

#### (iii) Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except for the items that have been measured at fair value as required by relevant IND AS.

#### (iv) Functional and Presentation Currency

The financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

#### (v) Fair value measurement

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

#### (vi) Current and Non- Current Classification

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of activities of the Company and their realisation in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### (vii) Significant accounting judgements, estimates and assumptions:

The preparation of these financial statements requires management judgments, estimates and assumptions that affect the application of accounting policies, the accounting disclosures made and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are made in the period, in which, the estimates are revised and in any future periods, effected pursuant to such revision.

### 1.3 Material Accounting Policies

#### 1.3.1 Property, plant and equipment and depreciation/amortisation

##### A. Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

##### B. Depreciation and Amortization

Depreciation on Property, Plant and Equipment is provided as per Straight Line Method over their useful lives and in the manner specified in Part "C" of Schedule II of the Companies Act, 2013.

Depreciation on Property, Plant and Equipment added/ disposed off during the year is provided on pro rata basis with reference to the date of addition / disposal.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**C. Impairment of property, plant and equipment**

An assessment is done at each balance sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/Cash Generating Unit (CGU) is made. Where the carrying value of the asset/CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount.

**1.3.2 Cash and Cash Equivalents**

Cash and Cash Equivalents includes cash on hand and balance with banks on current accounts and Fixed Deposits with maturity period less than 3 months.

**1.3.3 Financial Instruments**

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**1 Financial Assets**

Financial Assets includes Investments, Cash and Cash Equivalents, Bank Balance other than cash and cash equivalents and Other Financial Assets.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial classification. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial assets when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind AS 109.

The company assesses impairment based on the expected credit losses (ECL) model to all its financial assets measured at amortised cost.

**2 Financial Liabilities**

Financial liabilities include Other Current Financial Liabilities.

All financial liabilities recognized initially at fair value, and in case of other payables, net of directly attributable transaction cost.

After initial recognition, financial liabilities are classified under one of the following two categories:

Financial liabilities at amortised cost: Other Current Financial Liabilities are measured at amortised cost.

Financial liabilities at fair value through profit or loss: Financial liabilities which are designated as such on initial recognition, or which are held for trading. Fair value gains / losses attributable to changes in own credit risk is recognised in OCI. These gains / losses are not subsequently transferred to Statement of Profit and Loss. All other changes in fair value of such liabilities are recognised in the Statement of Profit and Loss.

**De-recognition of Financial Liability**

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**1.3.4 Earnings per share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**1.3.5 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities & contingent assets are reviewed at each balance sheet date.

### 1.3.6 Revenue recognition

The Company's revenue is based on a comprehensive assessment model as set out in IND AS 115. The company identifies contract with the customer and its performance obligation under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligation. Revenue is measured at fair value of the consideration received or receivable.

#### (i) Other Income

Other Income include interest income and net unrealised gain on fair valuation of mutual fund investments. Any differences between the fair values of the investment in mutual funds classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under other income and if there is a net loss the same is disclosed under "Expenses", in the statement of profit and loss.

#### (ii) Interest Income

Interest income is recognized on time proportion basis using the effective interest method.

### 1.3.7 Borrowing cost

The finance costs includes interest on financial liabilities measured at amortised cost. The interest on financial liabilities is calculated as per the effective interest method as per Ind AS 107.

### 1.3.8 Taxes on Income

#### a) Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### b) Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are applicable at the reporting date.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized under Other Comprehensive Income (OCI).

Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

c) **Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax and thereby utilising MAT credit during the specified period, i.e., the period for which MAT credit is allowed to be carried forward and utilised. In the year in which the Company recognises MAT credit as an asset, it is created by way of credit to the Statement of Profit and Loss and shown as part of deferred tax asset. The Company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

**1.3.9 Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(Amount in ₹ lakhs, except otherwise stated)

2.	<b>Deferred Tax Assets (Net)</b>		
	<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	Mat Credit Entitlement	9.17	11.02
	<b>Total</b>	<b>9.17</b>	<b>11.02</b>

(Amount in ₹ lakhs, except otherwise stated)

3.	<b>Cash &amp; Cash Equivalents</b>		
	<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	Cash on Hand	0.02	0.01
	<b>Balance with banks :</b>		
	On Current Accounts	0.93	0.91
	Fixed Deposit with maturity of less than 3 months	6.00	5.00
	<b>Total</b>	<b>6.95</b>	<b>5.92</b>

(Amount in ₹ lakhs, except otherwise stated)

4.	<b>Bank Balance other than Cash &amp; Cash Equivalents</b>		
	<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	Fixed Deposit with maturity more than 3 months but less than 12 months	215.02	222.16
	<b>Total</b>	<b>215.02</b>	<b>222.16</b>

(Amount in ₹ lakhs, except otherwise stated)

5.	<b>Other Financial assets</b>		
	<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	Accrued Interest	11.39	8.02
	<b>Total</b>	<b>11.39</b>	<b>8.02</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(Amount in ₹ lakhs, except otherwise stated)

6.	<b>Current Tax Assets (Net)</b>		
	<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	Current Tax Assets (Net)	1.61	0.06
	<b>Total</b>	<b>1.61</b>	<b>0.06</b>

(Amount in ₹ lakhs, except otherwise stated)

7.	<b>Share capital</b>		
	<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	<b>A. Authorised Capital</b>		
	5,00,000 ( Previous year 5,00,000 ) equity shares of ₹10 each	50.00	50.00
	<b>Total Authorised Capital</b>	<b>50.00</b>	<b>50.00</b>
	<b>B. Issued, Subscribed and fully paid-up</b>		
3,51,230 ( Previous year 3,51,230 ) equity shares of ₹ 10 each fully paid	35.12	35.12	
	<b>35.12</b>	<b>35.12</b>	

C. Reconciliation of the numbers of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2024 No. of Shares	As at 31st March, 2023 No. of Shares
At the beginning of year	3,51,230	3,51,230
Add:- Issued during the year		-
<b>Outstanding at the end of period</b>	<b>3,51,230</b>	<b>3,51,230</b>

D. Details of each equity shareholder holding more than 5% shares :-

Name of Shareholders	As at 31st March, 2024 No. of Shares	As at 31st March, 2024 %	As at 31st March, 2023 No. of Shares	As at 31st March, 2023 %
Bengal & Assam Company Ltd.	3,51,230	100%	3,51,230	100%

E. Shares held by its Holding Company or its Ultimate Holding Company

Company Name	Relationship	As at 31st March, 2024	As at 31st March, 2023
<b>Bengal &amp; Assam Co. Ltd.</b>	Holding Company	3,51,230	3,51,230

F. Rights and preferences attached to Equity Shares :

- The Company has only one class of Equity Shares having a par value of Rs.10/- per share. Each shareholder is entitled to one vote per share.
  - In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
  - The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.
- G. In preceding five (5) years, there was no issue of bonus, buy back, cancellation and issue of shares for other than cash consideration.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## H. Shares held by Promoters Group

Name of the persons of Promoter Group	Shareholding as on 31/03/2024	% of Total Shares	% Change during the year
Bengal & Assam Co. Ltd. (BACL)	351230*	100.00%	-

\*Shri Dilip Kumar Swain, Shri U.K. Gupta, Shri Harish Kumar Wadhawan, Shri Manish Khanna, Shri Rachit Nagori, Shri Satish Kumar Anand are the individual shareholder who hold (10) equity shares each in the Company jointly with BACL.

Name of the persons of Promoter Group	Shareholding as on 31/03/2023	% of Total Shares	% Change during the year
Bengal & Assam Co. Ltd. (BACL)	351230*	100.00%	-

\*Shri Dilip Kumar Swain, Shri Brajesh Kumar Daga, Shri Prem Shankar Sharma, Shri U.K. Gupta, Shri DN Bhatnagar, Shri Harish Kumar Wadhawan are the individual shareholder who hold (10) equity shares each in the Company jointly with BACL.

8	Other Equity	Retained Earnings	Items of Other Comprehensive Income	Total
	<b>Balance as at 1 April, 2022</b>	<b>204.61</b>	-	<b>204.61</b>
	Profit / (loss) for the financial year 2022-23	7.40	-	7.40
	Other Comprehensive Income (net of tax)	-	-	-
	<b>Balance as at 31 March, 2023</b>	<b>212.01</b>	-	<b>212.01</b>
	Profit / (loss) for the financial year 2023-24	(3.08)	-	(3.08)
	Other Comprehensive Income (net of tax)	-	-	-
	<b>Balance as at 31 March, 2024</b>	<b>208.93</b>	-	<b>208.93</b>

## Notes: Nature and purpose of reserve

## (i) Retained Earnings

Represents Profit earned by the company till date. These reserve are free reserves which can be utilised for any purpose as may be required.

9	Other financial liabilities	As at 31st March, 2024	As at 31st March, 2023
	Expenses Payable	0.06	0.05
	<b>Total</b>	<b>0.06</b>	<b>0.05</b>

10	Other current Liabilities	As at 31st March, 2024	As at 31st March, 2023
	Statutory Liabilities	0.03	-
	<b>Total</b>	<b>0.03</b>	<b>-</b>

11	Other Income	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	On Financial Assets measured at Amortised Cost		
	Interest on deposits with Banks	15.11	10.27
	<b>Total</b>	<b>15.11</b>	<b>10.27</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

12	Other expenses	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	Auditors' Remunerations		
	- Audit Fees	0.07	0.07
	- Certification Fees	0.87	-
	Legal and Professional charges	14.16	0.18
	Advertisement Expenses	0.08	-
	Insurance (2023-24 : ₹ 118, 2022-23 : ₹ 118)	0*	0*
	Bank Charges, Travelling & Other Miscellaneous Expenses	1.16	0.02
	<b>Total</b>	<b>16.34</b>	<b>0.27</b>

\*Amount Less than ₹ 500

**13 Earnings per share (EPS)**

The following reflects the profit / (loss) and share data used in the basic and diluted EPS computations:

Particulars	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
(a) Net (loss) / profit for calculation of basic EPS (₹ in Lacs)	(3.08)	7.40
Net (loss) / profit for calculation of basic Diluted EPS (₹ in Lacs)	(3.08)	7.40
(b) Weighted average number of equity shares during the year - basic & diluted	3,51,230	3,51,230
<b>Earning Per Share - Basic (₹)</b>	<b>(0.88)</b>	<b>2.11</b>
<b>Earning Per Share - Diluted (₹)</b>	<b>(0.88)</b>	<b>2.11</b>
<b>Face Value per share (₹)</b>	<b>10.00</b>	<b>10.00</b>

# INDEPENDENT AUDITOR’S REPORT

To the Members of Bengal & Assam Company Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Bengal & Assam Company Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
<p>Valuation of Investments</p> <p>Refer Note No. 4 to the standalone financial statements.</p> <p>As at March 31, 2024, the total carrying amount of investments were Rs. 1,17,067.19 Lakhs. Investments include quoted and unquoted equity shares, unquoted preference shares, and mutual funds. Fair valuation of unquoted investments involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. This was an area of focus for our audit.</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>Understanding of the processes employed by the Company for accounting and valuing the investments.</li> <li>Reviewed year end confirmation of investments in dematerialized / depository form and physically verified share certificate of investments which are not in dematerialized format.</li> <li>We have verified that the recorded ownership of all investments in the name of the company.</li> <li>Our audit procedures included reviewing valuation of all Investments held at March 31, 2024, to assess impairment.</li> <li>Based on the audit procedures performed we are satisfied with existence and valuation of investment.</li> </ul>

### Information Other than the Financial Statements and Auditor’s Report thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information, such as Management Discussion and Analysis, Report on Corporate Governance, Director’s Report etc. included in the Annual Report, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's and Board of Directors' Responsibility for the Standalone Financial Statements**

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity, and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

(1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity, and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
- e. On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 27 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. a. The Management has represented that, to the best of its knowledge and belief as disclosed in note 44(e)(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The Management has represented, that, to the best of its knowledge and belief as disclosed in note 44(e)(ii), no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in Note 30 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- vii. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **BGJC & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 003304N/N500056

**Darshan Chhajer**  
Partner  
Membership No. 088308  
UDIN: 24088308BKFPMM4759

Date: May 30, 2024  
Place: New Delhi

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Bengal & Assam Company Limited** on the standalone financial statements for the year ended March 31, 2024]

To the best of our information and according to the information, explanations, and written representation provided to us by the Company and the books of accounts and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of investment property.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment, and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties included in investment properties [note 7 to the standalone financial statements] are held in the name of the Company except as stated in the footnote of Note No. 07 of the standalone financial statements, which is not transferred in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. However, the Company has made investments during the year. Accordingly, reporting under clauses 3(iii)(a), 3(c), 3(d), 3(e), and 3(iii)(f) of the Order is not applicable to the Company.
- (b) The Company has not provided any guarantee or given any security during the year. The investments made are not, prima facie, prejudicial to the interest of the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- (v) The Company has not accepted any deposits and there are no amounts which have been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

Name of the statute	Nature of dues	Period to which the amount relates	Amount Disputed (₹ In Lakhs)	Amount paid under protest	Forum where dispute is pending
Income Tax Act, 1961	Income Tax in respect of enhancement of Income	A.Y 2017-18	9.43	-	CIT (Appeals)

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and other lenders and written representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to records examined by us, since the company has not raised any funds on short-term basis thus reporting of its use for long term purpose does not arise, hence clause 3(ix)(d) of the Order is not applicable.
- (e) On an overall examination of the financial statements of the Company and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the written representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as amended as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is engaged in the business of Non-Banking Financial Institution and has obtained the certificate of registration under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us, the company has conducted non-banking financial activities being Investment Activities and accordingly the Company is duly registered under section 45-1A of the Reserve Bank of India Act, 1934. However the company has not conducted any Housing Finance activities during the year. Accordingly, reporting under clause, clause 3 (xvi) (b) of the Order is not applicable to the Company.
- (c) The Company is a Core Investment Company (CIC) as defined in the regulations made by the RBI. According to the information and explanations given to us, the Company is registered with RBI and it continues to fulfil the criteria of a CIC.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has only two CIC as part of the Group.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.



- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirement of Corporate Social Responsibility (CSR) in terms of Section 135 of the Companies Act, 2013 and the rules made thereunder is not applicable to the Company, since the Company's main source of income is dividend from CSR compliant companies.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **BGJC & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 003304N/N500056

**Darshan Chhajer**  
Partner  
Membership No. 088308  
UDIN: 24088308BKFPMM4759

Date: May 30, 2024  
Place: New Delhi

# ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Bengal & Assam Company Limited** on the standalone financial statements for the year ended March 31, 2024]

## **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Bengal & Assam Company Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **BGJC & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 003304N/N500056

**Darshan Chhajer**  
Partner  
Membership No. 088308  
UDIN: 24088308BKFPM4759  
Date: May 30, 2024  
Place: New Delhi

# STANDALONE BALANCE SHEET AS AT 31ST MARCH 2024

(All amount in ₹ Lakhs, except otherwise stated)

S. No.	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
	<b>Assets</b>			
(1)	<b>Financial Assets</b>			
	(a) Cash and cash equivalents	2	19.92	17.55
	(b) Bank Balance other than (a) above	3	53.03	55.15
	(c) Investments	4	1,17,067.19	1,15,018.17
	(d) Other Financial assets	5	16.59	13.43
	<b>Total Financial Assets</b>		<b>1,17,156.73</b>	<b>1,15,104.30</b>
(2)	<b>Non-financial Assets</b>			
	(a) Current tax assets (Net)	6	1,136.61	987.89
	(b) Investment Property	7	2,261.85	2,299.25
	(c) Property, Plant and Equipment	8	41.96	59.50
	(d) Other Intangible assets	9	0.07	0.16
	(e) Other non-financial assets	10	174.11	246.47
	<b>Total Non-Financial Assets</b>		<b>3,614.60</b>	<b>3,593.27</b>
	<b>Total Assets</b>		<b>1,20,771.33</b>	<b>1,18,697.57</b>
	<b>Liabilities and Equity</b>			
	<b>Liabilities</b>			
1	<b>Financial Liabilities</b>			
	(a) Borrowings (Other than Debt Securities)	11	2,312.30	9,400.75
	(b) Subordinated Liabilities	12	7,660.33	7,397.27
	(c) Other financial liabilities	13	598.28	567.24
	<b>Total Financial Liabilities</b>		<b>10,570.91</b>	<b>17,365.26</b>
2	<b>Non-Financial Liabilities</b>			
	(a) Provisions	14	176.66	170.57
	(b) Deferred tax liabilities (Net)	15	1,099.68	1,087.76
	(c) Other non-financial liabilities	16	63.63	52.41
	<b>Total Non-Financial Liabilities</b>		<b>1,339.97</b>	<b>1,310.74</b>
3	<b>Equity</b>			
	(a) Equity Share capital	17	1,129.63	1,129.63
	(b) Other Equity	18	1,07,730.82	98,891.94
	<b>Total Equity</b>		<b>1,08,860.45</b>	<b>1,00,021.57</b>
	<b>Total Liabilities and Equity</b>		<b>1,20,771.33</b>	<b>1,18,697.57</b>

Summary of material accounting policies

1

As per our report of even date attached

For **BGJC & Associates LLP**  
Chartered Accountants  
Firm Registration No. - 003304N/N500056

Darshan Chhajer  
Partner  
Membership No. 088308

Place: New Delhi  
Date: 30th May, 2024

UPENDRA KUMAR  
GUPTA  
Chief Executive officer &  
Chief Financial Officer

DILLIP KUMAR SWAIN  
Company Secretary

BHARAT HARI SINGHANIA (DIN:00041156)

Chairman

ASHOK KUMAR KINRA (DIN:00066421)  
BAKUL PREMCHAND JAIN (DIN:00380256)  
DEEPA GOPALAN WADHWA (DIN: 07862942)  
DR. RAGHUPATI SINGHANIA (DIN:00036129)  
SANJEEV KUMAR JHUNJHUNWALA (DIN:00177747)  
SHAILENDRA SWARUP (DIN:00167799)  
VINITA SINGHANIA (DIN:00042983)

Directors

# STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2024

(All amount in ₹ Lakhs, except otherwise stated)

S. No.	Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
	<b>Revenue from operations</b>			
	Interest Income	19	632.94	620.24
	Dividend Income	20	<b>14,297.23</b>	<b>13,600.17</b>
	Net gain on fair value changes			
	-Realised	21	334.20	149.09
	-Unrealised	21	10.35	34.52
<b>(I)</b>	<b>Total Revenue from operations</b>		<b>15,274.72</b>	<b>14,404.02</b>
<b>(II)</b>	Other Income	22	683.35	2,922.01
<b>(III)</b>	<b>Total Income (I+II)</b>		<b>15,958.07</b>	<b>17,326.03</b>
	Expenses			
	Finance Costs	23	1,055.65	1,658.28
	Employee Benefits Expenses	24	385.87	351.64
	Depreciation and amortization	25	55.64	58.77
	Other expenses	26	671.61	487.61
<b>(IV)</b>	<b>Total Expenses (IV)</b>		<b>2,168.77</b>	<b>2,556.30</b>
<b>(V)</b>	<b>Profit before tax (III -IV )</b>		<b>13,789.30</b>	<b>14,769.73</b>
<b>(VI)</b>	<b>Tax Expense:</b>			
	- Current Tax		2,121.07	2,400.00
	- Deferred Tax		93.45	184.29
<b>(VII)</b>	<b>Profit for the year(V-VI)</b>		<b>11,574.78</b>	<b>12,185.44</b>
<b>(VIII)</b>	Other Comprehensive Income			
	(A) (i) Items that will not be reclassified to profit or loss			
	Gain/(loss) on fair valuation of Equity Instruments		91.49	152.33
	Gain/(loss) on remeasurements of the defined benefit obligation		0.15	(4.46)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(3.46)	(17.84)
	<b>Subtotal (A)</b>		<b>88.18</b>	<b>130.03</b>
	(B) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Subtotal (B)</b>		-	-
	<b>Other Comprehensive Income (A + B)</b>		<b>88.18</b>	<b>130.03</b>
<b>(IX)</b>	<b>Total Comprehensive Income for the year (VII+VIII)</b>		<b>11,662.96</b>	<b>12,315.47</b>
<b>(X)</b>	<b>Earnings per equity share of ₹ 10 each</b>			
	Basic (₹)	30	102.46	107.87
	Diluted (₹)		102.46	107.87

Summary of material accounting policies

1

As per our report of even date attached

BHARAT HARI SINGHANIA (DIN:00041156)

Chairman

For **BGJC & Associates LLP**  
Chartered Accountants  
Firm Registration No. - 003304N/N500056

UPENDRA KUMAR  
GUPTA  
Chief Executive officer &  
Chief Financial Officer

ASHOK KUMAR KINRA (DIN:00066421)  
BAKUL PREMCHAND JAIN (DIN:00380256)  
DEEPA GOPALAN WADHWA (DIN: 07862942)  
DR. RAGHUPATI SINGHANIA (DIN:00036129)  
SANJEEV KUMAR JHUNJHUNWALA (DIN:00177747)  
SHAILENDRA SWARUP (DIN:00167799)  
VINITA SINGHANIA (DIN:00042983)

Directors

Darshan Chhajer  
Partner  
Membership No. 088308

Place: New Delhi  
Date: 30th May, 2024

DILLIP KUMAR SWAIN  
Company Secretary

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH, 2024

(All amount in ₹ Lakhs, except otherwise stated)

A.	Equity Share Capital	Balance as at April 1, 2022	Change during the year 2022 -23	Balance as at March 31, 2023	Change during the year 2023-24	Balance as at March 31, 2024
I	Issued, Subscribed and Paid-up					
	1,12,96,328 (Previous Year : 1,12,96,328 and 01.04.22: 1,12,96,328) Equity Shares of ₹ 10/- each, fully paid up	1,129.63		1,129.63	-	1,129.63
	<b>Total</b>	<b>1,129.63</b>	<b>-</b>	<b>1,129.63</b>	<b>-</b>	<b>1,129.63</b>

Cumulative Redeemable Preference Shares have been considered as subordinated liabilities in accordance with requirement of Ind AS. Refer note no. 12

B.	Other Equity	Reserves and Surplus						Other comprehensive income		Total
		Statutory Reserves	Capital Redemption reserve	Preference Share Redemption reserve	Security Premium	General Reserve	Retained Earnings	Remeasurements of the defined benefit obligation	Equity instruments at FVOCI	
	Balance as at 1 April, 2022	12,096.58	23.92	3,700.00	4,536.29	36,468.41	28,481.40	(17.57)	2,981.89	88,270.92
	Profit for the financial year 2022-23	-	-	-	-	-	12,185.44	-	-	12,185.44
	Other Comprehensive Income (net of tax)	-	-	-	-	-	-	(3.34)	133.37	130.03
	Total Comprehensive Income	-	-	-	-	-	12,185.44	(3.34)	133.37	12,315.47
	Final Dividend Paid for the FY 2021-22 @ ₹ 15 per equity share	-	-	-	-	-	(1,694.45)	-	-	(1,694.45)
	Transfer to Statutory Reserves	2,437.09	-	-	-	-	(2,437.09)	-	-	-
	Transfer to Preference share redemption reserve	-	-	700.00	-	-	(700.00)	-	-	-
	Balance as at 31 March, 2023	14,533.67	23.92	4,400.00	4,536.29	36,468.41	35,835.30	(20.91)	3,115.26	98,891.94
	Profit for the financial year 2023-24	-	-	-	-	-	11,574.78	-	-	11,574.78

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

B.	Other Equity	Reserves and Surplus							Other comprehensive income		Total
		Statutory Reserves	Capital Redemption reserve	Preference Share Redemption reserve	Security Premium	General Reserve	Retained Earnings	Remeasurements of the defined benefit obligation	Equity instruments at FVOCI		
	Other Comprehensive Income (net of tax)	-	-	-	-	-	-	0.11	88.07	88.18	
	Total Comprehensive Income	-	-	-	-	-	11,574.78	0.11	88.07	11,662.96	
	Final Dividend Paid for the FY 2022-23 @ ₹ 25 per equity share	-	-	-	-	-	(2,824.08)	-	-	(2,824.08)	
	Transfer to Statutory Reserves	2,314.96	-	-	-	-	(2,314.96)	-	-	-	
	Gain on sale of Equity instruments at FVOCI	-	-	-	-	-	1,319.99	-	(1,319.99)	-	
	Balance as at 31 March, 2024	16,848.63	23.92	4,400.00	4,536.29	36,468.41	43,591.03	(20.80)	1,883.34	1,07,730.82	

Refer No. 18.

See accompanying notes forming part of the financial statements

As per our report of even date attached

BHARAT HARI SINGHANIA (DIN:00041156)

Chairman

For **BGJC & Associates LLP**

UPENDRA KUMAR

Chartered Accountants  
Firm Registration No. - 003304N/N500056

GUPTA  
Chief Executive officer &  
Chief Financial Officer

Darshan Chhajer  
Partner  
Membership No. 088308

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SHALENDRA SWARUP (DIN:00167799)  
VINITA SINGHANIA (DIN:00042983)

Directors

Place: New Delhi  
Date: 30th May, 2024

DILLIP KUMAR SWAIN  
Company Secretary

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

**1. Company Overview, Basis of Preparation & material Accounting Policies****1.1 Corporate Information**

Bengal & Assam Company Limited is a Public Limited Company Incorporated under the Companies Act, 1913 having its Registered Office at 7, Council House Street, Kolkata, West Bengal-700001. The Company is a Core Investment Company- Non Deposit Taking-Systemically Important (CIC-ND-SI) registered with the Reserve Bank of India (RBI). As a Core Investment Company, the Company is holding investments in its subsidiaries, other group companies, money market mutual funds and carries out only such activities as are permitted under the guidelines issued by RBI for NBFCs. Equity Shares of the Company are listed on BSE Limited (BSE), India.

These financial statements were approved and adopted by board of directors of the Company in their meeting held on 30th May, 2024.

**1.2 Basis of Preparation and measurement****(i) Basis of Preparation**

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act and the RBI guidelines/regulations to the extent applicable.

All accounting policies and applicable Ind AS have been applied consistently for all periods presented.

The standalone financial statements have been prepared on accrual basis and under the historical cost convention except for the items that have been measured at fair value as required by relevant Ind AS.

The financial statements are presented in INR, which is also the Company's functional currency and all values are rounded to the nearest lakh (INR 00,000), except when otherwise stated.

**(ii) Fair value measurement**

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy in which they fall.

**(iii) Financial/ Non- Financial assets and liabilities**

Division III to Schedule III requires all items in the balance sheet of a NBFC to be classified as either financial or non-financial and be reflected as such. Further, para 54 of Ind AS 1 also specifies a requirement of presenting financial assets and financial liabilities as line items on the balance sheet separately from other items.

**(iv) Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4.15.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements."

**1.3 Material Accounting Policies****1.3.1 Financial Instruments****A. Investment in subsidiary and associates**

The Company has accounted for its investment in subsidiaries and associates at cost.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

### **B. Other Investments and financial assets**

#### **(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (FVTOCI), or through profit or loss(FVTPL)), and
- those measured at amortised cost.”

The classification is done depending upon the Company’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets classified as ‘measured at fair value’, gains and losses will either be recorded in profit or loss or other comprehensive income, as elected. For assets classified as ‘measured at amortised cost’, gain and losses will be recorded in profit or loss.

#### **(ii) Measurement**

##### **Initial Measurement**

Financial assets are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value including, in the case of ‘a financial asset not at fair value through profit or loss’, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at ‘fair value through profit or loss’ are expensed in profit or loss.

##### **Subsequent Measurement**

Subsequent measurement of financial assets depends on the Company’s business model for managing the financial asset and the cash flow characteristics of the financial asset. There are three measurement categories into which the Company classifies its financial instruments:

##### **At amortised cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. Preference Shares. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in investment income using the effective interest rate method.

##### **At fair value through profit or loss**

Financial assets that do not meet the criteria for amortised cost, are measured at fair value through profit or loss e.g. investments in mutual funds. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

##### **At fair value through other comprehensive income**

The Company’s management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI. Gains and losses on these equity instruments are never recycled to Statement of Profit and Loss. Dividends are recognised in Statement of Profit and Loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVTOCI are not subject to an impairment assessment.

##### **Business model assessment**

The Company considers all relevant information available while making the business model assessment. The Company takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity’s key management personnel
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flow collected).

The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business models.



**The SPPI test (Solely Payments of Principal and Interest)**

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial assets at initial recognition and may change over the life of the financial asset.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

**(iii) Reclassification of financial assets**

The Company does not reclassify its financial assets subsequent to their initial recognition.

**(iv) Derecognition of Financial Assets****A Financial Asset is primarily derecognized when:**

- The right to receive cash flows from asset has expired, or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party and either:
  - a) The Company has transferred substantially all the risks and rewards of the asset, or
  - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

**1.3.2 Investment property and depreciation****A. Investment Property**

Property that is held for long-term rentals yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property includes land and building. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

**B. Depreciation**

Investment properties (building ) are depreciated on Straight line method over their estimated useful lives as specified in Schedule II to Companies Act, 2013. Leasehold Land is being amortized over the lease period. Residual lives, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the Statement of Profit and Loss when the changes arise.

**1.3.3 Revenue recognition**

The Company recognises revenue (including rent, etc.) on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. However, where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is deferred.

**(i) Interest income**

Interest on loans and advances/deposits are accounted on accrual basis. Overdue interest on lease rentals, loans & advances is accounted for on actual receipt basis. For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

**(ii) Net Gain/ Loss on Fair Value Changes**

Any differences between the fair values of the investment in mutual funds classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the Statement of Profit and Loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

**(iii) Dividends**

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Company and that the amount of the dividend can be measured reliably.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

### (iv) Other Income

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

### 1.4 Other Accounting Policies

#### 1.4.1 Property, plant and equipment and depreciation

##### A. Property, plant and equipment

- (i) Property, plant and equipment are stated at cost of acquisition or construction as the case may be, less accumulated depreciation and amortisation. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2018 measured as per the previous Generally Accepted Accounting Principles (GAAP). Cost includes expenses directly attributable to bringing the asset to their location and conditions necessary for it to be capable of operating in the manner intended by the management. Subsequent cost are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred."
- (ii) Property, plant and equipment not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work in progress". Capital work-in-progress are carried at cost, less any recognised impairment loss.
- (iii) Property, Plant and Equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

##### B. Intangible assets

Intangible Assets (Other than Goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Intangible assets are amortized on straight line method basis over their useful life estimated by the management. Software is amortised over a period of 4 years. Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit & Loss when the asset is derecognised.

##### C. Depreciation

Depreciation is calculated using the Written Down Value (WDV) method to allocate their cost, net of their residual values, over their estimated useful lives as specified in Schedule II to Companies Act, 2013. Depreciation on additions is being provided on pro rata basis from the date of such additions. Depreciation on assets sold, discarded or demolished during the year is being provided up to the dates till which such assets are sold, discarded or demolished. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### 1.4.2 Impairment of property, plant and equipment

An assessment is done at each balance sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/Cash Generating Unit (CGU) is made. Where the carrying value of the asset/CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount.

#### 1.4.3 Cash and Cash Equivalents

Cash and Cash Equivalents includes cash in hand, deposits with Banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 1.4.4 Financial liabilities

##### (i) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**(ii) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

**(iii) Subsequent measurement**

Financial liabilities are carried at amortised cost using the effective interest method. Other financial liabilities maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(iv) Reclassification of financial liabilities**

The Company does not reclassify its financial liabilities subsequent to their initial recognition.

**(v) Derecognition of financial liabilities:**

Financial liabilities are derecognised when the Company's obligations are discharged, cancelled or have expired.

**1.4.5 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities & contingent assets are reviewed at each balance sheet date.

**1.4.6 Employee benefits****(i) Defined Contribution Plan:**

Contributions to the Employees' Provident Fund, Superannuation Fund and Employees' Pension Scheme are recognized as defined contribution plan and charged as expenses during the period in which the employees perform the services.

**(ii) Defined Benefit Plan**

The Company's liabilities on account of gratuity and earned leave on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from Registered Actuary in accordance with the measurement procedure as per Indian Accounting Standard (Ind AS)-19., 'Employee Benefits' gratuity liability is funded on year-to-year basis by contribution to fund. The costs of providing benefits under these plan are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit or Loss in subsequent periods.

Defined benefit plan can be short term or long terms which are defined below:

**(a) Short-term employee benefits**

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, etc are recognized during the period in which the employee renders related service.

**(b) Long-term employee benefits**

Compensated absences which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

**(iii) Termination benefits**

Termination benefits are recognized as an expense in the period in which they are incurred. The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

- (a) When the entity can no longer withdraw the offer of those benefits; and
- (b) When the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.”

### 1.4.7 Finance Costs

The finance costs includes interest on loans and borrowings from banks and financial institutions, interest on loans from group companies and interest on financial liabilities measured at amortised cost. The interest on financial liabilities is calculated as per the effective interest method.

### 1.4.8 Leases

#### A. Company as a lessee

The Company assesses if a contract is or contains a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period time in exchange for consideration.

The Company assesses if a contract is or contains a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period time in exchange for consideration.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if not readily determinable, the incremental borrowing rate specific to the country, term and currency of the contract.

Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date, as well as any extension or purchase options, if the Company is reasonably certain to exercise these options. The lease liability is subsequently measured at amortized cost using the effective interest method and remeasured with a corresponding adjustment to the related right-of-use asset when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessments of options.

The right-of-use asset comprises, at inception, the initial lease liability, any initial direct costs and, when applicable, the obligations to refurbish the asset, less any incentives granted by the lessors. The right-of-use asset is subsequently depreciated, on a straight-line basis, over the lease term, if the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or, if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, over the estimated useful life of the underlying asset. Right-of-use assets are also subject to testing for impairment if there is an indicator for impairment. Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of operations in the period in which the events or conditions which trigger those payments occur. In the statement of financial position right-of-use assets and lease liabilities are classified respectively as part of property, plant and equipment and short-term/long-term debt.

#### B. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rentals are recognised as revenue in the period in which they are earned.

### 1.4.9 Taxes on Income

#### A. Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

#### B. Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. The carrying amount of deferred tax assets and liabilities are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset or deferred tax liabilities to be utilized. Unrecognized deferred tax assets/ deferred tax liabilities are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset/ deferred tax liabilities to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

**1.4.10 Goods and service tax/value added taxes paid on acquisition of assets or on incurring expenses.**

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

\* When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

\* When receivables and payables are stated with the amount of tax included.

**1.4.11 Statement of Cash Flows**

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i) changes during the period in operating receivables and payables transactions of a non-cash nature;
- ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and
- iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

**1.4.12 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period.

The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**1.4.13 Dividends paid on equity shares**

The Company recognises a liability to make cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**1.4.14 Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**1.4.15 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**A. Judgement**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have the most significant effect on the amounts recognised in the financial statements:

**(i) Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractual, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events

**B. Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimating the uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

**(i) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(ii) Defined benefit plans and other long term benefit plan (gratuity benefits and leave encashment)**

The cost and present value of the defined benefit gratuity plan and leave encashment (other long term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the market yield on government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

**(iii) Fair value measurement of financial instruments.**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(All amount in ₹ Lakhs, except otherwise stated)

2	Cash & Cash Equivalents	As at 31st March, 2024	As at 31st March, 2023
	Cash on Hand	0.25	0.06
	Balance with banks :		
	On Current Accounts	19.67	17.49
	<b>Total</b>	<b>19.92</b>	<b>17.55</b>

(All amount in ₹ Lakhs, except otherwise stated)

3	Bank Balance other than Cash & Cash Equivalents	As at 31st March, 2024	As at 31st March, 2023
	Other bank balances		
	- On Dividend Accounts	53.03	55.15
	<b>Total</b>	<b>53.03</b>	<b>55.15</b>

Face Value- ₹ 10 each unless otherwise specified

(All amount in ₹ Lakhs, except otherwise stated)

4	Investments	Face Value (₹)	As at 31st March, 2024		As at 31st March, 2023	
(A)	Investment valued at Cost*					
A1	Subsidiaries					
(I)	Investments in Equity Shares					
(i)	Quoted					
	J.K. Tyre & Industries Limited (Refer note no.29 (a))	2	-	-	13,00,03,250	35,765.94
	JK Agri Genetics Limited		31,26,080	4,820.84	31,26,080	4,820.84
	Umang Dairies Limited (Refer note no.29 (b))	5	1,21,68,430	1,273.26	1,21,68,430	1,273.26
			<b>6,094.10</b>			<b>41,860.04</b>

Face Value- ₹ 10 each unless otherwise specified

(All amount in ₹ Lakhs, except otherwise stated)

4	Investments	Face Value (₹)	As at 31st March, 2024		As at 31st March, 2023	
(ii)	<b>Unquoted</b>					
	J.K. Fenner (India) Ltd. (1)		21,89,580	5,356.63	21,89,580	5,356.63
	LVP Foods Pvt. Ltd.		19,99,800	199.98	19,99,800	199.98
	Panchmahal Properties Ltd. (Wholly Owned Subsidiary) (Refer note no.29 (b))		3,51,230	35.12	3,51,230	35.12
	Divyashree Company Pvt. Ltd.		4,551	5,017.03	4,551	5,017.03
	JK Tornel,S.A. de C.V.	MXN Pesos 1,000	-	-	25	1.05
	General de Inmuebles Industriales, S.A. de C.V.	MXN Peso 0.01	-	-	1	-
	Gintor Administracion, S.A. de C.V.	MXN Peso 0.01	-	-	1	-
	Hules y Process Tornel, S.A. de C.V.	MXN Peso 0.01	-	-	1	-
	Comercializadora America Universal,S.A. de C.V.	MXN Peso 0.01	-	-	1	-
	Compania Hulera Tacuba, S.A. de C.V.	MXN Peso 0.01	-	-	1	-
	Compania Hulera Tornel, S.A. de C.V.	MXN Peso 0.01	-	-	1	-
	Compania Inmobiliaria Norida, S.A. de C.V.	MXN Peso 0.01	-	-	1	-
			<b>10,608.76</b>			<b>10,609.81</b>
<b>A2</b>	<b>Associates</b>					
(I)	<b>Investments in Equity Shares</b>					
(i)	<b>Quoted</b>					
	J.K. Tyre & Industries Limited (Refer note no.29 (a))	2	13,00,03,250	35,765.94	-	-
	J.K.Lakshmi Cement Ltd.	5	5,21,34,384	12,777.59	5,20,99,121	12,490.16
	J.K.Paper Limited		7,96,27,228	32,352.90	7,96,27,228	32,352.90
				80,896.43		44,843.06
(ii)	<b>Unquoted</b>					
	Dwarkesh Energy Limited		25,000	2.50	25,000	2.50
	Pranav Investment (M.P.) Co. Ltd.		15,000	24.72	15,000	24.72
	J.K. Risk Managers & Insurance Brokers Ltd.		34,17,500	341.75	34,17,500	341.75
	CliniRx Research Pvt Ltd.		18,25,001	182.50	18,25,001	182.50
				<b>551.47</b>		<b>551.47</b>
<b>A3</b>	<b>Associates' Subsidiaries</b>					
(I)	<b>Investments in Equity Shares</b>					
(i)	<b>Quoted</b>					
	Udaipur Cements Works Ltd.	4	1,559	0.15	756	0.01
	JK Tornel,S.A. de C.V.	MXN Pesos 1,000	25	1.05	-	-
	General de Inmuebles Industriales, S.A. de C.V.	MXN Peso 0.01	1	-	-	-
	Gintor Administracion, S.A. de C.V.	MXN Peso 0.01	1	-	-	-
	Hules y Process Tornel, S.A. de C.V.	MXN Peso 0.01	1	-	-	-
	Comercializadora America Universal,S.A. de C.V.	MXN Peso 0.01	1	-	-	-
	Compania Hulera Tacuba, S.A. de C.V.	MXN Peso 0.01	1	-	-	-
	Compania Hulera Tornel, S.A. de C.V.	MXN Peso 0.01	1	-	-	-
	Compania Inmobiliaria Norida, S.A. de C.V.	MXN Peso 0.01	1	-	-	-
				<b>1.20</b>		<b>0.01</b>
	<b>Total (A)</b>			<b>98,151.96</b>		<b>97,864.39</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

Face Value- ₹ 10 each unless otherwise specified

(All amount in ₹ Lakhs, except otherwise stated)

4	Investments	Face Value (₹)	As at 31st March, 2024		As at 31st March, 2023	
(B)	<b>At Amortised Cost</b>					
	<b>Others</b>					
A.	<b>Investments in Debt Securities (Unquoted)</b>					
	3% CRPS - Terrestrial Foods Ltd.	100	60,00,000	8,149.63	60,00,000	7,694.34
	1% CRPS - Hari Shankar Singhania Holdings Pvt. Ltd.	100	20,00,000	2,455.52	25,00,000	2,915.99
	J.K.Pharmachem Ltd. (Zero Coupon Reedemable) (Under Liquidation)		5,00,000	-	5,00,000	-
	7% OCCRPS- Sidhivinayak Trading & Investment Ltd.	100	50,000	50.00	50,000	50.00
	7% OCCRPS- Param Shubham Vanijya Ltd.	100	50,000	50.00	50,000	50.00
	Preference shares - Kelvin Jute Co. Ltd.		5	-	5	-
	<b>Total (B)</b>			<b>10,705.15</b>		<b>10,710.33</b>
(C)	<b>At fair value through profit or loss</b>					
	<b>Investment in Mutual Funds (Unquoted)</b>					
	UTI-MMF Collection - Growth	1000	1,90,778.52	6,204.69	66,041.36	3,102.03
	<b>Total (C)</b>			<b>6,204.69</b>		<b>3,102.03</b>
(D)	<b>At fair value through other comprehensive income</b>					
D1	<b>Investment in Equity instruments</b>					
	Quoted					
	Ambuja Cement Ltd.	2	-	-	6,000	21.93
	Grasim Industries Limited	2	-	-	1,466	23.93
	HDFC Bank Limited	1	-	-	5,000	80.49
	ICICI Bank Limited	2	-	-	80,920	709.83
	Informed Technologies India Ltd.		-	-	65	0.03
	Infosys Limited	5	-	-	1,000	14.28
	Larsen & Toubro Limited	2	-	-	8,522	184.48
	Oswal Chemicals & Fertilizers Limited		-	-	2,745	0.55
	Reliance Industries Limited		-	-	8,000	186.48
	State Bank of India	1	-	-	5,000	26.19
	Tata Consultancy Services Ltd.	1	-	-	1,000	32.06
	Tata Steel Ltd.		-	-	9,970	10.42
	Ultra Tech Cement Ltd.		-	-	500	38.10
						<b>1,328.77</b>
	<b>Unquoted</b>					
	Kesoram Textile Ltd.		-	-	330	0.19
	E-Commodities Limited		-	-	2,00,000	5.64
	J.K. Investors (Bombay) Ltd.	100	2,966	2,001.77	2,966	2,003.21
	J K Plant Bio Sciences Limited (Group company)		5,000	0.63	5,000	0.61
	People Investment Limited		3,500	0.07	3,500	0.08
	Polar Investment Limited		12,393	2.69	12,393	2.69



Face Value- ₹ 10 each unless otherwise specified

(All amount in ₹ Lakhs, except otherwise stated)

4	Investments	Face Value (₹)	As at 31st March, 2024		As at 31st March, 2023	
	Saptrishi Consultancy Services Ltd. (Group company)		100	0.23	100	0.23
				<b>2,005.39</b>		<b>2,012.65</b>
	<b>Total (D)</b>			<b>2,005.39</b>		<b>3,341.42</b>
	<b>Total (E) - Gross (A+B+C+D)</b>			<b>1,17,067.19</b>		<b>1,15,018.17</b>
	(i) Investments outside India			1.05		1.05
	(ii) Investments in India			1,17,066.14		1,15,017.12
				<b>1,17,067.19</b>		<b>1,15,018.17</b>
	Less: Allowance for Impairment loss			-		-
				<b>1,17,067.19</b>		<b>1,15,018.17</b>

\* Investment in Subsidiaries and associates are measured at cost as per Ind AS 27.

Note : Name of certain companies, where BACL held investments whose value were written off during earlier years, have been struck off and the same are not being shown.

(All amount in ₹ Lakhs, except otherwise stated)

5	Other Financial assets	As at 31st March, 2024		As at 31st March, 2023	
	Security deposits		11.77		11.52
	Rent Receivables		4.82		1.91
	<b>Total</b>		<b>16.59</b>		<b>13.43</b>

(All amount in ₹ Lakhs, except otherwise stated)

6	Current tax assets (net)	As at 31st March, 2024		As at 31st March, 2023	
	Current tax assets (net)		1,136.61		987.89
	<b>Total</b>		<b>1,136.61</b>		<b>987.89</b>

(All amount in ₹ Lakhs, except otherwise stated)

7	Investment Property	Freehold Land@	Leasehold Land	Buildings@	Total
	<b>As at 1 April,</b>	<b>639.70</b>	<b>169.72</b>	<b>1,677.39</b>	<b>2,486.81</b>
	Additions	-	-	-	-
	Disposals	(2.98)	-	(9.78)	(12.76)
	<b>As at 31 March, 2023</b>	<b>636.72</b>	<b>169.72</b>	<b>1,667.61</b>	<b>2,474.05</b>
	Additions	-	-	-	-
	Disposals	-	-	-	-
	<b>As at 31 March, 2024</b>	<b>636.72</b>	<b>169.72</b>	<b>1,667.61</b>	<b>2,474.05</b>
	<b>Accumulated Depreciation</b>				
	<b>As at 1 April,</b>	-	<b>12.62</b>	<b>126.99</b>	<b>139.61</b>
	Depreciation for the year	-	3.77	34.16	37.93
	Disposals	-	-	(2.74)	(2.74)
	<b>As at 31 March, 2023</b>	-	<b>16.39</b>	<b>158.41</b>	<b>174.80</b>
	Depreciation for the year	-	3.77	33.63	37.40
	Disposals	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

7	Investment Property	Freehold Land@	Leasehold Land	Buildings@	Total
	<b>As at 31 March, 2024</b>	-	20.16	192.04	212.20
	<b>Net Carrying Amount</b>				
	As at 31 March, 2023	636.72	153.33	1,509.20	2,299.25
	As at 31 March, 2024	636.72	149.56	1,475.57	2,261.85
	<b>Fair Value</b>				
	As at 31 March, 2023				35,833.00
	As at 31 March, 2024				35,833.00

**Estimation of fair value**

The best evidence of fair value is current prices in an active market for similar properties. Investment properties leased out by the Company are cancellable leases. The market rate for sale/purchase of such premises are representative of fair values. Company's investment properties are at a location where active market is available for similar kind of properties. Hence in previous year, fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by an independent registered valuer. Management estimates that there is no major change in fair valuation as on 31st March, 2023 and 31st March, 2024.

**Amounts recognised in profit or loss for investment properties**

Particulars	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
Rental Income derived from investment properties	683.34	737.34
Direct operating expenses	(50.73)	(61.97)
Depreciation	(37.40)	(37.93)
<b>Profit arising from investment properties</b>	<b>595.21</b>	<b>637.44</b>

@ The above mentioned Properties have been transferred to the Company pursuant to the Scheme of Amalgamation between the Company and Ashim Investment Company Limited and its 4 wholly owned subsidiaries and Netflir Finco Limited and its 4 wholly owned subsidiaries, sanctioned by the Hon'ble High Court of Delhi in the year 2008. (Herein after referred to as "the Scheme"). All properties have been transferred in the name of the company.

The title deed of these properties are in the name of the merged entities, however, mutation has been done in the name of BACL.

(All amount in ₹ Lakhs, except otherwise stated)

8	Property, Plant and equipment	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total
	<b>As at 1 April, 2022</b>	65.36	108.90	2.15	25.38	201.79
	Additions	-	-	0.47	27.50	27.97
	Disposals	-	(0.26)	(0.06)	(5.37)	(5.69)
	<b>As at 31 March 2023</b>	65.36	108.64	2.56	47.51	224.07
	Additions	-	-	0.61	-	0.61
	Disposals	-	-	-	-	-
	<b>As at 31 March 2024</b>	65.36	108.64	3.17	47.51	224.68
	<b>Accumulated Depreciation</b>					
	<b>As at 1 April, 2022</b>	38.69	90.37	1.80	17.35	148.21
	Depreciation for the year	6.79	8.07	0.45	5.50	20.81
	Disposals	-	(0.14)	-	(4.31)	(4.45)
	<b>As at 31 March 2023</b>	45.48	98.30	2.25	18.54	164.57
	Depreciation for the year	5.04	4.43	0.31	8.37	18.15
	Disposals	-	-	-	-	-
	<b>As at 31 March 2024</b>	50.52	102.73	2.56	26.91	182.72
	<b>Net Carrying Amount</b>					
	<b>As at 31 March 2023</b>	19.88	10.34	0.31	28.97	59.50
	<b>As at 31 March 2024</b>	14.84	5.91	0.61	20.60	41.96

9	Other Intangible assets	Software
	<b>As at 1 April, 2022</b>	<b>0.65</b>
	Additions	-
	Disposals	-
	<b>As at 31 March 2023</b>	<b>0.65</b>
	Additions	-
	Disposals	-
	<b>As at 31 March 2024</b>	<b>0.65</b>
	<b>Accumulated Amortisation</b>	
	<b>As at 1 April, 2022</b>	0.46
	Depreciation for the year	0.03
	Disposals	-
	<b>As at 31 March 2023</b>	<b>0.49</b>
	Depreciation for the year	0.09
	Disposals	-
	<b>As at 31 March 2024</b>	<b>0.58</b>
	<b>Net Carrying Amount</b>	
	<b>As at 31 March 2023</b>	<b>0.16</b>
	<b>As at 31 March 2024</b>	<b>0.07</b>

(All amount in ₹ Lakhs, except otherwise stated)

10	Other Non Financial Assets	As at 31st March, 2024	As at 31st March, 2023
	Prepaid Expenses	0.69	0.93
	Other Advances	0.11	0.29
	GST Input Credit	5.86	24.80
	Deferred Receivables	167.45	220.45
	<b>Total</b>	<b>174.11</b>	<b>246.47</b>

(All amount in ₹ Lakhs, except otherwise stated)

11	Borrowings (Other than Debt Securities)	As at 31st March, 2024	As at 31st March, 2023
	<b>At Amortised Cost</b>		
	<b>Term loans</b>		
	<b>Unsecured Loans</b>		
	From related parties	2,312.30	9,400.75
	<b>Total</b>	<b>2,312.30</b>	<b>9,400.75</b>
	<b>Borrowings in India</b>	<b>2,312.30</b>	<b>9,400.75</b>

**Notes:****A Unsecured loans**

- (i) ₹ 312.30 Lakhs (Previous Year ₹ 600.75 Lakhs) net off of ₹ 21.03 Lakhs ( Previous Year ₹ 65.92 Lakhs) being fair value adjustment due to interest free loan, payable to a body corporate (related party) in 1 yearly instalments of ₹ 333.33 Lakhs each.
- (ii) Previous year ₹ 800 Lakhs payable to a body corporate in Aug 23 with interest @ 9.00% p.a. (Previous Year 9.75% p.a.) payable quarterly.
- (iii) ₹ 2,000 (Previous Year ₹ 6,500 Lakhs) payable to a Subsidiary Company as follows with interest @ 9% p.a. (Previous Year @ 9% p.a.) payable quarterly :-  
F.Y. 2025-26 - ₹ 1,000 Lakhs payable at the year end.  
F.Y. 2026-27 - ₹ 1,000 Lakhs payable at the year end.
- (iv) Previous Year ₹ 1,500 Lakhs payable to body corporate (related party) in Feb, 2024 with interest @ 9.00% p.a. ( Previous Year 9.00% p.a.) payable at maturity.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(All amount in ₹ Lakhs, except otherwise stated)

12	Subordinated Liabilities	As at 31st March, 2024	As at 31st March, 2023
	A. In India (Unsecured) At Amortised Cost 65,00,000 (Previous year 65,00,000) 3% Cumulative Redeemable Preference Shares of Rs 100 each, fully paid up	7,660.33	7,397.27
	<b>Total</b>	<b>7,660.33</b>	<b>7,397.27</b>

Refer note no. 17H and 32.

(All amount in ₹ Lakhs, except otherwise stated)

13	Other financial liabilities	As at 31st March, 2024	As at 31st March, 2023
	Unpaid dividends@	53.03	55.15
	Security Deposits	388.75	408.83
	Others	156.50	103.26
	<b>Total</b>	<b>598.28</b>	<b>567.24</b>

@ Investor Education & Protection Fund will be credited, as and when due.

(All amount in ₹ Lakhs, except otherwise stated)

14	Provisions	As at 31st March, 2024	As at 31st March, 2023
	Provision for employee benefits (Refer Note no. 35)	176.65	170.56
	Contingent Provisions against Standard Assets	0.01	0.01
	<b>Total</b>	<b>176.66</b>	<b>170.57</b>

(All amount in ₹ Lakhs, except otherwise stated)

15	Deferred tax Liabilities	As at 31st March, 2024	As at 31st March, 2023
	<b>A. Deferred Tax Assets:</b>		
	Expenses allowable on payment basis	44.49	42.93
	Carrying value of property, plant and equipment	2.34	-
	Others	-	8.59
	<b>Total : (A)</b>	<b>46.83</b>	<b>51.52</b>
	<b>B. Deferred Tax Liabilities:</b>		
	<b>On account of</b>		
	Carrying value of property, plant and equipment	-	2.86
	Gain on fair Value changes	1,146.51	1,136.42
	<b>Total : (B)</b>	<b>1,146.51</b>	<b>1,139.28</b>
	<b>Total=B-A</b>	<b>1,099.68</b>	<b>1,087.76</b>

(All amount in ₹ Lakhs, except otherwise stated)

16	Other Non-financial liabilities	As at 31st March, 2024	As at 31st March, 2023
	Statutory dues payable	59.10	47.93
	Others	4.53	4.48
	<b>Total</b>	<b>63.63</b>	<b>52.41</b>

(All amount in ₹ Lakhs, except otherwise stated)

17	Share capital	As at 31st March, 2024	As at 31st March, 2023
	<b>A. Authorised Capital</b>		
	22,45,52,000 (Previous Year 22,45,52,000) Equity Shares of ₹ 10 each	22,455.20	22,455.20
	1,50,00,000 (Previous Year 1,50,00,000) Preference Shares of ₹ 100 each	<b>15,000.00</b>	<b>15,000.00</b>
	<b>Total Authorised Capital</b>	37,455.20	37,455.20
	<b>B. Issued, Subscribed and fully paid-up</b>		
	1,12,96,328 (Previous Year 1,12,96,328) Equity Shares of ₹ 10 each, fully paid up	1,129.63	1,129.63
		<b>1,129.63</b>	<b>1,129.63</b>

Cumulative Redeemable Preference Shares have been considered as subordinated liabilities in accordance with requirement of Ind AS. Refer Note 12.

C.	Reconciliation of the numbers of shares outstanding at the beginning and at the end of the year	For the year ended on 31st March, 2024 No. of Shares	For the year ended on 31st March, 2023 No. of Shares
	<b>Particulars</b>		
	At the beginning of year	1,12,96,328	1,12,96,328
	Add:- Issued during the year	-	-
	<b>Outstanding at the end of the year</b>	<b>1,12,96,328</b>	<b>1,12,96,328</b>

D.	Reconciliation of the numbers of Preference shares outstanding at the beginning and at the end of the year	For the year ended on 31st March, 2024 No. of Shares	For the year ended on 31st March, 2023 No. of Shares
	<b>Particulars</b>		
	At the beginning of year	65,00,000	65,00,000
	Add:- Issued during the year	-	-
	<b>Outstanding at the end of the year</b>	<b>65,00,000</b>	<b>65,00,000</b>

E.	Details of each equity shareholder holding more than 5% shares	For the year ended on 31st March, 2024 No. of Shares	For the year ended on 31st March, 2023 No. of Shares
	<b>Name of Shareholders</b>		
	Hari Shankar Singhanian Holdings Pvt. Ltd.	26,37,018	26,55,018
	Dr. Raghupati Singhanian	9,74,101	9,63,101
	Yashodhan Enterprises [6,53,810 shares registered in the name of Shri Bharat Hari Singhanian, 6,53,809 shares registered in the name of Dr. Raghupati Singhanian as karta of Raghupati Singhanian (HUF) and 6,38,000 shares registered in the name of Shri Anshuman Singhanian as Karta of Shripati Singhanian (HUF)].	19,45,619	19,45,619
	Shripati Singhanian (HUF) (Registered in the name of Shri Anshuman Singhanian as Karta of Shripati Singhanian (HUF))	7,93,332	7,93,332

F.	Details of each preference shareholder holding more than 5% shares	As at 31st March, 2024 No. of Shares	As at 31st March, 2023 No. of Shares
	<b>Name of Shareholders</b>		
	Enviro Tech Ventures Limited (Formerly JK Enviro-Tech Limited)	65,00,000	65,00,000

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

**G. Rights and preferences attached to Equity Shares :**

- a. The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per share.
- b. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- c. Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

**H. Term/rights attached to preference shares:**

- I. Cumulative redeemable preference shareholders have,
  - right to receive fixed cumulative preferential dividend at 3% p.a. on the paid up capital
  - right to receive arrears of cumulative dividend, if any, whether earned or declared or not, at time of redemption of the said shares, and
  - right in winding up to have the capital paid up on such shares and the arrears, if any, of the said preferential dividend, whether earned or declared or not, paid off in priority to any payment of capital on equity shares. However, it shall not confer the right to any further participation in the profits or assets of the Company.
  - Voting right will be as per the Companies Act, 2013
- II. Cumulative redeemable preference shares issued in FY 2019-20 to Enviro Tech Ventures Limited (Formerly JK Enviro-Tech Limited) will be redeemed in 3 installment of ₹ 20 crore, ₹ 20 crore and ₹ 25 crore at the end of 8th year, 9th year and 10th year along with premium of ₹ 32.50 , ₹ 38.00 and ₹ 43.50 per share respectively.

**I. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date**

Particulars	No of Shares
Equity Shares of ₹ 10 each allotted as fully paid-up*	
For the Year ended 31st March 2024	-
For the Year ended 31st March 2023	-
For the Year ended 31st March 2022	-
For the Year ended 31st March 2021	-
For the Year ended 31st March 2020	32,59,586

\*Issued pursuant to approved scheme of arrangement between Florence Investech Ltd. (Florence), BMF Investment Ltd. (BMF), JK Fenner (India) Ltd. (FIL) and the Company (BACL) and their respective shareholders. For detailed scheme kindly refer FY 2019-20 annual report available at company's website

**J. Shares held by Promoters Group**

Name of the persons of Promoter Group	Shareholding as on 31/03/2024	% of Total Shares	% Change during the year	Shareholding as on 31/03/2023
Bharat Hari Singhania *	9,25,871	8.20%	0.04%	9,21,371
Raghupati Singhania **	16,27,910	14.41%	0.10%	16,16,910
Vinita Singhania	1,51,772	1.34%	0.08%	1,42,772
Harsh Pati Singhania	73,695	0.65%	0.04%	69,195
Vikrampati Singhania	63,602	0.56%	0.04%	59,102
Anshuman Singhania	36,716	0.33%	0.02%	34,566
Shrivats Singhania	35,463	0.31%	0.02%	33,313
Sharda Singhania	25,258	0.22%	-	25,258
Sunanda Singhania	21,955	0.19%	0.02%	19,455
Mamta Singhania	428	0.00%	-	428
Swati Singhania	428	0.00%	-	428

Name of the persons of Promoter Group	Shareholding as on 31/03/2024	% of Total Shares	% Change during the year	Shareholding as on 31/03/2023
Anshuman Singhania Karta of Shripati Singhania (HUF)#	14,31,332	12.67%	-	14,31,332
Harsh Pati Singhania (HUF)	2,87,774	2.55%	-	2,87,774
Raghupati Singhania (HUF)	30,758	0.27%	-	30,758
Vikrampati Singhania (HUF)	2,99,815	2.65%	-	2,99,815
Chaitanya Hari Singhania	7,125	0.06%	-	7,125
Pranav Hari Singhania	7,125	0.06%	-	7,125
Shridhar Hari Singhania	7,125	0.06%	-	7,125
Hari Shankar Singhania Holdings Pvt. Ltd.	26,37,018	23.34%	-0.16%	26,55,018
Accurate Finman Services Limited	80,664	0.71%	0.05%	74,664
Sidhivinayak Trading and Investment Limited	96,362	0.85%	-	96,362
Nav Bharat Vanijya Limited	1,57,487	1.39%	0.02%	1,55,487
Pranav Investment (M.P.) Company Ltd.	16,008	0.14%	-	16,008
J.K. Credit & Finance Limited	2,12,705	1.88%	0.09%	2,02,705
JK Tyre & Industries Ltd.	11,641	0.10%	-	11,641
Param Shubham Vanijya Ltd.	1,422	0.01%	-	1,422
Sago Trading Ltd.	3	0.00%	-	3
Bharat Hari Singhania Family Trust	100	0.00%	-	100
Raghupati Singhania Family Trust	100	0.00%	-	100
Vinita Singhania Family Trust	100	0.00%	-	100
Shweta Singhania	100	0.00%	0.00%	-
Atashi Singhania	100	0.00%	0.00%	-
<b>Total</b>	<b>82,47,962</b>			<b>82,07,462</b>

**NOTES for shareholding position as on 31/03/2024:**

- (i) \*9,25,871 equity shares held by Bharat Hari Singhania includes 6,53,810 (5.79%) equity shares as Partner of M/s. Yashodhan Enterprises and 584 (0.00%) equity shares as Partner of M/s. Juggilal Kamalpat Lakshmiapat.
- (ii) \*\*16,27,910 equity shares held by Raghupati Singhania includes 6,53,809 (5.79%) equity shares as Partner of M/s. Yashodhan Enterprises.
- (iii) #14,31,332 equity shares held by Anshuman Singhania as Karta of Shripati Singhania HUF includes 6,38,000 (5.65%) equity shares as Partner of M/s. Yashodhan Enterprises.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(All amount in ₹ Lakhs, except otherwise stated)

18	Other Equity	Reserves and Surplus						Other comprehensive income	Total	
		Statutory Reserves	Capital Redemption reserve	Preference Share Redemption reserve	Security Premium	General Reserve	Retained Earnings			Remeasurements of the defined benefit obligation
	<b>Balance as at 1 April, 2022</b>	12,096.58	23.92	3,700.00	4,536.29	36,468.41	28,481.40	(17.57)	2,981.89	88,270.92
	Profit for the financial year 2022-23	-	-	-	-	-	12,185.44	-	-	12,185.44
	Other Comprehensive Income (net of tax)	-	-	-	-	-	-	(3.34)	133.37	130.03
	<b>Total Comprehensive Income</b>	-	-	-	-	-	12,185.44	(3.34)	133.37	12,315.47
	Final Dividend Paid for the FY 2021-22 @ ₹ 15 per equity share						(1,694.45)			(1,694.45)
	Transfer to Statutory Reserves	2,437.09	-	-	-	-	(2,437.09)	-	-	-
	Transfer to Preference share redemption reserve	-	-	700.00	-	-	(700.00)	-	-	-
	<b>Balance as at 31 March, 2023</b>	14,533.67	23.92	4,400.00	4,536.29	36,468.41	35,835.30	(20.91)	3,115.26	98,891.94
	Profit for the financial year 2023-24	-	-	-	-	-	11,574.78	-	-	11,574.78
	Other Comprehensive Income (net of tax)	-	-	-	-	-	-	0.11	88.07	88.18
	<b>Total Comprehensive Income</b>	-	-	-	-	-	11,574.78	0.11	88.07	11,662.96
	Final Dividend Paid for the FY 2022-23 @ ₹ 25 per equity share						(2,824.08)			(2,824.08)
	Transfer to Statutory Reserves	2,314.96	-	-	-	-	(2,314.96)	-	-	-
	Gain on sale of Equity instruments at FVOCI	-	-	-	-	-	1,319.99	-	(1,319.99)	-
	<b>Balance as at 31 March, 2024</b>	16,848.63	23.92	4,400.00	4,536.29	36,468.41	43,591.03	(20.80)	1,883.34	1,07,730.82

Notes: Nature and purpose of reserve

(i) Statutory reserve (Reserve u/s. 45-IA of the Reserve Bank of India Act, 1934 (the "RBI Act, 1934"))

Reserve is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as statutory reserve.

(ii) General reserve

Represents accumulated profits set apart by way of transfer from current year Profits or/and Retained Earnings. General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024**

(iii) Capital redemption reserve

Represents the statutory reserve created at the time of redemption of Preference Share Capital, which can be applied for issuing fully paid-up bonus shares.

(iv) Preference share redemption reserve

Represents the reserve created for utilisation of redemption of Preference Share Capital on maturity.

(v) Retained earnings

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. These reserve are free reserves which can be utilised for any purpose as may be required.

(vi) Equity instruments at fair value through other comprehensive income

The Company has elected to recognise changes in the fair value of investments in equity securities (other than investment in subsidiaries and associate) in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity.

(vii) Security premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(All amount in ₹ Lakhs, except otherwise stated)

19	Interest Income	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	<b>On Financial Assets measured at Amortised Cost</b>		
	Interest income from investments	607.55	620.22
	<b>Others</b>		
	Other interest Income	25.39	0.02
	<b>Total</b>	<b>632.94</b>	<b>620.24</b>

(All amount in ₹ Lakhs, except otherwise stated)

20	Dividend Income	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	<b>Dividend income from investments</b>		
	Dividend Income	14,297.23	13,600.17
	{include dividend from subsidiary ₹ 5,323.33 Lakhs (Previous Year ₹ 3,420.17 Lakhs) and associates ₹ 8,967.77 (Previous Year ₹ 10,169.55 Lakhs)}		
	<b>Total</b>	<b>14,297.23</b>	<b>13,600.17</b>

(All amount in ₹ Lakhs, except otherwise stated)

21	Net gain/ (loss) on fair value changes	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	On financial instruments designated at fair value through profit or loss	344.55	183.61
	<b>Total</b>	<b>344.55</b>	<b>183.61</b>
	-Realised	334.20	149.09
	-Unrealised	10.35	34.52

(All amount in ₹ Lakhs, except otherwise stated)

22	Other Income	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	Rent	683.34	737.34
	Profit on sale of Investment Property and Property,Plant & Equipments	-	2,183.16
	Miscellaneous Receipts	0.01	1.51
	<b>Total</b>	<b>683.35</b>	<b>2,922.01</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(All amount in ₹ Lakhs, except otherwise stated)

23	Finance Costs	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	<b>On Financial liabilities measured at Amortised Cost</b>		
	Interest on borrowings	597.59	1,216.90
	Interest on subordinated liabilities	458.06	441.38
	<b>Total</b>	<b>1,055.65</b>	<b>1,658.28</b>

(All amount in ₹ Lakhs, except otherwise stated)

24	Employee Benefits Expenses	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	Salaries and wages	367.63	334.01
	Contribution to provident and other funds	16.82	16.48
	Staff welfare expenses	1.42	1.15
	<b>Total</b>	<b>385.87</b>	<b>351.64</b>

(All amount in ₹ Lakhs, except otherwise stated)

25	Depreciation and amortization	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	On Property, Plant & Equipment	18.15	20.81
	On Investment Property	37.40	37.93
	On Other Intangible Assets	0.09	0.03
	<b>Total</b>	<b>55.64</b>	<b>58.77</b>

(All amount in ₹ Lakhs, except otherwise stated)

26	Other expenses	For the year ended on 31st March, 2024	For the year ended on 31st March, 2023
	Rent, taxes and energy costs	33.84	38.01
	Repairs and maintenance to Building	27.44	19.12
	Directors' Fee & Commission	150.48	116.17
	Auditor's fees and expenses		
	-Audit Fee	5.00	5.00
	-Tax Audit Fee	1.50	1.50
	-Certification\$	1.96	1.07
	-Reimbursement of expenses@	0.26	0.20
	Legal and Professional charges	23.47	13.91
	Insurance	1.31	1.52
	Donation	200.00	200.00
	Amalgamation Expenses	10.34	-
	Provisions against Standard Assets	0.01	0.01
	Property, Plant and equipment discarded	-	0.14
	Miscellaneous expenses	216.00	90.96
	<b>Total</b>	<b>671.61</b>	<b>487.61</b>

(All amount in ₹ Lakhs, except otherwise stated)

27	<b>Contingent Liabilities &amp; Commitments (As certified by the management)</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	<b>Contingent Liabilities:</b>		
	Claim against the Company not acknowledged as debts		
	<b>Income Tax in respect of matter in appeals</b>	<b>9.43</b>	<b>9.43</b>

# In respect of certain disallowances and additions made by the income tax authorities, appeals are pending before the appellate authorities and adjustments, if any, will be made after the same are finally determined. The Company has reviewed all its pending litigations and proceeding and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in its financial statement. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial position.

**28 Segment Information**

The Company is essentially a holding and investment company focusing on earning income through dividends, interest and Sale of investment held. Hence, the Company's business activity falls within a single business segment i.e. investments.

- 29 (a) JK Tyre & Industries Ltd. (JK Tyre), subsidiary of the company, consequent to allotment of equity shares to eligible qualified institutional buyer under QIP, ceased to be a subsidiary of the company w.e.f 23.12.2023 and became an 'Associate'.
- (b) The Scheme of Arrangement ('the Scheme') amongst Umang Dairies Limited ('UDL'), a Subsidiary Company, Panchmahal Properties Limited ('PPL'), a Wholly-owned Subsidiary Company and Bengal & Assam Company Limited for (a) Demerger of dairy business of UDL with and into PPL and (b) Amalgamation of residual business of UDL into and with the Company, w.e.f. 01.04.2023 (Appointed Date) has been filed with National company Law Tribunal (NCLT) Kolkata and Allahabad Bench, after receipt of No Objection from the Stock Exchanges. Hon'ble NCLT, Allahabad Bench, has ordered Meetings of Equity Shareholders and Unsecured Creditors of UDL through Video Conferencing on 3rd August, 2024 and dispensed with the Meetings of the Secured Creditors of UDL and Equity Shareholders and Creditors of PPL. Pending approval, no impact of the Scheme has been given in the results.

(All amount in ₹ Lakhs, except otherwise stated)

30	<b>Earning Per Share (EPS):</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	Net Profit after tax for the year	11,574.78	12,185.44
	Profit for Basic and Diluted Earning per share	11,574.78	12,185.44
	<b>Weighted Average Number of Ordinary Shares</b>		
	Weighted Avg. No. of Equity Shares for EPS (Face value of ₹ 10 each)	1,12,96,328	1,12,96,328
	Basic EPS (₹)	102.46	107.87
	Diluted EPS (₹)	102.46	107.87

